

TOPPAN

Sustainability Report 2024



Breathing life into culture,
with technology and heart.

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Sustainability Report 2024

Approach to Sustainability Disclosures

The annual *Sustainability Report* is a source of diverse information on the TOPPAN Group's environmental, social, and governance (ESG) initiatives as a channel for transparent, timely, appropriate, and accessible disclosures to TOPPAN stakeholders of every type, from customers and shareholders to investors and business partners. We would like the report to enhance engagement with stakeholders by deepening their understanding of our sustainability approaches and initiatives around the world. The report is posted on the website of TOPPAN Holdings Inc.

Editorial Policy

From the *Sustainability Report 2023*, the publishing entity has been changed from Toppan Inc*. to TOPPAN Holdings Inc. in accordance with the transition of the former Toppan Inc*. to a holding company structure in October 2023. The reporting period and scope and boundary of reporting are shown below.

*When mentioned in this report, the entity existing before the transition to a holding company structure is referred to as either "Toppan Inc." or "the former Toppan Inc.," in order to distinguish it from TOPPAN Inc. ("TOPPAN" in all uppercase letters), one of the operating companies established after the transition.

Period Covered

This report mainly covers activities in fiscal 2023 (from April 2023 to March 2024), though ESG information on prior and later years is also included.

Scope and Boundary

TOPPAN Holdings Inc. and its entities consolidated for accounting purposes. For details on the scope of the social and environmental performance data assured by an independent assurance provider, see "Scope of Data Coverage and List of Indicators Assured by an Independent Assurance Provider" on pages 164-165.

Publication Dates (English version)

Previous report, December 2023; Current report, December 2024;

Next report, December 2025 (planned)

Guidelines Referenced

- International Organization for Standardization (ISO) 26000 standards
- Global Reporting Initiative (GRI) Standards: The standards we have referred to are listed in the "Global Reporting Initiative Content Index" on pages 167-169.
- Sustainability Accounting Standards Board (SASB) Standards: The standards we have referred to are listed in the "Sustainability Accounting Standards Board Content Index" on page 170.
- Environmental Reporting Guidelines (fiscal 2018 version) issued by the Ministry of the Environment of Japan
- Task Force on Climate-related Financial Disclosures (TCFD) / Taskforce on Nature-related Financial Disclosures (TNFD)

Group and Company Names

The "TOPPAN Group" and "TOPPAN" ("the Group") are the collective names of the TOPPAN Group after the transition to a holding company structure. They include TOPPAN Holdings Inc. ("the Company") and its operating companies, namely, TOPPAN Inc., TOPPAN Edge Inc., TOPPAN Digital Inc., and other Group companies.

Each of the companies also has its own abbreviated designation, as follows.

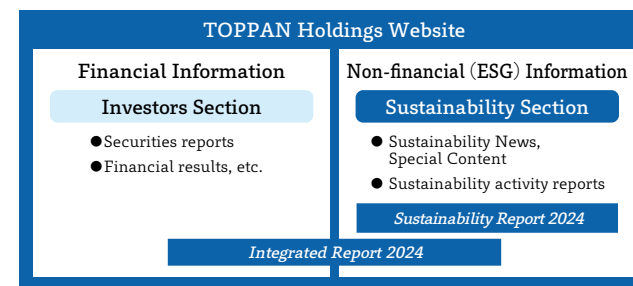
- TOPPAN Holdings Inc.: "TOPPAN Holdings"
- TOPPAN Inc.: "TOPPAN Inc." (as is)
- TOPPAN Edge Inc.: "TOPPAN Edge"
- TOPPAN Digital Inc.: "TOPPAN Digital"

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Positioning of This Report



Sustainability (website)

Visit this page to see our *Sustainability Report 2024* (PDF) and comprehensive information on our approach to sustainability and the promotion framework, activity results, and other details on sustainability initiatives.

<https://www.holdings.toppan.com/en/sustainability/>

Integrated Report 2024

Our *Integrated Report* presents both financial and non-financial information to provide a general view of our growth strategies and activities towards medium-to-long-term value creation.

<https://www.holdings.toppan.com/en/ir/material/annual.html>

Note and Disclaimer on Future Outlooks

Statements on future matters are based on our assessments at the time of publication. Actual results may differ from forward-looking statements due to shifts in social trends and other factors.

*Total values of aggregate data presented in this report may not exactly match the sum totals of individual values, as decimals are rounded up or down.

The TOPPAN Group's Purpose & Values

The TOPPAN Group has formulated "TOPPAN's Purpose & Values," a new Group philosophy comprising its "Purpose" and "Values."

The TOPPAN Group's Purpose & Values is a philosophy shared by the entire TOPPAN Group. The Group will come together to exceed the expectations of society, target further transformation, and work with all our stakeholders in aiming to create a sustainable society and enhance corporate value.

TOPPAN's Purpose & Values

Purpose

Breathing life into culture,
with technology and heart.

Values

Integrity

Act with sincerity,
build relationships on trust.

Proactivity

Think ahead,
act with speed.

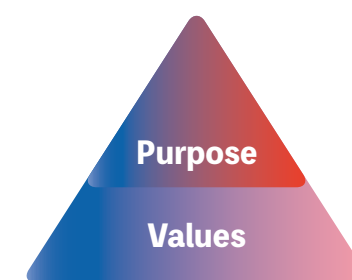
Passion

Be enthusiastic,
boldly take on challenges.

Creativity

Be imaginative,
create new value.

TOPPAN's
Purpose
& Values



Shared philosophy of the Group

Corporate philosophies,
corporate creeds,
and visions of individual
TOPPAN Group companies

TOPPAN

TOPPAN
Edge

TOPPAN
Digital

TOPPAN
Group companies

Individual company
philosophies

Conduct Guidelines

Business Fields

Shared
guidelines
of the Group

"Breathing life into culture" expresses how we have created and communicated diverse cultures by leveraging our printing technologies closely aligned to "information" and "living" through a wide range of businesses.

"Technology" expresses our strong-rooted printing technologies evolved from printing skills and our commitment to continue leveraging them to support and excite people.

"Heart" expresses the ethos we have valued for many years and represents the ability to perceive people's feelings and needs as well as the ideas and creativity born from that understanding.



Management

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Management Message



Breathing Life Into Culture

Hideharu Maro
Representative Director
President & CEO

The TOPPAN Group's Goals beyond the Transition to a Holding Company Structure

It has been a year since the TOPPAN Group adopted a holding company structure. As we approached the transition, we established TOPPAN's Purpose & Values, a new Group philosophy positioned as a guide for aligning the direction and mindset of the entire Group. Based on the thinking that people's powers of perception and innovation are the source of business growth, it is a clear statement of our commitment to working together as a group to deliver solutions to social issues on a global scale.

For the TOPPAN Group to continue contributing to society, we need to clarify what we will change and what we will not change. Since 2021, we have sought to reinvent our business portfolio based on "Digital & Sustainable Transformation." However, I do not believe we will necessarily be able to maintain the current structure of our business 10 years into the future. It is important to harness the "technology and heart" advocated by the Purpose as we cultivate new fields and respond flexibly to society's latest needs as a company that creates value for society. We also need to continue nurturing human assets that will drive those activities 10 or 20 years from now.

Efforts to Support Sustainability Management

The TOPPAN Group views human assets as vital for its business. We implement extensive educational and training programs to develop each individual's capabilities. We have also started to introduce new schemes, such as an employee stock compensation program. The combination of technology and solutions is one of the TOPPAN Group's strengths. In that sense, increasing technical human assets is an issue we need to address. We are strengthening efforts focused on human assets for digital transformation (DX), such as using diverse recruitment channels and running a job posting system for transfers within the Group. For management

and the executive level, we are creating forums for the next generation of leaders to share their honest opinions through initiatives such as the President's Strategy Office and a training program for young employees overseen directly by the president.

Bolstering the governance system is critical to sustainability management. In 2021 we enhanced the diversity of the Board of Directors by raising the proportion of independent external directors to one third. We will continue to engage in lively discussion at Board meetings to drive increases in corporate value.

Towards Further Growth

I believe that the growth of a company is determined by the vision set out by its management. Although our business model is B2B, we must always be conscious of the consumers that our customers serve and contribute to comfortable and fulfilling lives through our services and manufacturing. We need to enhance the sustainability of value creation while responding to rapid changes in society. Driving that cycle is a continuous challenge. The strengths of individuals drive the effort to take on that challenge, and the growth of a company is nothing less than the sum of the growth of each of its people.

I will continue to make every effort as CEO to ensure that the TOPPAN Group continues to be something that we can be proud of. Please look forward to further growth from the TOPPAN Group as we strive to "breathe life into culture" and respond to the expectations of all our stakeholders.

September 2024

Hideharu Maro
Representative Director
President & CEO

The TOPPAN Group's Sustainability Initiatives

Approach to Sustainability

Fundamental Spirit since Founding

Since its founding, the TOPPAN Group has based its business activities on the fundamental tenets of “respect for human beings” and “a company is its people” and contributed to society by supplying high-quality products and services to customers. Responding sincerely to our customers’ requests and providing satisfaction has enabled us to gain their trust and expand our customer base by continuing to do business with them.

Beginning life as a startup launched by a group of engineers, we always work with a spirit of enterprise to create new value by applying and evolving our “printing technologies” and by fusing and combining the various elements and strengths of our company to drive growth.

Through these activities, the TOPPAN Group strives to build good relationships with all our stakeholders, including customers and business partners, employees, investors, shareholders, and local communities, and to be a company that is trusted and respected by society.

Basic Concept for Sustainability Management Set Out in *TOPPAN VISION 21*

The TOPPAN Group has expanded its business domains by providing diverse products and services in a wide range of fields. When we marked the 100th anniversary of our founding in 2000, we established *TOPPAN VISION 21* and clarified our Corporate Structure and Business Fields. The Corporate Structure comprises the Corporate Philosophy, Corporate Creed, and Conduct Guidelines and clearly expresses our fundamental stance on sustainability

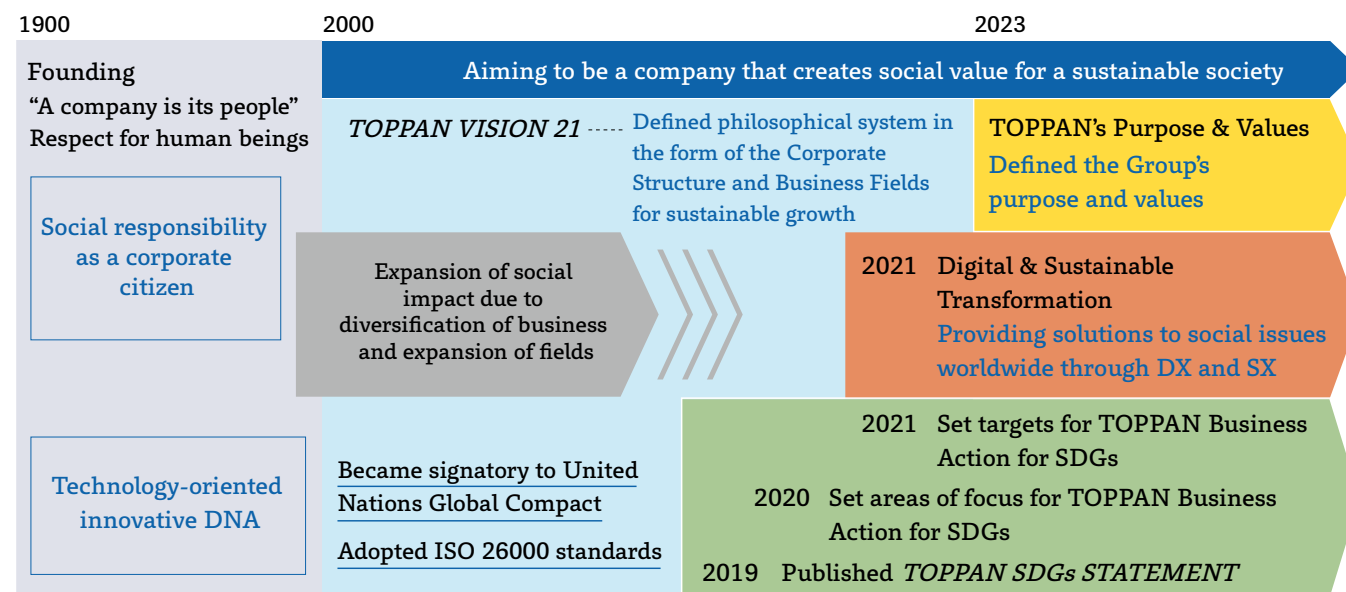
management—aiming to be a company that creates social value to shape a sustainable society. At the same time, in terms of the Business Fields, we have indicated our intention to grow the business through the interaction between our four growth fields and our five segments.

For the TOPPAN Group, expanding our business also means expanding the impact we have on society as a company. *TOPPAN VISION 21* was an important milestone in terms of reconfirming our corporate social responsibilities and clarifying our aim to be a

creator of social value.

The Corporate Philosophy, Corporate Creed, and Conduct Guidelines set out the values and approaches that the TOPPAN Group emphasizes, our vision for how employees should conduct themselves, and the direction for our business activities to take. They also clearly demonstrate our intention to address global issues, such as environmental conservation, human rights, and human assets, and to advance our business to help create a sustainable society.

The Evolution of Our Approach to Sustainability



Sustainability Management Focused on Global Goals

Following the establishment of *TOPPAN VISION 21*, we became a signatory to the United Nations Global Compact in 2006 to introduce more global concepts and guidelines. We support its Ten Principles in the four areas of Human Rights, Labour, Environment, and Anti-Corruption and have advanced activities based on them. To further clarify guidelines across all sustainability-focused activities, we adopted the standards set out in ISO 26000 in 2011.

The *TOPPAN SDGs STATEMENT* was published in 2019 as a proactive response to global social issues. While focusing on contributing to achievement of the SDGs, we defined material issues for our business and for the Group as a whole and reconfirmed the importance of providing solutions to social issues through business. In “TOPPAN Business Action for SDGs,” which was devised in 2020, we identified specific areas of focus for Business Materiality, and in 2021 we set specific target figures and gave shape to activities to achieve them.

Providing Solutions to Social Issues Worldwide through DX and SX

The TOPPAN Group is driving globalization of its business. Operations outside Japan account for 35% of sales revenue, and we have more than 150 subsidiaries overseas. This means it is imperative that we are proactive in addressing such issues as human rights and the damage caused by climate change. We aim to make a sustainable global society a reality by incorporating perspectives on numerous social issues into our business and driving solutions by creating value through our business.

In the Medium Term Plan published in 2021, we set out the key concept of “Digital & Sustainable Transformation” to accelerate these activities across the entire Group and raise corporate value by synchronizing business growth and sustainability. Based on DX and

SX, we are transforming the business portfolio and concentrating resources on growth and priority fields. In order to drive that strategy emphatically across the Group, we adopted a holding company structure in October 2023. We will aim to create value by fusing the unique strengths of TOPPAN Group companies to generate synergies and work together with a greater sense of unity to deliver solutions to social issues.

The Essence of Our Approach to Sustainability in TOPPAN's Purpose & Values

With increasing uncertainty and geopolitical risk in global society and economies, we considered our Purpose & Values based on the questions of what kind of entity we should be and what kind of action we should take as a global company. By clarifying the common “purpose” and fundamental “values” to be shared across the TOPPAN Group as a new philosophy, we will foster a sense of unity and enhance our co-creation capabilities.

The Purpose & Values indicate the enduring role and position that the TOPPAN Group should fulfill in a sustainable society. The essence of our sustainability management is breathing the life of culture into society through our business activities and contributing to people's spiritual fulfillment, going beyond fulfillment simply in material terms. In global social and economic circumstances clouded by uncertainty, we will be consistent in advancing sustainability based on this universal approach.

Promotion Structure for Sustainability Initiatives

Governance

To accelerate efforts focused on sustainability issues, the TOPPAN Group has established a Sustainability Promotion Committee chaired by the president & representative director of TOPPAN Holdings Inc. It is positioned as part of the corporate governance structure and responsible for advancing sustainability across the Group.

1) Board of Directors and Sustainability Promotion Committee
The Board of Directors of TOPPAN Holdings delegates the consideration and deliberation of sustainability-related issues for the TOPPAN Group to the Sustainability Promotion Committee. The specific activities and measures discussed at the Sustainability Promotion Committee are reported to the Board of Directors by the Management Committee, and the Board of Directors is responsible for overall decision-making on sustainability management. The Board of Directors continuously discusses, monitors, and supervises sustainability-related

activities, target setting, and progress.

2) TOPPAN Group ESG Management Promotion Committee
The TOPPAN Group ESG Management Promotion Committee is a body positioned within the Sustainability Promotion Committee. Its members are presidents and directors of TOPPAN Group operating companies, who expand upon discussions on ESG and SDG-related themes within the Group, share issues to address, and coordinate to drive solutions.

3) SDGs Promotion Project and Corporate ESG Project

Under the Sustainability Promotion Committee, we have established the SDGs Promotion Project and the Corporate ESG Project, which are cross-divisional bodies. These project teams address various individual themes while coordinating with each other.

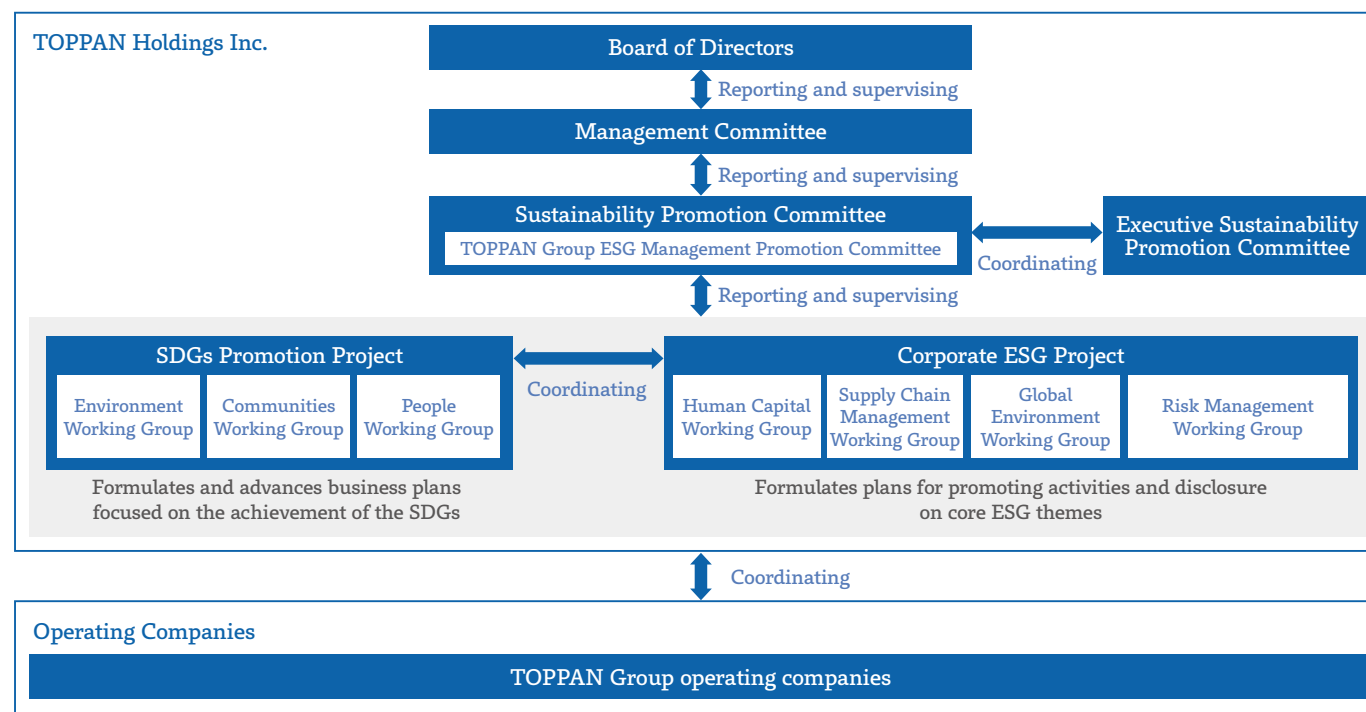
The SDGs Promotion Project primarily focuses on advancing sustainability initiatives in our business activities. It drives and monitors the progress of efforts for the themes of “Environment,” “Communities,” and “People,” the three areas of focus set out under Business Materiality in TOPPAN Business Action for SDGs.

The Corporate ESG Project is mainly responsible for sustainability issues that relate to the entire TOPPAN Group. In fiscal 2023, we formed the Human Capital Working Group, Supply Chain Management (SCM) Working Group, Global Environment Working Group, and Risk Management Working Group, which undertake projects on specific themes.

4) Executive Sustainability Promotion Committee

We have also established the Executive Sustainability Promotion Committee as a forum for discussing future sustainability issues. Directors and outside experts exchange opinions and coordinate with the Sustainability Promotion Committee to deliberate important matters.

TOPPAN Group Sustainability Promotion Structure



*as of the end of September 2024

Risk Management

Risk management for sustainability-related issues in the TOPPAN Group is incorporated into a comprehensive risk management framework promoted in collaboration with the operating companies of the Group. Under the management of the Board of Directors of TOPPAN Holdings, divisions responsible at the holding company, the relevant departments of operating companies, and the Risk Management Working Group* work together and coordinate risk management efforts.

*as of the end of September 2024

As part of efforts to reinforce the risk management framework, in October 2024 we plan to establish an independent committee to discuss risk management.

See the Risk Management section on page 141 >

The Risk Management Working Group is part of the Corporate ESG Project under the Sustainability Promotion Committee. It is led by the director in charge of risk management, composed of persons in charge of risk management in the relevant divisions, and administered by the Compliance Department of the Legal Division. It conducts an annual risk assessment and designates as “significant risks” those that are deemed to have a significant impact on the management of the TOPPAN Group.

The identification of significant risks is based on the results of assessment by the relevant departments of business divisions of Group companies under the supervision of the divisions responsible at TOPPAN Holdings. We also consider such factors as the probability of actualization in the medium to long term, frequency of occurrence, and level of impact. In addition to changes in the global social and economic environments in which the TOPPAN Group operates, when assessing significant risks, we also fully consider sustainability management perspectives encompassing various global risks. These include environmental problems prompted by climate change, increasingly sophisticated cyber-attacks accompanying the

progress of digitalization, forced labor, and other human rights issues. In fiscal 2024 we have selected 19 significant risks. These include “risks related to climate change and loss of biodiversity,” “securing human resources to support growth,” “risks related to the supply chain,” and “human rights risks.”

See the Significant Risks for Fiscal 2024 on page 143 >

Once identified, significant risks are reported to and considered by the Sustainability Promotion Committee before being reported to the Board of Directors, where they are discussed before being put forward for resolution. Significant risks are reassessed annually under the management of the Board.

To prevent potential significant and other risks from actually occurring, the divisions responsible at the holding company and the relevant departments of operating companies consider countermeasures and implement appropriate risk management aligned with business activities in Japan and overseas. Via the director in charge of risk management, the Board of Directors receives regular reports from the divisions responsible on the status of responses to risks. When risks are actualized, we respond promptly in line with our crisis management framework.

Sustainability Promotion Committee

We convened the Sustainability Promotion Committee three times, the TOPPAN Group ESG Management Promotion Committee twice, and the Executive Sustainability Promotion Committee once in fiscal 2023.

Selected Matters Discussed by Sustainability Promotion Committee

- Reports on activities of working groups in fiscal 2022
- Formulation of plans for working group activities in fiscal 2023 and reports on progress
- Discussion and selection of significant risks for fiscal 2024

- Workshops led by outside experts (Themes: risk management, sustainability management, etc.)

The main activities and challenges to address going forward for each of the projects are as follows.

Corporate ESG Project

1) Human Capital Working Group

Main activities:

- Informed parties inside and outside the Group of the TOPPAN Group Human Rights Policy and continued to conduct training for employees, including those at Group companies inside and outside Japan.
- Continued to conduct human rights due diligence on the TOPPAN Group (172 companies globally), focusing on human rights risks identified based on the TOPPAN Group Human Rights Policy.
- Confirmed items where there is potential for negative impacts on human rights, conducted onsite assessments of eight companies in Japan and one overseas to ascertain the actual situation, and implemented improvement activities.
- Analyzed responses to human rights risk surveys and provided feedback on the results of the assessment.

Challenges to address going forward:

- Promoting human rights risk mitigation and remediation and providing related information based on the results of assessments.
- Expanding opportunities for direct dialogue with individual companies through onsite assessments.
- Facilitating continuous dialogue with external organizations and making use of external assessments.

2) SCM Working Group

Main activities:

- Ensured that our business partners are fully aware of the

TOPPAN Group Sustainable Procurement Guidelines by driving a PDCA cycle of planning and selecting target business partners, requesting questionnaire responses and written declarations of agreement, checking risks, giving feedback, and rectifying issues.

- After providing explanations to procurement staff in relevant departments, identified and selected target business partners, and requested and collected written declarations of agreement and questionnaire responses via briefing sessions.
- Aggregated questionnaire responses, checked risks, and gave feedback. Conducted onsite assessments of four business partners whose activities needed to be confirmed.

Challenges to address going forward:

- Continuing, expanding the scope of, and enhancing the quality of the PDCA cycle for driving agreement with and full awareness of the TOPPAN Group Sustainable Procurement Guidelines.
- Concluding agreements stipulating observance of the TOPPAN Group Sustainable Procurement Guidelines with 90% of target business partners by the end of fiscal 2025. (Concluded with 71% in fiscal 2023)

3) Global Environment Working Group

Main activities:

- Reexamined TCFD scenario analyses, updated financial impacts, and implemented measures to address transition risks and physical risks.
- Declared support for the TNFD's final recommendations (registered as an Early Adopter). Assessed the TOPPAN Group's nature-related issues (identified priority regions and assessed dependencies and impacts).

Challenges to address going forward:

- Identifying risks and opportunities, assessing financial impacts, and formulating and promoting countermeasures.
- Enhancing disclosure in various media based on disclosure

aligned to TCFD and TNFD recommendations.

4) Risk Management Working Group

Main activities:

- Supplemented significant risks for fiscal 2023 and plans for countermeasures.
- Considered significant risks for fiscal 2024 and formulated plans for countermeasures.

Challenges to address going forward:

- Building a risk management framework that addresses changes in the external environment, such as shifts in the business environment, global risks, information security, social problems, and environmental problems.

SDGs Promotion Project

The SDGs Promotion Project monitors the progress of TOPPAN Business Action for SDGs, publishes results for each fiscal year, and assesses the feasibility of achievement of targets aligned to the Medium Term Plan and consistency between activities and selected indicators. While keeping an eye on trends in society's sustainability-related needs and the progress of the TOPPAN Group's DX and SX businesses, the project team also continually considers its future activities and new themes.

Sustainability Challenges Going Forward

We aim to be a company that drives true sustainability by delivering solutions to global challenges, such as decarbonization, the establishment of a circular economy, and preservation of biodiversity. In addition to accelerating the activities of the Corporate ESG Project and the SDGs Promotion Project, we will proactively consider efforts for new sustainability themes, including our response to the TNFD.

Under the holding company structure, we will create frameworks to lead the entire Group in advancing sustainability

management, facilitate activities at each Group company, and strengthen reciprocal collaboration.

We will continue to drive sustainability management across the TOPPAN Group, with an awareness of the importance of both activities and disclosure, and take on the challenge of delivering solutions to global social issues through our business.

Sustainability Strategy

Approach to Providing Solutions to Social Issues through Business

Based on the key concept of “Digital & Sustainable Transformation,” the TOPPAN Group aims to help shape a sustainable society and enhance corporate value as a leader in providing solutions to social issues worldwide through digital transformation (DX) and sustainable transformation (SX). In DX, we aim to transform society, our customers, and the business of the TOPPAN Group from a digital starting point, while in SX, we aim to address social issues through our business and drive management with a focus on sustainability. As part of these efforts, we are transforming our business portfolio, strengthening our management foundations, and expanding sustainability initiatives. Under the New Medium Term Plan that takes fiscal 2023 as its first year, we are advancing a transformation to increase operating profit for growth businesses, including that of DX and SX businesses, to more than half of the total in the fiscal year

ending March 2026. The planned breakdown of operating profit for growth businesses—DX (Erhoeht-X™), SX in Japan/overseas Living & Industry, and new businesses—is shown below.

*Erhoeht-X™ (“erhoeht cross”) is the concept for efforts across the TOPPAN Group to support the digitalization of society and companies and drive the digital transformation of the TOPPAN Group itself.

Growth Businesses and TOPPAN Business Action for SDGs

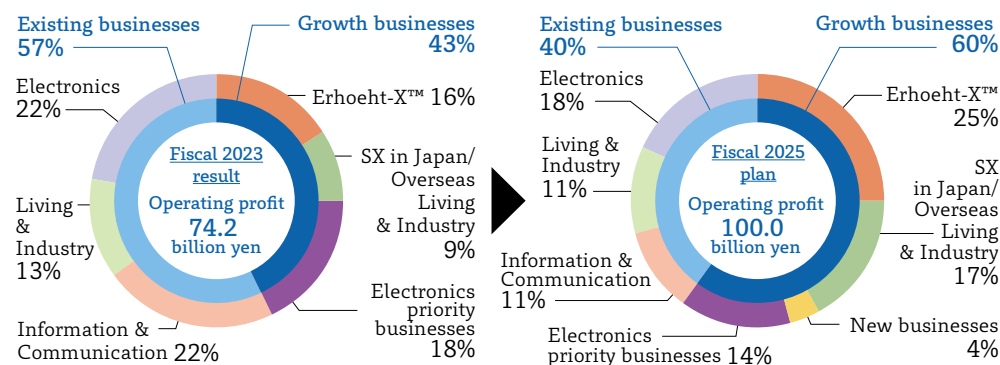
When we devised the *TOPPAN SDGs STATEMENT* in 2019, we took a long-term perspective to 2030 and set out material issues that the TOPPAN Group should focus on, grouping them into Business Materiality and Companywide Materiality. TOPPAN Business Action for SDGs, which sets out the areas of focus under the three Business Materiality themes of “Environment,” “Communities,” and “People,” has been incorporated into our Medium Term Plan. We have linked this to business portfolio transformation and set target figures as indicators aligned with each growth business.

“Percentage of packaging sales accounted for by sustainable packaging,” under the theme of Environment, is positioned as an indicator for “expanding eco-friendly products and solutions” in the Living & Industry business. “Number of services enriching people’s lives (use of platforms for the metaverse and web3 era),” under the theme of Communities, is an indicator for secure personal-data-related services in the DX business. And “number of services that contribute to health,” under the theme of People, is an indicator for solutions linked to extending healthy life expectancy in the area of new businesses.

We have also defined the themes of “environmentally friendly & sustainable production” and “employee health & job satisfaction” under Companywide Materiality as the foundation for supporting the Business Materiality themes.

We are driving this series of efforts across the Group in coordination with the key sustainability themes of climate change, human capital and diversity, human rights, and supply chains.

Breakdown of Operating Profit for Growth Businesses



*The denominator used for calculating percentages is operating profit before the deduction of adjustments.

Alignment of TOPPAN Business Action for SDGs with Growth Businesses

Environment Sustainable global environment	Communities Creation of safe, secure, enriched communities	People Empowerment and fulfillment of body and mind
Percentage of packaging sales accounted for by sustainable packaging¹	Number of services enriching people's lives² (Use of platforms for the metaverse and web3 era)	Number of services that contribute to health³
Fiscal 2023 result: 46%	Fiscal 2023 result: 24	Fiscal 2023 result: 26
Fiscal 2025 target: 50%	Fiscal 2025 target: 50	Fiscal 2025 target: 35
Fiscal 2030 target: 100%	Fiscal 2030 target: 65	Fiscal 2030 target: 50

¹ Refers to SX priority theme packaging products, paperboard and paper packaging products, and mono-material flexible packaging products. Targets are for single fiscal years.

² Refers to services using platforms for the metaverse and web3 era that handle personal data securely. Targets are cumulative figures over the years leading up to the target year.

³ Refers to services that provide added value in the healthcare field. Targets are cumulative figures over the years leading up to the target year.

Material Issues to Address

Selecting the Material Issues

To further accelerate our efforts to address social issues, in 2019 we defined the material issues on which to focus in our sustainability activities. We classify the selected issues into two categories: Business Materiality, issues of focus in our business activities, and Companywide Materiality, issues to address in Groupwide operations as a good corporate citizen.

Selection Criteria

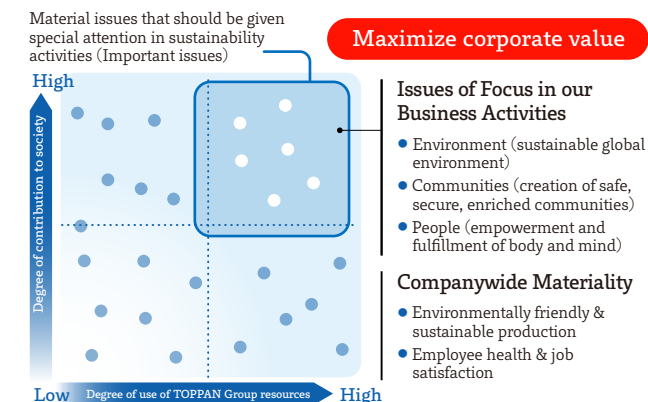
In selecting the material issues, we took as our starting point the Corporate Philosophy, Corporate Creed, and Conduct Guidelines presented in *TOPPAN VISION 21*. Along with the “markets & customers” and “technology & expertise” approaches encompassed within the Business Fields, we have also embraced the concepts underlying the SDGs, a set of long-term global development agendas. The selected material issues are pathways for contributing to achievement of the SDGs through the use of the TOPPAN Group's technologies and expertise to create new value.

Selection Process

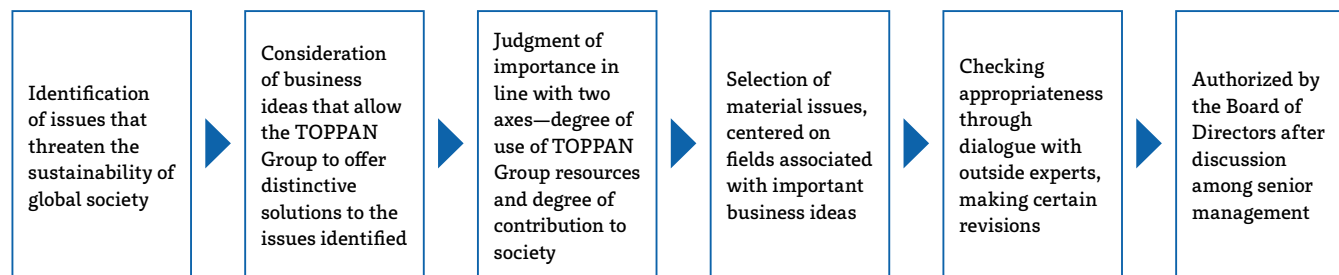
We selected the material issues based on the criteria described above by comprehensively assessing the corporate activities of the Group through discussions with relevant departments. The appropriateness of the selections was checked through dialogue with stakeholders and outside experts. Senior management reviewed the selections and finalized them with authorization from the Board of Directors. Measuring the level of importance along two axes—degree of contribution to society and degree of use of TOPPAN Group resources—we identify material issues in consideration of the mutual impacts of the Group and the environment and society (the impact

of environmental and social issues on the Group and the impact of our activities on the environment and society). The selected material issues are reviewed at least once every three years, along with the formulation of the Medium Term Plan.

Materiality Concept



Process for Selecting the Material Issues



Employee Evaluation

In the Business Division Performance Evaluation System, the TOPPAN Group has set the degree of achievement of greenhouse gas emission reduction targets as one evaluation item. This Business Division Performance Evaluation System is incorporated into evaluations that determine bonuses for business division employees, including executive officers and managers, who are responsible for the business division.

Materiality at the TOPPAN Group

	Theme	Relationship with the SDGs
Business Materiality (Issues of focus in the Group's business activities)	Environment (sustainable global environment)	   
	Communities (creation of safe, secure, enriched communities)	  
	People (empowerment and fulfillment of body and mind)	  
Companywide Materiality (Issues to address in Groupwide activities as a good corporate citizen)	Environmentally friendly & sustainable production	 
	Employee health & job satisfaction	  

Business Materiality and Companywide Materiality

We have classified the material issues into the two categories shown below to promote “fulfilling, sustainable living,” an ideal the TOPPAN Group is committed to realizing through its sustainability initiatives.



Business Materiality

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

The three Business Materiality themes are guideposts for us 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.

Companywide Materiality

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

As a solid foundation for business activities, the two Companywide Materiality themes provide a platform to support our initiatives focused on the three Business Materiality themes.

Initiatives and Accomplishments Related to Materiality

Initiatives Focused on Business Materiality

We formulated and announced “TOPPAN Business Action for SDGs” in 2020 to further accelerate initiatives focused on the Business Materiality themes. By backcasting from our vision for society in 2030, we have identified nine areas of focus where we can leverage our distinctive strengths and our unique technologies and expertise.

In 2021, we set targets for fiscal 2025 and fiscal 2030 in each of the nine areas of focus to clarify goal setting focused on the SDGs.

Overview of TOPPAN Business Action for SDGs

Environment: sustainable global environment

Recognizing environmental problems including climate change and marine plastic pollution, the TOPPAN Group engages in development and provision of products and services by leveraging its expertise in environmentally conscious manufacturing and experience in marketing promotions and in collaborative projects with large numbers of partners. These efforts, along with new business creation, are designed to lead to resource circulation and greenhouse gas emission reductions in support of a sustainable global environment so that we can continue leading lives that are just as fulfilling in 2030 and beyond.

Communities: creation of safe, secure, enriched communities

Many social challenges will impact communities in the future, including those arising from security needs as a result of digitalization as well as population decline and increasing urbanization in Japan. With advanced digital and security technology as well as advances in VR and other media development, we offer safe and convenient services optimized for local regions to support the creation of safe, secure, and enriched communities.

People: empowerment and fulfillment of body and mind

People are facing many issues today, including rising medical costs in developed countries with falling birth rates and aging societies, food shortages due to the growing world population, and challenges in educational environments due to ongoing social change. The TOPPAN Group is leveraging its strengths in development and manufacturing, including for healthcare-related services, functional packaging, and educational content, to provide services and products that support mental and physical fulfillment and

systems for companies and other organizations to support the well-being of their people. These efforts contribute to empowering and fulfilling people in body and mind.

TOPPAN Business Action for SDGs: Nine areas of focus



Risks and Opportunities in Material Issue Selection

In the material issue selection process, we consider both risks and opportunities before selecting material issues and promoting activities to address each issue.

Risk	Opportunity	Material Issue
Increased expenses due to resource depletion and waste regulations	Increased market competitiveness by development of recycling-oriented businesses	Creating a circular economy
Increased energy costs due to stricter environmental regulations	Increased market competitiveness by addressing GHG emission reductions	Decarbonizing
Products that are insufficiently environmentally friendly are removed from the market due to factors such as lack of customer demand	Increased market competitiveness by providing materials that comply with environmental laws and regulations	Expanding eco-friendly products and solutions
Sense of crisis over information leakage and growing social demand for data reliability	Increased market competitiveness of advanced security technologies for internet services	Creating a safe society in which we can be ourselves
Growing regional differences in administrative services due to the aging society and depopulation	Growing need for sustainable urban development and easily accessible administrative services	Contributing to enhanced quality of life for communities
Loss of culture and cultural heritage including human lives, society and local communities due to regional conflicts and climate change	Increased understanding and interest in the history and traditions of our own country and other countries in the world	Showcasing and preserving culture
Food crisis caused by increased world population and increased waste due to food loss	Growing demand for food products with long shelf lives	Reducing food loss to help eliminate hunger
Depletion of human capital due to loss of educational opportunities	Growing need for educational environments that are easily accessible to everyone	Creating obstacle-free educational environments
Increased medical expenses due to aging society and widening medical care gap	Growing demand to alleviate a shortage of doctors and reform their workstyle	Contributing to health through innovative healthcare services

Business Materiality: Targets and Results (Activities and targets set out in TOPPAN Business Action for SDGs)

Items in red are those where indicators have been changed or target values revised.

*Target figures marked with an asterisk are cumulative figures over the years leading up to the target year. (Other targets are for single fiscal years.)

Creating a circular economy

Percentage of barrier-technology-based packaging switched to mono-material

Fiscal 2023 2% → Fiscal 2025 15% → Fiscal 2030 30%
(overseas 6%) (overseas 30%) (overseas 50%)

Number of proofs of concept for establishing recycling schemes for packaging and sales promotion materials*

Fiscal 2023 50 → Fiscal 2025 100 → Fiscal 2030 120

Prevent pollution and destruction due to waste by driving processes from sharing and recovery to upcycling based on the 3Rs (reduce, reuse, recycle), product life extension, and material development.

Creating a safe society in which we can be ourselves

Number of services enriching people's lives*
(Use of platforms for the metaverse and web3 era)

Fiscal 2023 24 → Fiscal 2025 50 → Fiscal 2030 65

Leverage security system technologies to create environments that enable everyone to use their own data safely and provide personal data usage services that achieve both enhanced usability and privacy protection.

Reducing food loss to help eliminate hunger

Total weight of food in packaging that contributes to longer shelf lives

Fiscal 2023 240 kilotons → Fiscal 2025 300 kilotons → Fiscal 2030 400 kilotons

Reduce food loss throughout the value chain from primary industry sectors to consumers by combining functional packaging and digital transformation to extend shelf lives and optimize the balance of supply and demand.

Decarbonizing

Number of services contributing to greenhouse gas reduction*

Fiscal 2023 36 → Fiscal 2025 40 → Fiscal 2030 50

Contribute to reduction in greenhouse gas emissions and the mitigation of global warming by providing eco-friendly materials and schemes as well as solutions for energy saving and energy creation.

Contributing to enhanced quality of life for communities

Number of local authorities providing residents services optimized for the community*

Fiscal 2023 75 → Fiscal 2025 100 → Fiscal 2030 150

Take advantage of nationwide network and digital technologies to provide residents with optimal region-specific services and contribute to sustaining provincial cities.

Creating obstacle-free educational environments

Number of people whose learning we contribute to (cumulative)

Fiscal 2023 21 million → Fiscal 2025 24 million → Fiscal 2030 30 million
(Japan) (Japan)
(overseas) (overseas)
- 100 million

Create a society in which anyone can learn anywhere and anytime by providing a global platform combining educational software and translation technologies.

Expanding eco-friendly products and solutions

Percentage of packaging sales accounted for by sustainable packaging

Fiscal 2023 46% → Fiscal 2025 50% → Fiscal 2030 100%

SX priority theme sales

Fiscal 2023 119.4 billion yen → Fiscal 2025 200 billion yen → Fiscal 2030 300 billion yen

Expand TOPPAN's development of mono-material GL FILM and other eco-friendly products and solutions and ensure contribution to the environment is visible and widely recognized by establishing certification programs.

Showcasing and preserving culture

Number of archives of materials related to culture and industry*

Fiscal 2023 139 → Fiscal 2025 150 → Fiscal 2030 200

Combine experience in the fields of culture and education with cutting-edge technologies to develop solutions for preserving and passing down tangible and intangible culture and protecting the world's diversity.

Contributing to health through innovative healthcare services

Number of services that contribute to health*

Fiscal 2023 26 → Fiscal 2025 35 → Fiscal 2030 50

Contribute to longer healthy lives for people throughout the world by facilitating access to healthcare information and services transcending national or regional borders.

TOPIC Decarbonizing

Example Related to “Number of Services Contributing to Greenhouse Gas Reduction”

SmartLCA-CO₂™—Reducing the Workload for CO₂ Emission Volume Calculation with a Cloud-based Service Specifically for Packaging

To address the issue of climate change, more than 120 countries and regions have committed to the goal of carbon neutrality by 2050. To achieve this, it is becoming more important to monitor CO₂ emission volume by company and by product. A particularly pressing issue is ascertaining the Carbon Footprint of Products* (CFP) during product development and consistently driving efforts for decarbonization. The need for specialist knowledge for the calculation of carbon footprint, however, is presenting an obstacle to its implementation.

TOPPAN has harnessed experience in calculating the carbon footprint of its own packaging products over the years to develop SmartLCA-CO₂™, a cloud-based service for calculating CO₂ emissions associated with packaging products. The system allows CO₂ emission volume to be calculated simply by inputting information on the specifications of the packaging. It features robust computational logic underpinned by an extensive track record in performing calculations and is equipped with all the information required. To make the system easy for anyone to use, we have also minimized the number of items that need to be input, included information on emission intensity and other base units as standard, and added functions for coordinating with manufacturing subcontractors and suppliers. Calculated values can be used as indicators of the eco-friendliness of products, and the service envisages use as Scope 3 emission data or a component of CFP labelling. SmartLCA-CO₂ is currently used by multiple customers, mainly in the distribution, retail, and food sectors. We hope to contribute to driving sustainability activities at customers by extending it throughout the packaging market, including industries such as the FMCG and pharmaceutical sectors.

*Carbon Footprint of Products is a scheme for quantifying CO₂-equivalent greenhouse gas emissions over the entire life cycle of products and services, from raw material procurement to disposal or recycling, and displaying the information clearly on the relevant products and services.



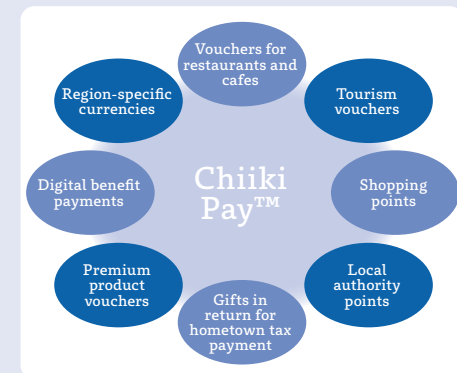
TOPIC Contributing to Enhanced Quality of Life for Communities

Example Related to “Number of Local Authorities Providing Residents Services Optimized for the Community”

Chiiki Pay™ Digital Regional Money Platform

TOPPAN supports the digital transformation of local authorities with Chiiki Pay™. The “Vision for a Digital Garden City Nation” approved by the Japanese Cabinet in 2023 targets the use of digital technologies to resolve social issues faced by local authorities and revitalize regional economies and societies. TOPPAN is also driving further implementation of digital solutions.

Chiiki Pay is a platform that enables local authorities and other organizations to operate their own payment services¹. It goes beyond simple region-specific currencies² to facilitate the digitalization of various projects to stimulate local economies, such as the provision of premium vouchers and digital benefit payments. Using Chiiki Pay to issue benefits or subsidies can also enhance convenience for users by expediting payment. A cumulative total of 45 local authorities have introduced the service as of fiscal 2023, and we have received very positive feedback from them regarding the system's stability and reliability. We aim to have the system adopted by a cumulative total of 85 local authorities across Japan in fiscal 2025.



*1 An electronic payment service that enables cashless payment.

*2 A currency for use within a specific region. Limiting the area in which the currency can be used is expected to revitalize economies and communities within the region.

Stimulating Regional Consumption by Charging with Spare Change at Home

Kami, a city in Japan's Kochi Prefecture, introduced Chiiki Pay in 2021 in response to falling consumption due to a declining and ageing population. When trying to encourage purchasing and consumption within the city using a regional currency called “kamica,” the city government experienced challenges in getting the currency firmly entrenched among members of the community. TOPPAN therefore proposed pilot testing a scheme that enabled people to charge their kamica balances with coins. Originally it was only possible to top up balances with paper currency, but the aim was to get money moving within the region and consequently stimulate the economy by making it possible for people to charge cards or apps with spare change in piggy banks and at home.

After a two-day trial in collaboration with the city government and commercial association, more than 800,000 coins had been used to charge kamica balances for a total of 7.86 million yen. As a result, TOPPAN is preparing to add charging with coins as a standard optional service from fiscal 2025.



Promotional content: “Exclusive electronic money for Kami, Kochi Prefecture. Two-days only! Charge with coins!”

TOPIC Creating Obstacle-free Educational Environments

Example Related to “Number of People Whose Learning We Contribute To (cumulative)”

Providing Every Child with Effective Learning through the Digital Textbook Business

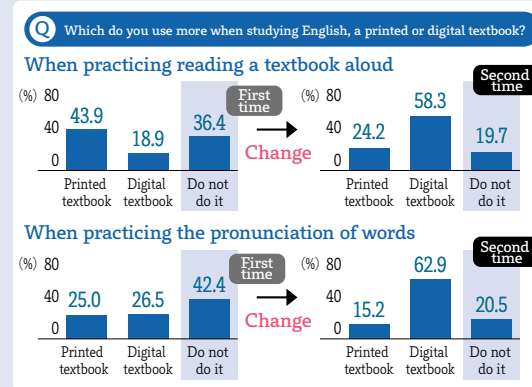
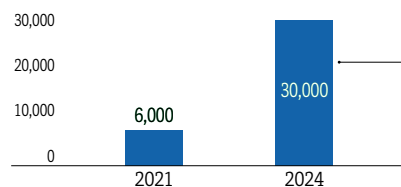
The GIGA School Project^{*1} promoted by Japan's Ministry of Education, Culture, Sports, Science and Technology is close to achieving its goal of establishing networks and providing electronic devices to every student at elementary and junior high schools throughout Japan. Digital English textbooks are being used extensively from fiscal 2024.

In addition to optimal selection of materials and instruction matched to each individual, digital textbooks are expected to reduce the workload for teachers. Functions such as zooming in and screen reading can also be useful for people who have previously had difficulty using printed textbooks. Survey results have confirmed that digital textbooks can help address various issues and positively impact academic performance.

The TOPPAN Group has been in the textbook business for more than 100 years. With a leading share of the Japanese market and links to schools and educational boards, we are developing products matched to social trends and educational needs. One example is EduHub^{*2}, a textbook portal integrating platforms operated by various publishers.

The scope of educational DX and the number of subjects

Number of Schools Using Digital Textbook Platform



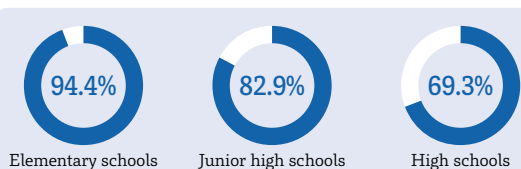
covered are expected to expand. The TOPPAN Group will harness its strengths to increase services and address social issues.

^{*1} GIGA School Project: A project proposed by Japan's Ministry of Education, Culture, Sports, Science and Technology in 2019. It aims to provide a digital device to every school student in Japan and ensure high-speed, high-capacity communication networks.

^{*2} EduHub aims to facilitate educational DX by integrating various services into a single portal using digital textbooks to expand the possibilities of learning.

EduHub (in Japanese) >

<https://eduh.jp/>



TOPIC Contributing to Health through Innovative Healthcare Services

Example Related to “Number of Services that Contribute to Health”

Contributing to Sustainable Healthcare by Supporting Changing Work Styles for Doctors with DICTOR™

Doctors' work styles have been changing in Japan in recent years as part of an effort to create a sustainable healthcare system that ensures the quality and safety of medical care. To shorten working hours, some tasks are being shifted to or shared with other healthcare professionals. One of these tasks is obtaining informed consent from patients. Explanatory videos have been introduced to enhance the efficiency of the process, but it is difficult to handle on a case-by-case basis for individual healthcare professionals or patients and the videos are expensive to produce.

TOPPAN and Hokkaido University Hospital have therefore collaborated to develop DICTOR™, a service that supports informed consent. The DICTOR service has been made available to medical institutions throughout Japan since July 2024. Healthcare professionals register their voice and face in advance and then input the explanation in text form. A video with a digital clone of the healthcare professional is then generated. Development of the service leveraged TOPPAN's expertise in avatar generation technology*, customer management, system construction, and secure management of databases for IDs and other data. We were able to confirm positive impacts at multiple medical facilities, indicating the service is potentially useful for facilitating task shifting and sharing. For example, when the videos generated were shown to patients before a face-to-face explanation, the time required for the face-to-face explanation was shorter than it had been before DICTOR was introduced and the level of understanding was greater.

^{*MetaClone™ Avatar}: A service for the automated generation of photorealistic 3D avatars in a short time from a picture of someone's face. Combining AI and 3D reconstruction technology makes it possible to provide avatars matched to a range of uses.



DICTOR™ user interface for doctors



Results of second pilot test. Extract from press release. (in Japanese)
https://www.holdings.toppan.com/ja/news/2024/07/newsrelease240717_1.html

Companywide Materiality: Targets and Results

Environmentally Friendly & Sustainable Production

- See the TOPPAN Group Environmental Vision 2050 on page 91 >
- See the TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030 on page 91 >

We engage in efforts throughout the value chain including the supply chain, based on the TOPPAN Group Environmental Vision 2050, which defines long-term efforts for global environmental issues aiming to realize a sustainable society, and on the TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030.

● Contributing to Decarbonization

We contribute to decarbonization primarily through rationalization of energy use and energy management, along with proactively using and promoting the widespread use of renewable energy, aiming to achieve net zero greenhouse gas (GHG) emissions for Scope 1 & 2 and Scope 3 emissions by fiscal 2050.

Metrics	Fiscal 2022 Results	Fiscal 2023 Results	Fiscal 2030 Targets
Scope 1 and 2 GHG emission reduction (compared to the fiscal 2017 level)	Reduced by 28.2% (Renewable energy ratio of 1.2%)	Reduced by 32.7% (Renewable energy ratio of 2.5%)	Reduce by 54.6% (Renewable energy ratio of 25%)
Scope 3 GHG emission reduction (compared to the fiscal 2017 level)	Reduced by 13.3%	Reduced by 17.3%	Reduce by 54.6%

● Preserving Biodiversity

For the sustainable use of natural resources, we are working towards the targets of reducing threats to biodiversity and protecting 30% of the world's land and waters, aiming for co-existence with nature that both conserves the rich natural environment and enables social and economic activity.

Metrics	Fiscal 2022 Results	Fiscal 2023 Results	Fiscal 2030 Targets
Confirmation of legality of procurement of raw materials of paper	100% ^{*1}	100% ^{*1}	100% in fiscal 2025
Percentage of site area conserved as regions in which humans coexist with nature ^{*2}	4%	4%	10%

^{*1} TOPPAN Inc.

^{*2} Based on the site area of TOPPAN Inc. and subsidiaries with manufacturing facilities

● Contributing to Resource Circulation

We position the formation of a circular economy as a critical challenge for management and aim for zero waste emissions by fiscal 2050 through reducing waste generated in business activities and reusing and recycling the waste that is generated.

Metrics	Fiscal 2022 Results	Fiscal 2023 Results	Fiscal 2030 Targets
Final landfill waste disposal (compared to the fiscal 2017 level)	Reduced by 15.6%	Reduced by 43.4%	Reduce by 60%
Waste plastic material recycling rate (compared to the fiscal 2017 level)	Decreased by 7%pt.	Decreased by 6%pt.	Increase by 9%pt.

● Optimal Water Use

Safe water is a necessary resource in production activities and biodiversity conservation, and the TOPPAN Group engages in water conservation activities and wastewater pollution prevention activities at operational sites in areas experiencing high water stress to contribute to improved water quality by realizing optimal water use and preventing water pollution.

Metrics	Fiscal 2022 Results	Fiscal 2023 Results	Fiscal 2030 Targets
Number of sites with high water risk (seven sites) ^{*1} at which water withdrawal reduction targets are achieved	-	0% (0 sites) ^{*2}	50% or more (4 sites)
Cases of action taken by authorities due to exceeding regulatory threshold values	-	0	0

^{*1} Sites with water stress in excess of 40%

^{*2} Risk assessment method currently under review

Environmental Policy >

<https://www.holdings.toppan.com/en/sustainability/environment/>

TOPIC Contributing to Decarbonization

Example Related to “Scope 1 and 2 GHG Emission Reduction”

| Harnessing an Internal Carbon Pricing System to Drive Investment in Decarbonization

The TOPPAN Group is addressing climate change and other global environmental issues by advancing activities based on the net zero targets for Scope 1, 2, and 3 GHG emissions in the TOPPAN Group Environmental Vision 2050.

To further accelerate activities, we introduced an internal carbon pricing system^{*1} (ICP) in fiscal 2023. Towards the achievement of the Environmental Vision, the Group is focusing efforts on reduction activities centered on energy-saving measures and the procurement of low-carbon and renewable energy^{*2}. As we do this, we believe that we will be able to more appropriately implement priority investments in measures that are highly effective in reducing CO₂ by using ICP in decision-making on low-carbon investment and countermeasures from a long-term perspective.

In fiscal 2023, we installed solar power generation equipment at the Nagoya Plant of TOPPAN Inc. and the Mikkabi Plant of Toppan Packaging Products Co., Ltd. Both were put into operation in February, and we expect to be able to reduce CO₂ emissions by using the energy generated within the plants.

Overview of Solar Power Generation Equipment

Site	Scale/Area	Projected Annual CO ₂ Emission Reduction
Mikkabi Plant, Toppan Packaging Products Co., Ltd. (Hamamatsu, Shizuoka Prefecture)	985 m ²	-103 t-CO ₂ e
Nagoya Plant, Chubu Division, TOPPAN Inc. (Nagoya, Aichi Prefecture)	430 m ²	-42 t-CO ₂ e



Nagoya Plant



Mikkabi Plant

^{*1} Internal carbon pricing: A mechanism by which businesses set and use carbon pricing internally to drive low-carbon investment and related measures. Companies quantify climate change risk by assigning a cost to each ton of CO₂ emissions based on their own criteria. Using internal carbon pricing as a benchmark for investment decisions makes it possible to accelerate investment in low-carbon equipment and energy saving to contribute to a decarbonized society.

^{*2} See the Transition Plan for Carbon Neutrality by 2050 on page 92

TOPIC Preserving Biodiversity

Example Related to “Percentage of Site Area Conserved as Regions in which Humans Coexist with Nature”

| Contributing to Achievement of the 30by30 Targets through Nationally Certified Sustainably Managed Natural Site

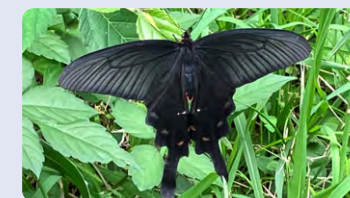
Efforts focused on the 30by30 target^{*1} are essential for achieving a nature-positive society that stems loss of biodiversity and enables its recovery. In Japan, the formulation of OECMs^{*2} is being advanced, and in October 2023 the Ministry of the Environment recognized the TOPPAN Group's first Nationally Certified Sustainably Managed Natural Site. Areas in which efforts to preserve biodiversity are undertaken by the private sector are certified by the Japanese government and registered as OECMs on a global database. The TOPPAN Group has obtained certification for a green space including a biotope within the grounds of the TOPPAN Technical Research Institute (Sugito, Saitama Prefecture, Japan).

The biotope aims to be a waterside environment in which the *Aquatica lateralis* firefly (designated as a near threatened species by Saitama Prefecture^{*3}) can naturally thrive, and we are conducting activities to nurture and preserve near threatened species on the Ministry of the Environment's Red List as well as rare local plant species brought from the waters of the Edo River. The space was certified in recognition of maintenance and conservation of grass environments inhabited by rare species.

With one of our of Medium-and-Long-Term Environmental Targets for Fiscal 2030 being to “contribute to the conservation of regions in which humans coexist with nature both inside and outside the Group, covering an area equivalent to 10% of the area of manufacturing sites^{*4},” the TOPPAN Group will continue to drive the preservation of native species and rare plant species at its operational sites and surrounding areas and work to conserve green spaces in which large numbers of living organisms can thrive.



View of the biotope from above



Byasa alcinous butterfly photographed in the green space

^{*1} Target of protecting or conserving at least 30% of Japan's land and sea areas as healthy ecosystems by 2030

^{*2} Acronym of Other Effective area-based Conservation Measures

^{*3} From *Saitama Prefecture Red Data Book: Animals 2018* (fourth edition)

^{*4} Based on the site area of TOPPAN Inc. and subsidiaries with manufacturing facilities

Employee Health & Job Satisfaction

Looking to business portfolio transformation as a priority measure for the medium to long term, we are focusing on driving the DX business, expanding the Living & Industry business overseas (SX business, global business development), and creating new businesses. Recognizing the recruitment and development of human assets to support this as a critical challenge for management, we are investing in human assets to contribute to medium- to long-term value creation for the Group and implementing a range of human resource measures.

● Building a Human Asset Development Program

We are working on recruitment and development of human assets to support business portfolio transformation by implementing programs to develop diverse human assets and achieve intra-Group mobility of human assets. We are also implementing programs to develop management human assets who will lead us in the future.

Metric	Fiscal 2022 Result	Fiscal 2023 Result	Fiscal 2030 Target
Number of employees (human assets) engaged in Erhoelt-X™	4,300	5,223	6,000


● Promotion of Diversity & Inclusion

We place importance on diversity and inclusion that leverages our differences as drivers of change. We promote women's advancement in the workplace and efforts for gender diversity and implement measures to support employees balancing work with childcare or nursing care.

Elimination of Gender Disparities

Metric	Fiscal 2022 Result	Fiscal 2023 Result	Fiscal 2025 Target
Percentage of women in management*	12.2%	12.3%	14.7%

*Entire TOPPAN Group, including overseas

Metrics	Fiscal 2022 Results		Fiscal 2023 Results		Fiscal 2030 Targets
Ratio of male and female employees working as managers and supervisors ^{*1}	Female 0.74 : Male 1.00		Female 0.81 : Male 1.00		Eliminating gender disparities
Percentage of eligible male employees taking childcare leave ^{*2}	72.9%		88.6% 		80.0%
10-year retention rate by gender ^{*3}	Female 0.87 : Male 1.00	Fiscal 2011 hires Female 0.75 : Male 1.00	Female 1.00 : Male 1.00	Fiscal 2012 hires Female 0.86 : Male 1.00	Eliminating gender disparities
		Fiscal 2012 hires Female 0.86 : Male 1.00		Fiscal 2013 hires Female 0.95 : Male 1.00	
		Fiscal 2013 hires Female 0.95 : Male 1.00		Fiscal 2014 hires Female 1.24 : Male 1.00	

*1 At TOPPAN Inc., percentages of employees working as managers and supervisors, out of all current employees recruited as regular hires from 2005 to 2014 (as of March 31, 2024). Difference between proportions for female managers/supervisors and male managers/supervisors when value for male managers/supervisors is set as 1.00.


*2 At TOPPAN Inc., a percentage calculated by dividing the number of male employees who took childcare leave in fiscal 2023 by the total number of male employees with children born from April 2023 to March 2024. (The method for calculating this percentage is based on the applicable Japanese act requiring disclosure of the percentage.)

*3 At TOPPAN Inc., calculated the average 10-year retention rates by gender for regular hires from fiscal 2012 to fiscal 2014 (new graduates from technical colleges, universities, and graduate schools). Difference between rates for male and female employees when value for male employees is set as 1.00.

Support for Employees with Children

Metrics	Fiscal 2022 Results	Fiscal 2023 Results	Fiscal 2030 Targets
Participation rate in Hagukumi Art Salon*	15.2%	13.6%	45.0%
Attendance rate of managers in Hagukumi Seminar*	75.8%	75.1%	100%
Participation rate in Hagukumi Circle*	11.4%	9.3%	10.0%

*TOPPAN Inc. standalone

 More information on Diversity & Inclusion, including Hagukumi Art Salon initiatives >

<https://www.holdings.toppan.com/en/sustainability/social/diversity.html>

● Employee Well-being

To ensure human assets with diverse capabilities and careers, we have introduced an original job-based personnel system and design new programs that harmonize gains in corporate value and employee motivation. We also implement measures to promote the health of employees and their families and programs to improve the physical and mental condition of each employee.

Employee Engagement

Metrics	Fiscal 2022 Results	Fiscal 2023 Results	Fiscal 2025 Targets
Engagement score* (compared to fiscal 2021)	0.8-point improvement	0.3-point improvement	5.0-point improvement
Health risk value* (compared to fiscal 2021)	1.0-point improvement	1.0-point improvement	6.0-point improvement
Condition risk determination* (compared to fiscal 2021)	1.5-point worsening	2.2-point improvement	4.0-point improvement

*Consolidated TOPPAN Group companies in Japan

Prevention of Serious Illness

Metrics			Fiscal 2022 Results	Fiscal 2023 Results	Fiscal 2030 Targets
Employees	Risk of serious illness*	Obesity risk	27.9%	28.0%	20.0%
		High blood pressure risk	10.8%	10.8%	8.0%
		Diabetes risk	10.9%	10.3%	8.0%
		Lipid risk	30.1%	28.7%	28.0%
	Medical examinations*	Gynecological screening rate	78.4%	78.7%	75.0%
Families	Medical examinations*	Family health checkup rate	84.3%	83.5%	95.0%

*TOPPAN Inc. standalone

🌐 Employee Health & Safety / Work-Life Balance >

<https://www.holdings.toppan.com/en/sustainability/social/health.html>

TOPIC Building a Human Asset Development Program

Example Related to “Number of Employees Engaged in Erhoeht-X™”

| Developing DX Human Assets to Drive the Growth Business of Erhoeht-X™

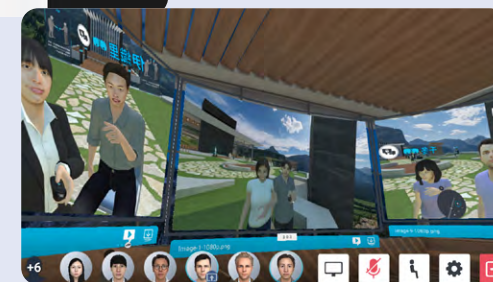
To expand the Erhoeht-X™ business, the TOPPAN Group has set a target in its Medium Term Plan to develop 6,000 people as DX human assets by fiscal 2025. As part of those efforts, we are driving acquisition of Amazon Web Services (AWS) certification*. In fiscal 2023, we also held AWS certification training and exams as part of training for new recruits (of which 276 passed), pushing the number of qualified personnel within the Group to more than 2,000. We are putting in place environments that enable employees to acquire the necessary skills themselves by using methods such as online learning platforms and content that uses VR goggles to spark interest in DX, cultivate a desire to learn, and enhance job satisfaction.

*A qualification that demonstrates that an individual possesses knowledge and skills related to AWS, a cloud service used globally.

📖 See the Fostering Human Assets Active in the DX Arena on page 34 >



An online seminar for employees aiming to acquire AWS certification



Training in a metaverse space for new recruits

Progress in the TOPPAN Group's Sustainability Initiatives

2011

Embraced the ISO 26000 standards

- Guidance on sustainability activities

2009

TOPPAN Group Declaration
on the Global Environment

2006

Became a signatory to the
United Nations Global Compact

- Guiding principles for sustainability activities

2000

TOPPAN VISION 21

- Defined Corporate Structure and Business Fields

Growing into a truly sustainable corporation

2014

TOPPAN Group CSR
Procurement Guidelines
(second edition)

2019

Announced support
for TCFD
recommendations

- Enriched climate change-related information disclosure

*TOPPAN SDGs
STATEMENT*

- Selected material issues for business activities and Companywide operations

2021

TOPPAN Group
Environmental Vision 2050

TOPPAN Group
Human Rights Policy

2020

TOPPAN Business
Action for SDGs

- Identified nine areas of focus pertinent to Business Materiality and set out future activities

2021

Set targets for TOPPAN
Business Action for SDGs

- Set fiscal 2025 and fiscal 2030 targets for the nine areas of focus

2023

Revised TOPPAN Group
Environmental Vision 2050

Defined TOPPAN's Purpose & Values

2022

Revised the CSR
procurement guidelines
into the TOPPAN Group
Sustainable
Procurement Guidelines

2024

Announced
support for TNFD
recommendations

- Enriched information disclosure related to natural capital and biodiversity

2000

2006

2009

2011

2014

2019

2020

2021

2022

2023

2024

Shaping TOPPAN's
Business Fields

Five approaches
in business

Reshaping the Business Fields

Markets &
Customers Four
growth fields

Technology &
Expertise Five
segments

SDGs

Accelerating DX and SX initiatives
Transforming the business portfolio

Transition to holding
company structure

A corporation that creates social value

A leading provider of solutions for social issues worldwide through DX and SX

Social

- P. 25 Human Rights
- P. 31 Human Assets
- P. 47 Diversity & Inclusion
- P. 54 Employee Health & Safety /
Work-Life Balance
- P. 60 Supply Chain Management
- P. 68 Research and Development
- P. 71 Intellectual Property
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- P. 78 AI Ethics
- P. 79 Engagement
- P. 83 Social Contribution Activities



Human Rights

Basic Approach

Approach Policy

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

We continue to operate our business under the foundational tenet of “respect for human beings.” A TOPPAN Group Human Rights Policy based on this tenet was formulated in October 2021. Respect for human beings, or more specifically respect for human rights, is required as the first behavioral norm set under the TOPPAN Group Conduct Guidelines. Basic Principle 1 of the guidelines includes protecting individual dignity, prohibiting discrimination and harassment, prohibiting child labor and forced labor, and promoting diversity and inclusion.

We have also been taking measures to avoid human rights violations that might adversely affect the lives of people living near Group sites in the course of business. Our environmental conservation initiatives, for example, are promoted based on the TOPPAN Group Declaration on the Global Environment and the Basic Policy on Biodiversity.

Supporting Human Rights Principles under the UN Global Compact

TOPPAN has been participating in the United Nations Global Compact and therefore supporting its six principles of human rights and labour since 2006.



TOPPAN Group Human Rights Policy

From our very beginnings, we have leveraged our printing technologies to provide solutions to wide-ranging social issues in an unstinting effort to transcend the boundaries of the printing business by responding to the needs of people and of the times. The underlying tenet for these endeavors is respect for human beings. The TOPPAN Group Human Rights Policy is an expression of our commitment to respecting human rights across Group operations as TOPPAN grows as a creator of social value.

The Structure of the TOPPAN Group Human Rights Policy

- | | |
|--|---|
| 1. Our Approach to Human Rights | 6. Stakeholder Engagement |
| 2. Scope of Application | 7. Remedy |
| 3. Compliance with Applicable Laws and Regulations | 8. Education and Training |
| 4. Responsibility to Respect Human Rights | 9. Management Responsibility for Human Rights |
| 5. Human Rights Due Diligence | 10. 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

More details on the TOPPAN Group Human Rights Policy >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/human-rights-policy.html>

Promotion Framework

Framework

TOPPAN has established a Groupwide framework for promoting human rights initiatives led by the Human Capital Working Group under the supervision of the Corporate ESG Project, a cross-divisional team that drives sustainability activities under the Sustainability Promotion Committee chaired by the president & representative director. The Board of Directors supervises key human rights efforts, while the head of the Personnel & Labor Relations Division oversees their implementation. The Personnel & Labor Relations Division, Manufacturing Management Division, and Legal Division steer day-to-day human rights activities in collaboration with related departments throughout the Group.

More details on the Corporate ESG Project (see page 10) >

Human Rights Due Diligence

Approach Activity results, performance data

TOPPAN supports the United Nations Guiding Principles on Business and Human Rights and recognizes the need for due diligence to ensure human rights. We have clarified and evaluated human rights risks in the printing industry and identified five risks specific to us, in accordance with the recently formulated TOPPAN Group Human Rights Policy.

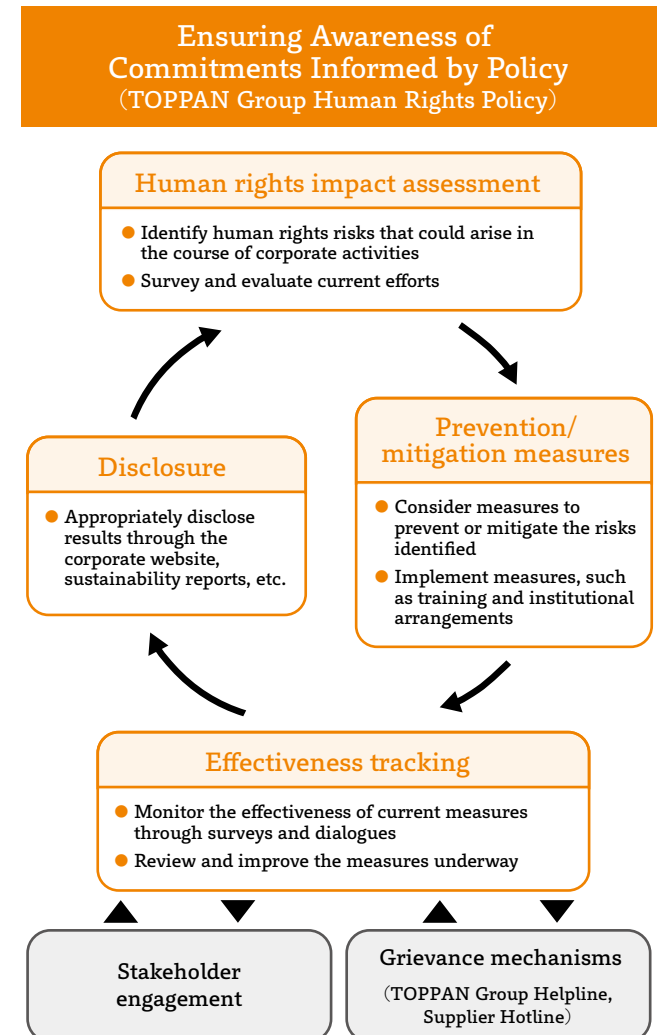
In fiscal 2023 we assessed our stakeholders with a focus on the five risks identified. The human rights risks at 72 Group companies in Japan and 100 Group companies overseas were analyzed based on written reports issued by those companies. Onsite assessments, meanwhile, were performed to investigate

the actual human rights situations in eight Japan-based companies and one company overseas. We also organized onsite assessments of business partners in the supply chain based on the results of self-assessment questionnaires we asked them to complete. Group companies and business partners were provided with feedback on issues with higher risk potential and proposals on risk mitigation and corrective measures. The Board of Directors and the Sustainability Promotion Committee deliberated future initiatives based on the assessment results.

TOPPAN continued to participate in the Human Rights Due Diligence Working Group and the Human Rights Education Working Group organized by the Global Compact Network Japan, in fiscal 2023. We have gained a comprehensive view of the human rights issues faced in Japanese and international

societies and the initiatives launched by companies at the forefront of human rights efforts.

Human Rights Due Diligence Process












Identifying Human Rights Risks in the Printing Industry

Human Rights Issue	TOPPAN Employees	Supply Chain	Customers	Users	Communities
Forced labor / Human trafficking	Medium	High	—	—	—
Child labor	Low	Low	—	—	—
Discrimination	High	High	—	—	—
Inhumane treatment	Medium	High	—	—	—
Freedom of association Right to collective bargaining	Low	High	—	—	—
Working hours	Low	High	—	—	—
Wages	Low	High	—	—	—
Right to privacy	High	High	High	High	—
Ethical/responsible marketing	—	—	Low	Low	—
Freedom of expression	—	—	High	Medium	—
AI and human rights	—	—	Low	Low	—
Product safety and quality	—	—	Low	Low	—
Health of local residents	—	—	—	—	Medium
Sanitation of soil, water, etc.	—	—	—	—	Medium
Rights of Indigenous people	—	—	—	—	Low

*We have categorized human rights issues by prioritizing human rights risks as they relate to the characteristics of our businesses, competitor trends, and international human rights standards. Five core human rights risks facing us have been identified through the process: the four risks shown above in red and "human rights governance across the Group" (not shown in the list).

Results of Human Rights Due Diligence

Fiscal 2023 Human Rights Risk Assessment at the TOPPAN Group

	Japan	Overseas
Assessment targets	72 companies	100 companies
Assessment period	July to December 2023	October 2023 to March 2024
Assessment method	Assessment using a human rights risk questionnaire	
Assessment content	4 categories, 22 sections, 149 questions	
	1. Basic Information	2. Human Rights Due Diligence System
	1A. Company basic information	2A. Due diligence system 
	1B. Business related information	2B. Dissemination of human rights policy
	1C. Employee information	2C. Performance of human rights related training
	1D. Contractor information	
	1E. Certifications and participation in initiatives	
		3. Addressing Human Rights Issues
		3A. Forced labor and human trafficking 
		3B. Child labor 
		4. Management
		4A. Stakeholder engagement
		4B. Internal reporting channels
		4C. External grievance mechanism
		4D. Supply chain management
		3D. Payment of an appropriate wage
		3E. Prohibition of discrimination 
		3F. Prohibition of inhumane treatment 
		3G. Freedom of association and the right to collective bargaining 
		3H. Right abuses in local communities
		3I. Ensuring safe and healthy workplaces for all employees 
		3J. Privacy 
	*Red Flags() indicate significant risk factors and the non-implementation of risk mitigation measures for five areas of the core ILO labor standards (forced labor, child labor, discrimination, freedom of association and right to collective bargaining, and occupational health and safety) and the five human rights issues identified by TOPPAN (forced labor and human trafficking, discrimination, inhumane treatment, right to privacy, Groupwide human rights governance).	
Result (Overall evaluation)	• No significant risks requiring urgent actions were identified, and year-on-year improvements in risk control were confirmed.	• No significant risks requiring urgent actions were identified, and year-on-year improvements in risk control were confirmed.
Results (Human rights due diligence system)	• Particular improvements in addressing insufficiencies in the human rights risk management system covering the supply chain were confirmed. • Improvements in organizing human rights training were confirmed.	• Improvements in the internal system for human rights risk management were confirmed, although insufficiencies in supply chain management were a remaining concern. • Improvements in organizing human rights training were confirmed.
Results (Addressing human rights issues)	• Insufficient occupational safety and health management was a remaining concern. • Multiple incidents of harassment, etc. were reported in the previous year, but appropriate measures (incl. disciplinary measures) were reliably taken at the time of occurrence.	• Insufficient occupational safety and health management was a remaining concern. • Privacy risks are prevalent in many companies that operate businesses requiring the handling of personal information of customers, though comprehensive risk mitigation measures have been reliably implemented.
Results (Management)	• Improvements in addressing insufficient communication with external stakeholders were confirmed, though continuous efforts for further improvements will be required going forward. • Failures in fully informing business partners of Group policies and in sufficiently assessing human rights risks in the supply chain were pointed out as concerns.	• Insufficient communication with external stakeholders was a remaining concern. • Insufficient establishment of an external grievance mechanism was a remaining concern. • Failures in informing business partners of Group policies and in assessing human rights risks in the supply chain were a remaining concern.

Follow-up Assessments

No significant risks requiring urgent actions and no violations of local laws/regulations or international norms were identified in a detailed analysis of the human rights risk assessment carried out in the previous year. Based on the analysis results, we have selected Group companies that appear to be at a higher risk of negatively impacting human rights. The following countermeasures were implemented during fiscal 2023 at eight designated companies in Japan and at one company overseas. TOPPAN will continue to address the identified issues in fiscal 2024.

	Japan	Overseas
No. of sites	8 companies	1 company
Assessment period	October-December 2023	March 2024
Assessment methods	Onsite assessment, etc.	Onsite assessment, etc.
Concerns	1) Insufficiencies in the human rights management system covering the supply chain 2) A failure to implement sufficient human rights training in some companies	1) Insufficient occupational safety and health management in some areas 2) Insufficient information security management in some areas 3) Insufficient dissemination of the internal reporting system
Mitigation and corrective measures	1) Guidance to the companies on the reinforcement of their human rights management systems through the provision of information on the supply chain management system implemented at TOPPAN Holdings 2) Reinforced human rights training; Groupwide dissemination of training programs	1) Guidance on taking immediate countermeasures for the issues identified 2) Information on best practices in information security management; guidance on how to implement them 3) Guidance on the implementation of employee training

Grievance Mechanism

Upon detecting a negative human rights impact caused or worsened by the business activities of the Group, TOPPAN will work to remedy the issue through appropriate means. If the negative impact is found to be directly linked to our corporate activities through business relationships, we will work with the relevant stakeholders to fulfill our role in remediation.

The TOPPAN Group Helpline has been established as an internal reporting system to be used by Group employees when an infringement of human rights is suspected or discovered. We also operate a Supplier Hotline open to business partners for the anonymous reporting of related matters.

 More details on the TOPPAN Group Helpline (see page 151) >

 More details on the Supplier Hotline (see page 63) >

Human Rights Training and Harassment Prevention

Training, education

TOPPAN organizes diverse forms of human rights training for Group employees based on a fundamental ethos of respect for human beings.

While new managers and supervisors have been given training on human rights issues focused on harassment prevention for some time, we have also introduced a program for the prevention of workplace harassment covering all Group employees (under the harassment prevention agreement reached with the Toppan Printing Labour Union in April 2020). Personnel & labor relations departments across the Group, meanwhile, have set up consultation desks to manage workplace harassment. The departments train counselors on methods to prevent harassment and strictly deal with every case. If any form

of harassment comes to light, the departments will investigate the case appropriately, mainly through interviews with the parties involved, and strive to resolve the matter promptly through measures such as corrective or disciplinary actions against the persons responsible.

The Conduct Guidelines Promotion Leaders also present case studies on human rights issues as a means of disseminating the Conduct Guidelines at their assigned workplaces and enhancing the understanding of human rights across the Group.

Labor Rights

Approach System Activity results, performance data

Labor-Management Initiatives for Human Rights

TOPPAN undertakes various labor rights measures based on a basic policy arising from an agreement reached through consultation with the labor union and other stakeholders.

The agreement promotes stable labor-management relations, maintains and improves working conditions, and secures the corporate concord by establishing a fundamental approach between labor and management, the rules governing union activities and labor-management negotiations, and employment conditions pertaining to wages, working hours, etc.

Developing Appropriate Working Conditions

TOPPAN convenes labor-management committees every month to review the actual working hours of employees and discuss measures to regulate them at each Group site. The committees check and take steps to ameliorate cases of long working hours occurring either chronically or over extended periods. The measures for reducing overtime work range from direct communications, such as the sending of alerts to employees and

their superiors through our work management system, to environmental adjustments, such as scheduled shutdowns for PCs and office lighting.

We also strive to adapt to the “new normal” in the post-pandemic world and develop appropriate working conditions that support the autonomy of individual employees on all fronts. Smart work and remote work systems have been introduced throughout the Group, along with smart devices that can be used in the same ways inside and outside of office environments.

Securing Occupational Safety and Health

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 framework of the Group. TOPPAN organizes safety training for all Group employees, both regular and contract hires, as prescribed by the Basic Policy on Safety, Health, and Fire Protection, a policy that prioritizes safety over all other considerations. Training content is extensive, including safety programs mainly for forepersons as well as the enhancement of intrinsic safety for machines and equipment through risk assessment. *Anzen Dojo* safety-training facilities outfitted to simulate and alert employees to workplace hazards are operated at seven Group sites around the world. A cumulative total of 39,968 persons have received *dojo* training since the facilities opened as part of an ongoing effort to refine Groupwide safety promotion activities for the prevention of occupational accidents. We also work with industrial physicians and the TOPPAN Group Health Insurance Union to promote prevention-focused healthcare activities aimed at securing workplaces free of mental health problems.

Pursuing Diversity and Inclusion

We position diversity and inclusion initiatives as a critical management strategy to further advance our progress as a group of corporations that create social value. Constant dialogue and heightened awareness have been facilitated to ensure mutual respect and create psychologically safe workplaces where every person can speak and act with dignity and without inhibition. TOPPAN provides employees with support systems to balance their work with childcare and nursing care burdens, promote the employment of people with disabilities, and take positive action to assure gender-equal treatment. These measures have led to increases in the percentage of persons with disabilities in the workforce and the number of female managers and supervisors.

We also implement various gender and sexual diversity (SOGI* and LGBTQ+) initiatives to incentivize every employee to create inclusive environments in which all persons can feel at ease. In addition to holding seminars open to employees across the Group, the TOPPAN ALLY initiative has been organized to encourage employees to express their alliance with sexual minorities. A system has also been introduced to extend the benefits granted to employee spouses to same-sex and/or common-law partners.

*Sexual orientation and gender identity

Paying Appropriate Wages





TOPPAN pays appropriate wages to Group employees by considering the local living costs and observing the minimum wages set under the laws and regulations of each country or region. In addition to providing the monetary remuneration and the welfare and benefits legally required, we offer non-monetary support such as programs for enhanced job satisfaction, self-actualization, and career development. The average annual

salary at TOPPAN Holdings Inc. was 7.56 million yen in fiscal 2023. The Company's remuneration system for determining employee wages is based on the individual's competencies and roles and imposes no differential standards based on gender. Remuneration is also determined uniformly across the Group companies in Japan based on similar criteria. The 2024 self-assessment of our remuneration systems has confirmed that the fiscal 2023 salaries paid to the employees of TOPPAN Holdings and its Group companies in Japan exceeded the living wages outlined in the *2021 RENGU Living Wage Report** and the

RENGO Living Wage list (2023 simplified revision) from the Japanese Trade Union Confederation (RENGO).

*The "RENGO Living Wage" is a unique calculation prepared by RENGU to estimate the basic cost that workers require to live healthy and cultured lives while maintaining their readiness to work and social dignity. The living wage is the minimum wage required to cover a worker's taxes, social insurance premiums, automobile-related expenses, and expenditures on 10 essential items: 1) food, 2) housing, 3) utilities and water, 4) furniture and household utensils, 5) clothing and footwear, 6) health and medical expenses, 7) transport and communication expenses, 8) educational expenses, 9) culture and entertainment expenses, and 10) other expenses (i.e., social activities, pocket money).

Gender Pay Gap at the TOPPAN Group

Companies	Percentage of Women in Managerial Positions	Wage Disparity between Male and Female Employees (Average Female Wage / Average Male Wage) in Fiscal 2023			
		All Employees	Regular Employees		Part-time and Contract Employees
			All Regular Employees	Managers	
TOPPAN Holdings Inc.	11.4%	75.8% 	75.3% 	99.1% 	50.0% 
TOPPAN Holdings Inc. and its consolidated subsidiaries in Japan	6.6%	60.3%	72.7%	95.3%	53.9%
Consolidated subsidiaries in Asia (excluding Japan)	27.7%	81.2%	79.5%	87.9%	125.1%
Consolidated subsidiaries in North America	32.4%	88.7%	89.6%	74.1%	77.7%
Consolidated subsidiaries in Europe	34.2%	87.7%	86.9%	77.2%	110.1%
TOPPAN Holdings Inc. and its consolidated subsidiaries worldwide	12.3%	65.5%	72.8%	98.3%	63.0%

*Calculated based on the provisions of the Japanese Act on the Promotion of Female Participation and Career Advancement in the Workplace (Act no. 64 of 2015). The calculation method applied to overseas affiliates conforms to the standards presented in the act.

**"Wages" include wages, salaries, allowances, and any other payments (whatever they are called) paid by the employer to workers as compensation for their labor.

*The totals for "TOPPAN Holdings Inc. and its consolidated subsidiaries worldwide" are tabulated from the weighted averages reported by TOPPAN Holdings Inc. and its overseas subsidiaries. Those for overseas subsidiaries have been converted into Japanese yen using the rate as of March 31, 2024.

*The "Wage Disparity between Male and Female Employees" is calculated for the business year at each company, which may differ from the business year of TOPPAN Holdings.

Average Annual Salary

	Average Annual Salary
Fiscal 2019	6,811,464 yen
Fiscal 2020	6,775,518 yen
Fiscal 2021	7,001,363 yen
Fiscal 2022	7,060,291 yen
Fiscal 2023	7,568,204 yen

*Covers Toppan Inc. up to fiscal 2022 and TOPPAN Holdings Inc. in fiscal 2023.

Starting Salary at TOPPAN Inc.

The starting salary of new university graduates hired on April 1, 2024 was 233,500 yen (1,465 yen per hour) uniformly throughout Japan.

Starting Salary of New University Graduates (TOPPAN Inc.)

	Starting Salary
April 2020	211,000 yen
April 2021	213,000 yen
April 2022	214,500 yen
April 2023	222,500 yen
April 2024	233,500 yen

Providing an Open Recruitment Environment

We recruit diverse human assets regardless of nationality, gender, age, or disability by delivering information on working at TOPPAN to a broad range of people through company presentations, websites, and other media.

Personnel who interview applicants receive a recruitment manual and thorough training on fair selection practices. Questions deemed to be inappropriate in an interview setting are listed in the manual to ensure that the interviewers avoid any topics that could constitute employment discrimination. Our steps to protect the human rights of applicants during the recruitment process are comprehensive. The interviewers, for example, are required to sign written pledges regarding the handling of personal information.

Properly Operating Technical Internship Programs

Head office personnel collaborate with local general affairs staff in a fact-finding survey conducted to assess human rights risks for foreign technical interns working at TOPPAN Group sites

across Japan. The survey teams used our original check sheets to verify the actual living and working conditions for the interns and whether the internship programs were being run in accordance with the requirements stipulated by the Ministry of Health, Labour and Welfare of Japan. We confirmed that technical internship programs had been introduced at five plants operated by two of our manufacturing subsidiaries in Japan as of fiscal 2023.

The survey also confirmed the following: that the employment contracts concluded with foreign interns were explained in either their native languages or in languages that they could understand, that there were no cases of unpaid wages or long overtime hours worked, that appropriate wages were paid in accordance with the hours worked, and that the living conditions provided to the interns were comparable to those provided to our employees.

Identifying Human Rights Risks in New Businesses

As part of the due diligence process associated with mergers, management integration, and joint venture formulation, TOPPAN conducts a risk assessment of human rights issues such as inhumane treatment, freedom of association, and occupational safety and health management. Any entity joining the Group is subject to this risk assessment and required to take steps to mitigate and prevent any risks identified.

No significant risks to be addressed were found in our fiscal 2023 risk assessment.

Human Assets

Basic Approach

Approach

The TOPPAN Group was founded in 1900 by a team of three printing engineers from the Ministry of Finance Printing Bureau, now the National Printing Bureau of Japan. The founders wished to bring the benefits of state-of-the-art Erhöht relief printing technology to the development of society and culture. Over the twelve decades since, the technology venture launched by those ambitious young entrepreneurs has grown into a family of businesses that create value for society by addressing various issues. Innovation creation has been part of the Group's DNA since its foundation.

As a technology-oriented innovator, we value our employees as human capital, or what we call precious "human assets." We are convinced that maximizing the value of human assets will generate human-led innovation that drives our business growth. Our managerial principle has been "management with respect for human beings," or management that values and makes the most of human assets as value creators. Mindful of how deeply we depend on our employees, we strive to develop human assets that will go on to create more social value. We are developing working environments and a corporate culture ideal for the sustainable growth of individuals and TOPPAN as an organization that contributes to society.

We believe that we can create social value when our employees create products and services that support the well-being of society. We nurture workplaces where diverse human assets can work vigorously, earnestly, and with strong motivation without mental stresses or challenges.

Our human-centric management, with its focus on well-being, is a virtuous cycle that begins with the creation of social

value. This focus brings a sense of social contribution to human assets and motivates them to grow. And our growing human assets will create the next value for society. To sustain this cycle, we are implementing human capital initiatives in alignment with business strategies.

Our goal is to foster a corporate culture that embraces

continuous challenge and motivates employees to adapt to change quickly and flexibly. Towards that end, we are developing diverse human assets and work styles, safe and secure workplaces, and a culture and environments that encourage employees to take on challenges.

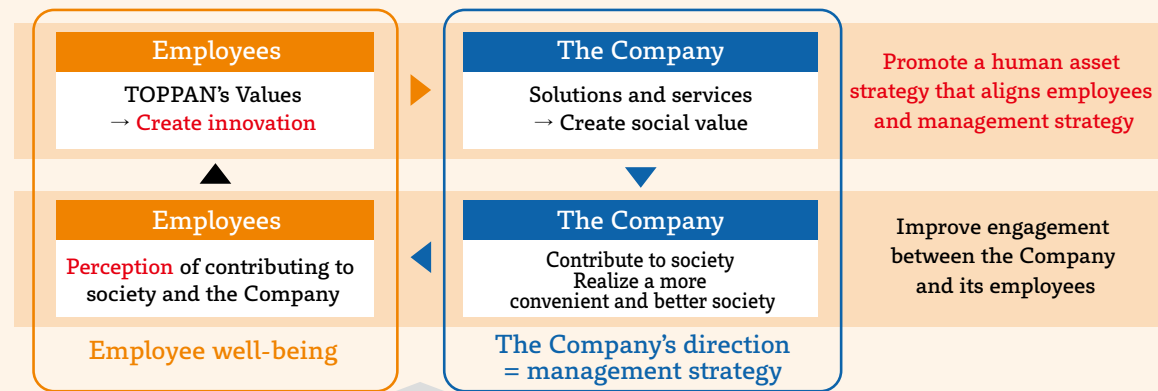
TOPPAN Group Human Capital Policy

Innovation creation has remained a part of TOPPAN's DNA since its founding. / The source of our competitiveness and innovation is our "people." Management with "respect for human beings" is about embracing and making the most of our human assets, the bearers of our value creation. A company is its people. / Vigorous, earnest, and driven

A **human asset strategy** to develop human assets who contribute to the TOPPAN Group's innovation and corporate value

We aim to create innovation for the betterment of society and develop organizations and human assets that inspire the creation of social value based on TOPPAN's Values of Integrity, Passion, Proactivity, and Creativity.

Virtuous cycle of creating value through human assets



Foster a culture of challenge

Create a culture and environment that is conducive to taking on challenges

Diverse workforce / Diverse workstyles

Safe and secure work environment

Foster a culture and implement measures that allow employees to respond quickly and flexibly to change and continue to take on challenges to realize social value

Human Asset Development Programs

System

The Human Resource Development Center in the Personnel & Labor Relations Division at TOPPAN Holdings Inc. coordinates with persons in charge of human asset development across departments throughout the Group to institute personnel training programs. These programs are organized systematically around TOPPAN UNIVERSITY, a platform that strives to foster leaders and support the skill and career enhancement of employees through basic and special programs, leader development programs, and personal empowerment programs. The center deploys the Human Resource Development Laboratory (HRDL) as an R&D base to study, research, and verify ideal programs for personnel innovation that inspire self-transformation and expand individual potential and abilities to create new value.

Annual employee questionnaires on personnel development measures have been organized at TOPPAN Holdings since fiscal 2012. Employees' appetite for learning, evaluations of the measures currently practiced, and opinions on workplace support for learning have been collected and shared with all of the officers as important data to be used in the design of new development programs. Of 9,163 employee respondents in fiscal 2023 (RR 86%), 7,642 (83.4%) evaluated personnel measures as favorable.

TOPPAN's three-level approach to personnel development is shown in the figure on the right. At the first level, we seek continuous improvement in training programs through a PDCA cycle. At the second, the training effectiveness and efficiency gained at the first level are maximized with human resource (HR) technology and various other technologies. At the third, we study, research, and verify ideal methods to stimulate human asset innovation.

Supporting Employee Career Development

Training, education

We operate an annual Challenging Job System, a program that promotes self-directed career development by enhancing the autonomy and independence of employees and nourishing a problem-solving, can-do mindset. This system encourages every regular employee to consider their own career aspirations and develop skill-enhancement plans. By assigning human assets to positions suited to their individual motivations and qualifications, the system energizes each organization and reinforces TOPPAN as a whole through optimized personnel positioning across the Group. This system also gives employees periodic opportunities to exchange opinions with superiors on their career- and skill-enhancement plans. In parallel, in-house staff recruitment systems have been put in place to provide every person in the workforce with an equal opportunity for skill enhancement. Under our Job Challenge Program, for example, employees can apply for positions of their choosing at any time of year.

Fostering Managerial Talent

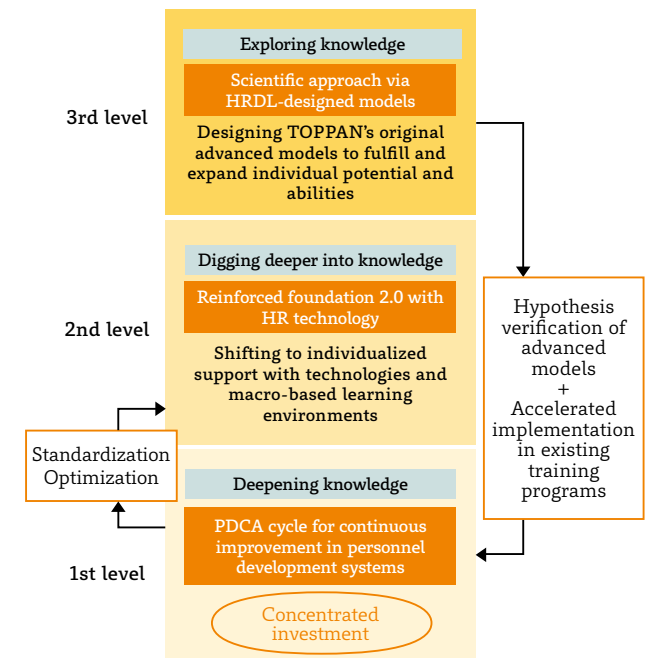
Training, education

TOPPAN is systematically nurturing human assets with the experience and competence necessary to occupy managerial positions with a view to sustaining and enhancing our organizational competitiveness.

A wide variety of programs have been arranged to foster and pool talent that will drive our business portfolio transformation. Seamless rank-based training programs are organized to nurture personnel with the qualities of future leaders, both male and female, across all age groups.

Through these systematic programs, we continue to develop human assets who are ready to succeed senior management. The fostered managerial talent will spearhead the reinforcement of a management structure that addresses business shifts and secures the sustainable development and management stability of the Group.

Three-level Approach to Human Asset Development



Systematic Human Asset Development Programs

Respect for human beings

A core management principle since TOPPAN's foundation in 1900

Human asset development policy

Mindful of how deeply we depend on our employees, we will foster human assets who will one day go on to create new knowledge and skills. We will nurture working environments and a corporate culture ideal for the sustainable growth of individuals and TOPPAN as an organization that contributes to society.

Approach to human asset development

- 1) Individual growth engenders our growth, and individual competitiveness engenders our competitiveness.
- 2) Fostering self-directed individuals: We will foster self-directed human assets who take the initiative in value creation.
- 3) Creating excellent collective knowledge: We will nurture distinguished personnel who generate excellent collective knowledge that enhances decision-making and actions across the Group.

Ideal human assets and organization
(Human assets to be fostered within the Group)

A human asset who accurately understands and proactively practices the principles of our Purpose & Values, and an organization that makes decisions and acts based on excellent collective knowledge.

Three key competencies

- 1 Communication skills
- 2 Enhanced sensitivity
- 3 High aspirations



Purpose, Structure & Training Policy

Purpose of establishment

Mindful of how deeply we depend on our employees, we will foster human assets who will one day go on to create new knowledge and skills. We will nurture working environments and a corporate culture ideal for the sustainable growth of individuals hand in hand with our growth as an organization that contributes to society.

Note: A virtual platform for engaging in personnel development and training programs fashioned in an accessible, university-style. Not a formal university within the Group.

Overall structure

Composed of Groupwide basic education, rank- & job-based training courses, selective leader development programs, and a personal empowerment platform supported by the infrastructure of the Kawaguchi and Yugawara Training Centers, TOPPAN Virtual Training Center, and Career Navigator (online portal providing comprehensive information on personnel development).

Training policy

- We will
- offer education to develop individuals who can contribute to corporate growth and the development of society at large;
 - provide quality training programs for motivated individuals;
 - arrange practical programs in alignment with actual job duties; and
 - respect and support the independence and personal empowerment of our human assets.

Leader Development



Rank- & job-based courses TOPPAN history; TOPPAN's Purpose & Values; Human rights training; Compliance; Information security; Safety, health, and fire protection; Mental healthcare



Self-transformation & new-value creation

Neuroscience Research Group	Art Innovation Research Group	Sensitivity Research Group
Physiological Condition Research Group	SDGs Research Group (through Buddhist teachings)	Kanosei Art Project
Technology Research Group	Universe and Astronomy Research Group	Airin Blue Project
	Philosophy Research Group	

Early career planning

OJT

Trainer training system
Rotation system
Challenging Job System

Basic courses

Groupwide compulsory training (e-learning programs)
Career Navigator
Internal webpages on human asset development

Human Resource Development Laboratory (HRDL)
TOPPAN Virtual Training Center

Personal empowerment

Subscription-based training courses
(Manabi-hodai "all-you-can-learn buffet" library)

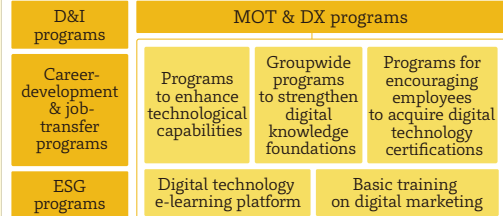
Group training / E-learning programs / Assessment / External training program / Open seminars / Digital technology training



Correspondence-learning courses / E-learning programs

Liberal arts (general knowledge, sensitivity); Diversity; Skills for global businesses; various other subjects

Key themes



(as of September 2024)

Fostering Human Assets Active in the DX Arena

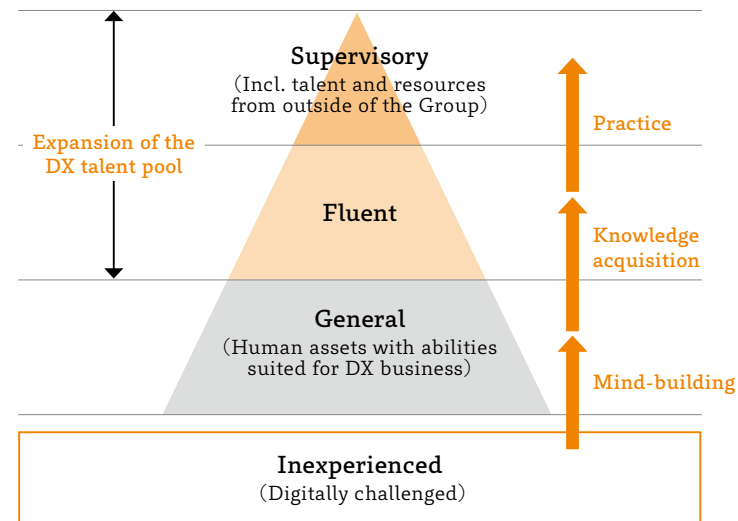
System Training, education Activity results, performance data

TOPPAN is enriching training platforms focused on the dissemination of digital knowledge and skills to expand the DX skills of human assets across departments and jobs throughout the Group. We nurture an organizational culture that deeply values continuous learning in the recognition that constant self-improvement and deeper knowledge beyond the expectations of customers will be key in the digital era.

A learning platform for subscription-based training on digital technology has been developed to keep human assets constantly up to date on the latest digital knowledge necessary for their individual jobs and career plans. We also provide employees with the opportunity to train for Microsoft Azure certifications, as well as cloud-service training programs to equip employees with the skills required for Amazon Web Services (AWS) certifications (run jointly with Amazon Web Services Inc., the world's most broadly adopted cloud platform provider). Learning programs on AI and deep learning and courses for the acquisition of data science certifications have also been introduced since fiscal 2022. Our expanded digital educational curriculum is expected to foster personnel who will advance the digital transformation.

📖 More details on the Data on DX Human Asset Development Programs (See page 41) >

Enhancing DX Skills based on Digital Literacy



Digital literacy improvement from challenged to a general level of proficiency

Provide learning opportunities to employees interested in DX, along with employees currently engaged in DX business, in order to increase human assets with abilities suited for DX business.

- Introductory program for AWS certifications (from 2021)
- Program for Microsoft Azure Fundamentals certification (from 2021)
- Program for Deep Learning for GENERAL: JDIA Certificate (from 2023)
- Program for Basic Analytics for Data Scientist certification (from 2023)

Digital literacy improvement from a general proficiency level to fluency

Provide advanced learning opportunities to employees with abilities well suited to DX business, in order to increase the number of personnel with high digital fluency who can grow into leaders in DX business.

- Intermediate program for AWS certifications (from 2021)

Fostering Human Assets Active in the SX Arena

System Training, education Activity results, performance data

Since 2013 TOPPAN has been organizing training programs to foster human assets adept in sustainable transformation (SX) as members of a group of corporations that create social value and contribute to a sustainable society through extensive environmental, social, and governance (ESG) initiatives.

We continue to dispatch employees on fieldwork programs in Fukushima Prefecture, an area affected by the Great East Japan (Tohoku) Earthquake. In total, 1,925 employees have visited Fukushima over the last 10 years. We also run the Social Innovation Program and Kanosei Art Project (*kanosei* means “potential” in Japanese) on an ongoing basis to develop innovative businesses with a balanced approach to solving social issues and creating economic value. The human assets fostered in these initiatives now sustain our SX businesses.

SX Human Asset Fostering Programs

Program	Launched in	Concept & Outline	No. of Participants
Personnel dispatches to JICA-JOCV	2013	To foster human assets who will be able to lead Japanese society and the Japanese economy based on the objective viewpoints they have gained by comparing Japan's industrial, legal, and other systems with those in overseas countries where they have worked	17
Fieldwork programs for developing innovative businesses with a balanced approach to solving social issues and creating economic value		A total of 1,925 employees (incl. 505 online participants) who have visited Fukushima since 2013	1,925
Social Innovation Program	2013	To equip employees with creative thinking abilities they can apply to the development of innovative next-generation businesses that balance solutions to social issues with economic value creation	460
“Shaping the Future” —advanced	2014	To create networks and drive the integrated strengths of the Group by encouraging employees to think and act independently and explore “what TOPPAN can do to solve social challenges”	971
Fieldwork program for managers in Fukushima	2015		528

Expanded Organizations and Businesses

We have established organizations that drive SX businesses. The human assets fostered by those organizations now sustain the businesses.

Established in	Organization
Apr 2016	Social Business Center Information & Communication Division
Jan 2018	Social Innovation Center Information & Communication Division
Apr 2020	Social Innovation Subdivision Information & Communication Division
Apr 2023	Social Innovation Center* Information & Communication Division *Organizational change
	SX Business Development Center Living & Industry Division
	Kansai SX Business Innovation Subdivision Nishinohon Division

Fostering Human Assets Active in the Global Arena

System Training, education

TOPPAN has been hiring non-Japanese individuals and arranging frequent personnel exchanges between Japanese and overseas Group companies as part of an overall effort to adapt to more globalized business operations.

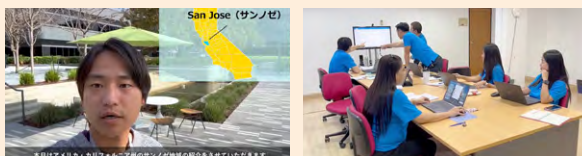
We believe that human assets can thrive in global business arenas when they are business literate and have the requisite business communication skills and overseas experience, along with advanced language skills and cross-cultural competencies. We work to visualize qualified personnel and formulate training plans to nurture them.

The annual Groupwide language-proficiency assessment identifies the global business potential of the TOPPAN workforce and estimates how many personnel should be assigned to the international operations of the Group. Based on the assessment results, we are fostering global personnel

TOPIC

From a Rank-based Training Session

As part of their training, new employees take part in talk sessions with senior staff assigned outside of Japan to learn more about our overseas Group sites and global businesses. Videos of our workplaces and the lifestyles of TOPPAN personnel from around the world expand the trainee's global horizons.

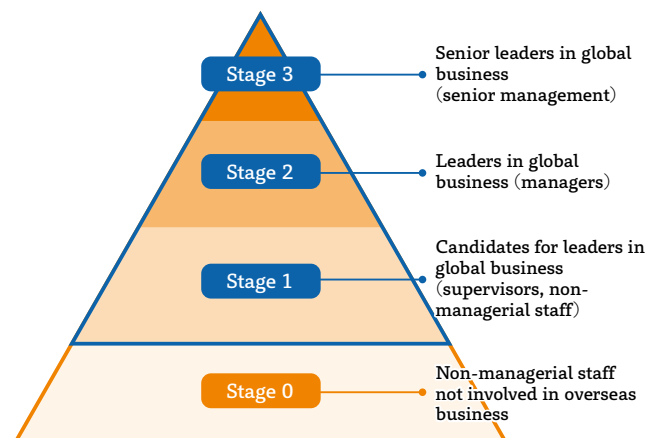


An expatriate staff member presenting video footage in a talk on his local life

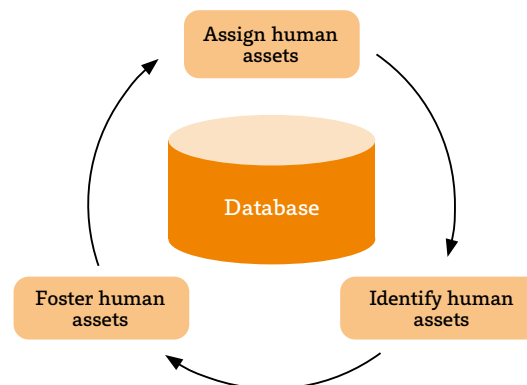
through a human resource (HR) system that encourages employees to participate in various global business programs, acquire basic literacy and knowledge required for overseas business in fields such as accounting and finance, and gain experience outside of Japan via dispatch beyond borders.

Structure for Fostering Global Human Assets

Stage 1-3: Personnel engaged in overseas business



Developing global human assets within the HR system



Developing Talent for New Businesses

System Training, education

TOPPAN organizes a variety of training programs to foster the knowledge, skills, and mindsets human assets need as they explore new businesses.

In a series of “Shaping the Future” programs, employees from companies within the Group co-work to develop innovative business models and create new value by combining competencies in their own businesses. The program for “New Business Innovation” cultivates corporate entrepreneurship among supervisors by taking a systematic learning approach to the development of new businesses. The “Next-generation Leaders Program” inspires managers to envision an ideal TOPPAN Group a decade into the future with scenario planning.

We also arrange fieldwork programs for managers to explore ways to spur innovative ideas. Fieldwork participants devise a business plan with the Art Innovation Framework™, a value creation method that seeks to transcend subjective thinking by applying the creative thinking of artists.

These programs have inspired the submission of 312 new business plan proposals to management, as of March 31, 2024. We will continue to nurture personnel capable of conceiving and actualizing new business ventures that bolster our business portfolio transformation.

Target	Program	No. of Participants (cumulative)
Managers	Next-generation Leaders Program	278
	Art Innovation Framework™ Training	1,161
Supervisors	Program for New Business Innovation	537
Non-managerial staff	Shaping the Future	1,955
Total		3,931

New business plans: **312 proposals**

Research and Development at HRDL

Training, education

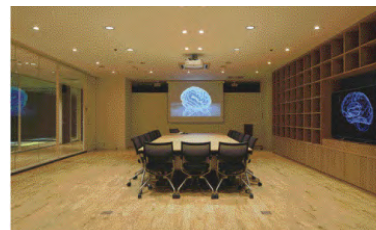
In April 2017 TOPPAN launched the Human Resource Development Laboratory (HRDL), an R&D base to study, research, verify, and implement ideal programs for personnel innovation. The fields of interest range from neuroscience and brain research to physiological condition analyses and business support technologies.

The HRDL applies interdisciplinary expert knowledge from outside of the Group to design original personnel development models that promote self-transformation and inspire individuals to fulfill and expand their potential and abilities. The research outputs are expected to spur TOPPAN's brand new value creation.

The HRDL strives to produce original models by applying

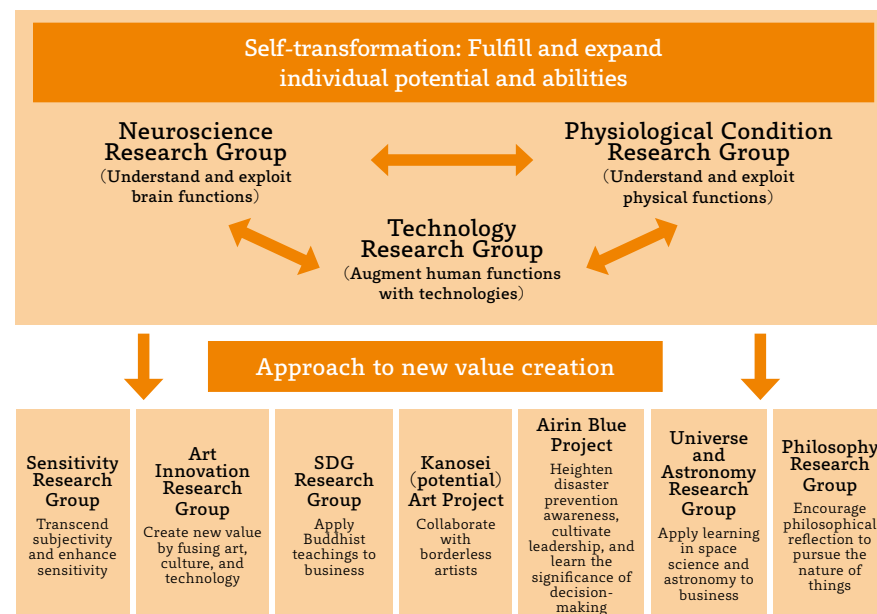
its advanced personnel-development approaches to the Group's current training systems. The lab embraces sensitivity and non-verbal dimensions by transcending the verbalized dimensions in which conventional training programs are organized.

We believe that human assets can innovate and create new value when they are better able to recognize non-quantifiable cognitive attributes such as sensitivity and non-verbal understanding. We are forging ahead with medium- and long-term research and development projects in cooperation with outside experts.

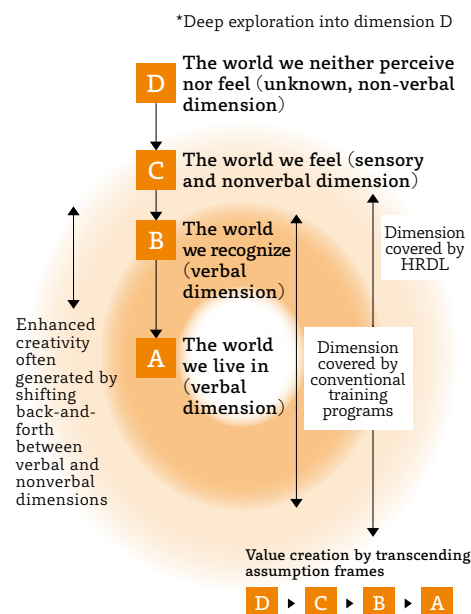


Human Resource Development Laboratory

Systematic R&D at HRDL in 2024 (for innovative human asset development)



Dimensions Covered by HRDL



R&D Projects at HRDL

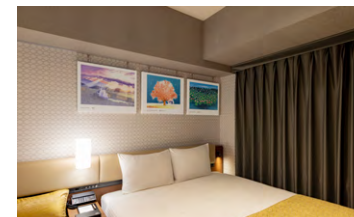
Program	Launched in	Concept & Outline
Neuroscience Research Group	2017	• A program to apply neuroscience to human asset development, established with DANCING Einstein, Co., Ltd. Aims to develop talent necessary for corporate growth and a better society.
Physiological Condition Research Group	2017	• A program to provide accurate knowledge and skills for sound mental and physical health, designed with Dr. Hideyuki Negoro of Harvard Medical School and Sorbonne University School of Medicine. • Gains in mental and physical health promote the health management of the Group by improving individual performance and enhancing efficiency.
Technology Research Group	2020	• Nurturing human assets who create new value by broadening human functions through technology and expanding individual potential and abilities.
Sensitivity Research Group	2018	• A program to unleash creativity and link it with innovation by enhancing sensitivity, designed with external research institutions specialized in the human senses. Researches spatial designs and develops programs to merge human sensitivity into business.
Art Innovation Research Group	2018	• Creating new value by fusing art, culture, and technology through a course established with Kyoto University. Seeks to formulate an innovative value-creation scheme to enhance creativity by transcending subjectivity through artists' logic.
SDG Research Group	2019	• A program designed with the Yoi-Otera ("good temples") Research Institute for human asset development applying Buddhist principles to business. Incorporates Buddhist teachings into training to engender innovative ways of thinking about work, the value of a corporation, and the concept of being oneself.
Kanosei Art Project	2018	• A project fostering next-generation leaders as part of development of a business model linking social benefit (greater independence of persons with disabilities) with economic benefit (Group revenues) using technologies that add value to the works of borderless artists.
Airin Blue Project	2019	• A project to remind people of the value of life by maintaining flowers at the final resting place of Airi Sato, a child who perished in the tsunami caused by the Tohoku Earthquake. The flowers signify the need for disaster preparedness and action when a disaster strikes.
Universe and Astronomy Research Group	2021	• Applying insights from space science and astronomy to business for new value creation. Encourages employees to think on a macrocosmic scale, taking in the big picture and gaining deeper insights into future aspirations.
Philosophy Research Group	2022	• Exploring ways to leverage philosophical viewpoints in training programs, encourage human assets to apply philosophical insights to business, and apply philosophical principles for new services, solutions, and businesses.

R&D Activities at HRDL

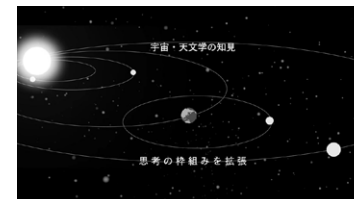
Program	Launched in	Results
Neuroscience Research Group	2017	<ul style="list-style-type: none"> Designed a forefront brain science program that seeks to improve personal performance and communication skills by shedding new light on the mechanisms of human learning, behavior, emotions, and thinking; opened the program to client companies for a fee to share the expertise with wider society. <ul style="list-style-type: none"> *Forefront brain science program: 439 participants (total for 18 terms), Forefront brain science program—advanced: 146 participants (total for 6 terms), Mindfulness & stress management program: 307 participants (total for 13 terms) Incorporated neuroscience knowledge into training sessions for new hires and personnel during their first three years of employment (attended by a total of 9,386 participants, as of July 2024). Studied clues on the actions to take in response to new challenges; summarized the findings in a video and art installation for employees.
Physiological Condition Research Group	2017	<ul style="list-style-type: none"> Produced <i>Around-the-clock Tips for Better Performance</i> and <i>Breath Control & Tips for Optimal Sleep, Exercise, and Diet</i>, a series of self-care videos devised to help every Group employee look after their own mental and physical health; a total of 18,189 views (as of July 2024). Developed a smartphone app that helps Group employees manage their own mental and physical health; used the app in rank-based training sessions for a total of 7,836 participants, from new hires to managers (as of June 2024); patented functions of this app as a health management system and health management method (Japan Patent No. 2019-213535). Developed the 3D Stress Check & Support, a comprehensive system for businesses that automatically prescribes tailored support for individuals based on the results of mental-health risk screenings.
Technology Research Group	2020	<ul style="list-style-type: none"> Developed a business-plan creation support system that compares and proposes business models using a combination of AI and financial expertise, in 2021; incorporated the system into in-house programs for personnel training on new business creation in the same year. Arranged a generative AI training program for fiscal 2024 hires in which the trainees use generative AI to devise solutions for social issues.
Sensitivity Research Group	2018	<ul style="list-style-type: none"> Held interactive employee workshops, in which participants worked with non-verbal dimensions such as smell, color, physical expression, sensitivity engineering, perception, and hearing.
Art Innovation Research Group	2018	<ul style="list-style-type: none"> Developed the Art Innovation Framework™, a thinking method that systematizes the logic of artists to spur the generation of new ideas in business; made an animated video on this framework. Arranged an Art Innovation Framework program for managers focused on approaches to transcending subjectivity for the creation of new value. Implemented business ideas born from Art Innovation Framework programs as prototypes to be verified on a small scale. Held internal seminars focused on the fusion of art, culture, and technology to create new value.
SDG Research Group	2019	<ul style="list-style-type: none"> Produced <i>Buddhist Teachings in Business</i>, an animated video to be viewed across the Group. Organized online fieldwork programs to guide senior managers on virtual visits through the Zenko-ji temple in Nagano and the Koyasan sacred mountain in Wakayama, Japan. The participants learned about the meaning and significance of work and the roles required of senior management, with a thematic focus on the moral values of a corporation. Held internal seminars hosted by monks to present Buddhist principles applicable to business scenarios.
Kanosei Art Project	2018	<ul style="list-style-type: none"> Continued training programs in which new and experienced employees explored ways to add value to the works of borderless artists (attended by more than 3,300 participants since 2018). Won the Grand Mécénat Award for the project at the Japan Mécénat Awards 2022 organized by the Association for Corporate Support of the Arts of Japan in 2022. Selected 50 artworks to be shown at the 2024 exhibition, based on in-house votes cast by over 6,000 employees and officers in 2023. Continued to hold borderless artwork exhibitions in Metapa™, a metaverse space. Launched themed rooms at the Villa Fontaine Grand Haneda Airport hotel in collaboration with Sumitomo Fudosan Villa Fontaine Co., Ltd. Under a special plan, the hotel donates 3% of revenue from room charges to borderless artists to support their creations. Guests at the hotel are enjoying artworks installed in the themed rooms, along with corridors and elevator halls on several floors.
Airin Blue Project	2019	<ul style="list-style-type: none"> Held an internal seminar on individual preparations to save lives; presented a lecture on the leadership required during disasters and disaster prevention activities.
Universe and Astronomy Research Group	2021	<ul style="list-style-type: none"> Developed the Space Innovation Framework™, a thinking method for new value creation. Worked with the Philosophy Research Group on the utilization of the Space Innovation Framework for manager training with a view to fostering thinking skills that generate balanced perspectives and actions; organized training for new division managers to reaffirm two qualities required in a leadership candidate: a broad, long-term viewpoint and the personal principles of a frontrunner. Held employee seminars on space science and culture.
Philosophy Research Group	2022	<ul style="list-style-type: none"> Held training sessions for supervisors to foster inner wisdom (the ability to see the nature of things) and a clear understanding of a supervisor's roles as a TOPPAN member that creates social value. Held internal seminars on philosophical thinking oriented towards deeper questioning of the world in the pursuit of the essence of things.



An original self-care app to nurture physiological well-being



A Kanosei Art-themed hotel room



Space Innovation Framework™

TOPPAN Virtual Training Center

Training, education

The TOPPAN Group leverages virtual reality and other forefront digital technologies for human asset development.

In 2021 we launched the TOPPAN Virtual Training Center as a global education platform that seamlessly connects digital and real spaces for coming generations. Every Group employee from across the world can visit this online hub to congregate with a diversity of people from within and outside of the Group. We seek to integrate knowledge and spur innovation by optimizing our digital training environment using advanced technology.

The training center operates two venues. The first is the virtual Koishikawa Head Office Building, an online space where visitors can experience virtual tours of Toppan Hall and the Printing Museum, Tokyo. The second is the Virtual Human

Resource Development Laboratory (HRDL), an online facsimile of the real-world laboratory.

Employees can visit the Virtual HRDL to check the research results from the lab's two projects and eight research groups and to learn the specialist knowledge of the HRDL researchers through in-house seminar videos and other materials. One series of videos describes the art, Buddhism, and space frameworks adopted for personnel innovation. Another prominent title is *Around-the-clock Tips for Better Performance*, an animated video to help human assets look after their own mental and physical health. The virtual laboratory also presents artworks from the Kanosei Art Project and the research outputs of trainees harnessing the findings of the eight research groups.

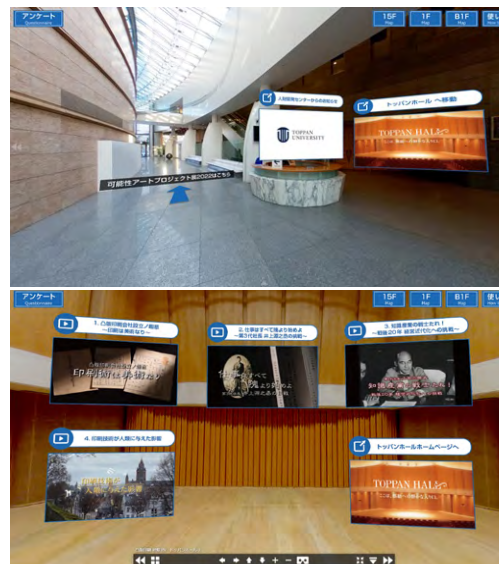
Real and virtual learning infrastructures are now available at TOPPAN. Group employees from around the world can tour our facilities remotely and catch up on the latest knowledge at any time and from any distance.

Training Programs with Digital Technology

Training, education

We have been upgrading our online training programs by leveraging digital technology in ways that transcend the mere substitution of face-to-face training. In fiscal 2021 we launched the TOPPAN Virtual Training Center to provide new hires with work experiences at web-based training sessions. A year later the center introduced training programs in the metaverse to facilitate virtual communication that feels more tangibly real. All new employees were invited to a Kawaguchi Plant VR Tour in the metaverse in fiscal 2023. Participants experienced workplace hazards from an operator's point of view, as transmitted through standalone VR goggles. Embodied within realistic avatars of themselves, new hires shook hands with their virtual peers and gave high-fives in an experientially expanded communication space. TOPPAN's online training has seen further advancements in fiscal 2024. Trainees now co-work and interact by sharing course materials in the metaverse.

The training outcomes have guided us towards more sophisticated uses of digital technology in other rank-based training programs.



Evaluation System

System

TOPPAN evaluates Group employees on their behavior, performance, and capabilities and reflects the evaluation results in their grade promotions, salary revisions, bonuses, and performance-based pay.

Our “capability evaluation” assesses the actual capabilities of an employee and how well the employee has demonstrated those capabilities in comparison with the specific requirements defined in our grade system.

Our “behavior evaluation” assesses how well an employee has taken valuable actions based on our grade-based behavioral standards. We expect our employees to adapt to social and business changes by duly considering our Purpose & Values and the Conduct Guidelines. Our evaluations also focus on an employee's positive actions in response to growing global issues, such as the realization of a sustainable society, adherence to diversity & inclusion principles, respect for human rights, sustainability practices, and social value creation.

Our “performance evaluation,” meanwhile, is based on a management-by-objective (MBO) system. Routine dialogues, such as one-on-one meetings held one or more times per quarter, allow both the supervisor and employee to assess the latter's progress towards goal achievement. Once every six months we assess an employee's performance, review the levels of goal achievement, reset individual/team goals, and formulate a new action plan to attain the renewed goals. This PDCA cycle backs up an employee's efforts to achieve personal and team goals.

Our capability and behavioral evaluations systematically focus on more than just personal performance. Through these evaluations, we seek to improve employee competency, and ultimately corporate performance, by aligning expectations between management and employees regarding the actions,

abilities, and skills to be acquired for individual growth. The evaluations are also designed to imbue employees with a sense of personal responsibility for corporate performance by reflecting divisional results into individual evaluations.

As another incentivization for employees, TOPPAN introduced a stock-based compensation system in fiscal 2023. In setting the number of shares awarded to employees, we have decided to base the compensation on the extent of their individual contributions to the attainment of the Medium Term Plan targets over the year. By linking their compensation with medium-to-long-term corporate and personal performance, we expect to bolster the motivation of employees to work towards corporate value enhancement.

Evaluation for	Interval	Evaluation on	Details
Grade promotion	Annual	Capability	Assess whether an employee has the required capacity to advance to the next grade
Salary revision	Annual	Capability Behavior Performance	Assess how well an employee has demonstrated the abilities expected of their current grade over the past year and determine the abilities they will be expected to demonstrate over the next year
Bonus	Semiannual	Behavior Performance	Assess the extent to which an employee has taken valuable actions and how completely the employee has achieved the goals set during the assessment period (semiannual assessment)
Performance-based pay	Semiannual	Behavior Performance	

Human Asset Development Initiatives

Activity results, performance data

Fiscal 2023 Data on Human Asset Development Programs (TOPPAN Group)

Program	Outline	No. of Participants (cumulative)
Rank-based programs	A set of programs for acquiring the knowledge, skills, and mindsets employees will need in their careers, mainly for new postings.	4,857
Leader development programs	A series of selective training programs to foster leaders of tomorrow, including a program for creating new businesses and a program for developing human assets active in global business arenas.	594
Personal empowerment programs	A series of self-initiated programs that give Groupwide employees the choice of what they learn. Three learning styles are available.	7,254
TOPPAN Business School	Diverse courses that cover wide-ranging subjects from basic knowledge and skills in business to advanced specialist skills. Offered in online-group and e-learning settings and in a course that dispatches trainees to business schools outside of the Group.	1,607
Manabi-hodai (all-you-can-learn buffet) e-learning library	A subscription-based program with over 187 courses and no limits placed on the time or place of learning or how often the courses can be repeated.	3,208
Challenge School	Correspondence-learning courses for acquiring business knowledge and skills.	2,439
Groupwide basic education	E-learning programs to give every Group employee the opportunity to learn requisite business knowledge.	149,591
Human asset map for global business	An annual language-proficiency assessment to gauge foreign language competency at the Groupwide level and to count and rank the human assets with high aptitude for global business. The top-scorers will be fostered under an upcoming mid-to-long-term development plan as personnel expected to be indispensable for the global growth of the Group.	1,664
Selective training on global business	A program to equip employees with fundamental skills for global business such as linguistic aptitude, cross-cultural competency, and consensus building.	36
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.	90*
JICA Japan Overseas Cooperation Volunteers	A trainee system to dispatch Group employees to emerging and developing countries.	17*
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.	19*

*Cumulative total since fiscal 2013

Data on DX Human Asset Development Programs (TOPPAN Group)

Program	Outline	No. of Participants (cumulative)
DX basic training	E-learning program for essential DX knowledge and skills (video: about 6 hours in 7 sessions).	8,889
Training for AWS certification	Focused on basic-level knowledge and skills for employees seeking to become AWS-certified cloud practitioners. Trainees come from digital, sales, planning, and technology departments.	Participants: 3,741 Certified employees: 2,252
Training for acquiring Microsoft Azure certifications	Basic-level training on cloud knowledge and skills for employees seeking to obtain the Azure Fundamentals AZ900 certification. Trainees come from digital, sales, planning, and technology departments.	Participants: 166 Certified employees: 135
Training for Generative AI Test certification	Helps employees become business translators who can integrate digital technologies into practices based on in-depth understanding of technologies (e.g., AI, deep learning) and applications in business.	Participants: 322 Certified employees: 209
Training for Data Scientist certifications	Helps employees acquire digital literacy and knowledge to become qualified data scientists by acquiring knowledge and skills in data science, including data processing, machine learning, data analysis, engineering, mathematical statistics, and business.	Participants: 352 Certified employees: 106
Udemy / Aidemy	MOOCs focused on AI utilization, data analytics, and global communication skills for department-based training and personal empowerment. Employees acquire up-to-date, high-quality knowledge and skills through the latest platforms.	Udemy participants: 4,945 Aidemy participants: 427
Growth X marketing	A one-year, cross-departmental program for the latest knowledge and practical skills across digital marketing.	Participants: 422

Human Asset Development Expenditure (TOPPAN Inc.)

	Expenditure on Training, etc. per Employee
Fiscal 2019	64,654 yen
Fiscal 2020	53,637 yen
Fiscal 2021	56,070 yen
Fiscal 2022	64,937 yen
Fiscal 2023	76,188 yen

*Consolidated figures for Japan (covering 51% of the consolidated total)
 ・Average human asset development expenditure per employee: 33,106 yen
 ・Average training hours in human asset development programs per employee: 41.6 hours
 *Figures for TOPPAN Inc.
 ・Average human asset development expenditure per employee: 76,188 yen
 ・Average training hours in human asset development programs per employee: 72.2 hours
 *Both in fiscal 2023





Participants in Leader Development Programs
 (Cumulative total from fiscal 2011 to 2023, TOPPAN Group)

Level	Program	Total (cumulative)
Management Class	Business innovation (intermediate/advanced)	337
	Management literacy (advanced)	418
	Management literacy (intermediate)	1,435
	Total	2,190
Supervisors	Business innovation (elementary)	927
	Management literacy (elementary)	1,002
	Total	1,929
General employees	Business innovation (basic)	3,340
	Total	3,340
Employees at all levels	Global leader development	301
	Total	301
	Sum total	7,760

Information on Employees at the TOPPAN Group

Activity results, performance data

No. of Employees (Four TOPPAN Group companies)

Company	Sex	Total Employees 	Management Class 	Supervisors 	Sum Total Employees 	Part-time Workers	Dispatched Staff
TOPPAN Holdings Inc.	Male	1,292	421	302	1,676	6	63
	Female	384	54	111			
TOPPAN Inc.	Male	5,797	1,773	1,323	7,972	96	648
	Female	2,175	109	403			
TOPPAN Edge Inc.	Male	1,989	488	617	3,137	1,408	1,949
	Female	1,148	40	181			
TOPPAN Digital Inc.	Male	621	156	153	796	7	52
	Female	175	5	44			

Announcing the Mid-career Hiring Rate

TOPPAN Inc. discloses the ratio of mid-career hires (both outside recruitment and indefinite-term employment of persons previously on fixed-term contracts) to the total number of regular employees in accordance with the Japanese Act on Comprehensive Promotion of Labor Measures, and of Employees, and Enrichment of Their Working Lives.

Mid-career Hiring Rate (TOPPAN Inc.)

Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
24%	29%	29%	34%

Publication date: September 30, 2024

Japan Consolidated

No. of Employees

	Sex	Directors	Executive Officers	Total Employees	Management Class	Supervisors	Sum Total Employees
Fiscal 2022	Male	371	45	27,769	5,318	5,442	35,049
	Female	17	1	7,280	345	993	
	Percentage of women	4.4%	2.2%	20.8%	6.1%	15.4%	
Fiscal 2023	Male	390	33	27,226	5,303	5,317	34,750
	Female	17	1	7,524	376	1,060	
	Percentage of women	4.2%	2.9%	21.7%	6.6%	16.6%	

No. of Recruits


	Sex	New Graduates & Mid-career Recruitment
Fiscal 2022	Male	1,044
	Female	646
Fiscal 2023	Male	1,169
	Female	666

Turnover

	Sex	Total Turnover	Resignations for Personal Reasons
Fiscal 2022	Male	1,378	864
	Female	467	367
Fiscal 2023	Male	1,645	1,132
	Female	515	425

Employees by Age-group

	Sex	Age-group	Total Employees	Management Class	Supervisors
Fiscal 2022	Male	1. Below 30 years old	3,829	1	5
		2. 30-50 years old	13,565	2,498	4,226
		3. Over 50 years old	10,373	2,819	1,211
	Female	1. Below 30 years old	2,075	0	6
		2. 30-50 years old	3,540	207	834
		3. Over 50 years old	1,667	138	153
Fiscal 2023	Male	1. Below 30 years old	3,993	1	25
		2. 30-50 years old	12,539	2,478	3,975
		3. Over 50 years old	10,694	2,825	1,317
	Female	1. Below 30 years old	2,286	0	6
		2. 30-50 years old	3,399	230	884
		3. Over 50 years old	1,839	145	170

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

No. of Employees by Nationality (Four TOPPAN Group companies)

Company	Indicator	Nationality	Sex	Total Employees	Management Class	Supervisors
TOPPAN Holdings Inc.	No. of employees	Japan	Male	1,285	419	301
			Female	379	53	110
		China	Male	3	0	1
			Female	4	1	1
		Other	Male	4	2	0
			Female	1	0	0
	Percentage of total	Japan	Male	99.46%	99.52%	99.67%
			Female	98.70%	98.15%	99.10%
		China	Male	0.23%	0.00%	0.33%
			Female	1.04%	1.85%	0.90%
		Other	Male	0.31%	0.48%	0.00%
			Female	0.26%	0.00%	0.00%
TOPPAN Inc.	No. of employees	Japan	Male	5,775	1,770	1,318
			Female	2,156	110	400
		China	Male	12	1	4
			Female	16	0	2
		Other	Male	10	2	1
			Female	3	0	1
	Percentage of total	Japan	Male	99.62%	99.83%	99.62%
			Female	99.13%	100.00%	99.26%
		China	Male	0.21%	0.06%	0.30%
			Female	0.74%	0.00%	0.50%
		Other	Male	0.17%	0.11%	0.08%
			Female	0.14%	0.00%	0.25%

Company	Indicator	Nationality	Sex	Total Employees	Management Class	Supervisors
TOPPAN Edge Inc.	No. of employees	Japan	Male	1,983	488	617
			Female	1,139	40	181
		China	Male	3	0	0
			Female	7	0	0
		Other	Male	3	0	0
			Female	2	0	0
	Percentage of total	Japan	Male	99.70%	100.00%	100.00%
			Female	99.22%	100.00%	100.00%
		China	Male	0.15%	0.00%	0.00%
			Female	0.61%	0.00%	0.00%
		Other	Male	0.15%	0.00%	0.00%
			Female	0.17%	0.00%	0.00%
TOPPAN Digital Inc.	No. of employees	Japan	Male	614	156	151
			Female	167	5	41
		China	Male	5	0	1
			Female	6	0	1
		Other	Male	2	0	1
			Female	2	0	2
	Percentage of total	Japan	Male	98.87%	100.00%	98.69%
			Female	95.43%	100.00%	93.18%
		China	Male	0.81%	0.00%	0.65%
			Female	3.43%	0.00%	2.27%
		Other	Male	0.32%	0.00%	0.65%
			Female	1.14%	0.00%	4.55%

Overseas Consolidated

No. of Employees

Region	Sex	Fiscal 2022				Fiscal 2023			
		Directors	Total Employees	Management Class	Sum Total Employees	Directors	Total Employees	Management Class	Sum Total Employees
Asia (excluding Japan)	Male	146	8,845	972	14,548	207	9,078	923	14,656
	Female	11	5,703	409		13	5,578	354	
North America	Male	27	1,312	229	2,043	23	1,339	207	2,053
	Female	5	731	95		6	714	99	
Europe	Male	46	1,414	176	1,944	47	1,295	150	1,802
	Female	9	530	72		9	507	78	
Latin America	Male	0	88	8	104	0	93	10	112
	Female	0	16	5		0	19	7	
Middle East	Male	0	3	1	6	1	172	34	232
	Female	0	3	2		0	60	14	
Africa	Male	0	10	0	28	4	24	5	41
	Female	6	18	1		1	17	3	
Overseas consolidated	Male	219	11,672	1,386	18,673	282	12,001	1,329	18,896
	Female	31	7,001	584		29	6,895	555	
	Percentage of women	12.4%	37.5%	29.6%		9.3%	36.5%	29.5%	

No. of Recruits

Region	Sex	New Graduates & Mid-career Recruitment	
		Fiscal 2022	Fiscal 2023
Asia (excluding Japan)	Male	2,488	1,432
	Female	1,386	1,088
Europe	Male	167	232
	Female	85	92
North America	Male	335	256
	Female	159	94
Latin America	Male	17	9
	Female	1	7
Middle East	Male	1	34
	Female	2	9
Africa	Male	2	13
	Female	5	3
Overseas consolidated	Male	3,010	1,976
	Female	1,638	1,213

Turnover

Region	Sex	Fiscal 2022		Fiscal 2023	
		Total Turnover	Resignations for Personal Reasons	Total Turnover	Resignations for Personal Reasons
Asia (excluding Japan)	Male	1,774	1,216	1,358	1,012
	Female	1,222	825	1,090	927
Europe	Male	161	115	182	120
	Female	64	56	81	66
North America	Male	306	212	330	160
	Female	132	98	168	54
Latin America	Male	3	2	4	2
	Female	3	1	5	4
Middle East	Male	0	0	21	15
	Female	0	0	6	5
Africa	Male	2	1	4	4
	Female	0	0	1	1
Overseas consolidated	Male	2,246	1,546	1,899	1,313
	Female	1,421	980	1,351	1,057

Employees by Age-group

Region	Sex	Age-group	Fiscal 2022		Fiscal 2023	
			Total Employees	Management Class	Total Employees	Management Class
Asia (excluding Japan)	Male	1. Below 30 years old	2,111	15	2,135	5
		2. 30-50 years old	5,177	702	5,639	655
		3. Over 50 years old	1,156	256	1,304	263
	Female	1. Below 30 years old	1,334	11	1,757	7
		2. 30-50 years old	2,909	310	3,243	257
		3. Over 50 years old	513	87	578	90
Europe	Male	1. Below 30 years old	185	2	163	0
		2. 30-50 years old	862	111	776	89
		3. Over 50 years old	367	63	356	61
	Female	1. Below 30 years old	122	7	126	7
		2. 30-50 years old	306	53	275	56
		3. Over 50 years old	102	12	106	15

Region	Sex	Age-group	Fiscal 2022		Fiscal 2023	
			Total Employees	Management Class	Total Employees	Management Class
North America	Male	1. Below 30 years old	181	6	168	2
		2. 30-50 years old	544	75	541	65
		3. Over 50 years old	587	148	630	140
	Female	1. Below 30 years old	85	1	60	1
		2. 30-50 years old	282	37	266	34
		3. Over 50 years old	364	57	388	64
Latin America	Male	1. Below 30 years old	28	0	30	0
		2. 30-50 years old	54	8	52	8
		3. Over 50 years old	6	0	11	2
	Female	1. Below 30 years old	5	0	4	0
		2. 30-50 years old	10	4	13	5
		3. Over 50 years old	1	1	2	2
Middle East	Male	1. Below 30 years old	0	0	37	3
		2. 30-50 years old	2	0	118	23
		3. Over 50 years old	1	1	17	8
	Female	1. Below 30 years old	1	0	5	1
		2. 30-50 years old	1	1	50	13
		3. Over 50 years old	1	1	5	0
Africa	Male	1. Below 30 years old	2	0	9	0
		2. 30-50 years old	5	0	10	3
		3. Over 50 years old	3	0	5	2
	Female	1. Below 30 years old	1	0	1	0
		2. 30-50 years old	13	0	10	2
		3. Over 50 years old	4	1	6	1
Overseas consolidated	Male	1. Below 30 years old	2,507	23	2,542	10
		2. 30-50 years old	6,644	896	7,136	843
		3. Over 50 years old	2,120	468	2,323	476
	Female	1. Below 30 years old	1,548	19	1,953	16
		2. 30-50 years old	3,521	405	3,857	367
		3. Over 50 years old	985	159	1,085	172

Consolidated Total

No. of Employees

	Sex	Directors	Executive Officers	Total Employees	Management Class	Supervisors	Sum Total Employees
Fiscal 2022	Male	590	45	39,441	6,704	5,442	53,722
	Female	48	1	14,281	929	993	
	Percentage of women	7.5%	2.2%	26.6%	12.2%	15.4%	
Fiscal 2023	Male	672	33	39,227	6,632	5,317	53,646
	Female	46	1	14,419	931	1,060	
	Percentage of women	6.4%	2.9%	26.9%	12.3%	16.6%	

No. of Recruits

	Sex	New Graduates & Mid-career Recruitment
Fiscal 2022	Male	4,054
	Female	2,284
Fiscal 2023	Male	3,145
	Female	1,879

Turnover

	Sex	Total Turnover	Resignations for Personal Reasons
Fiscal 2022	Male	3,624	2,410
	Female	1,888	1,347
Fiscal 2023	Male	3,544	2,445
	Female	1,866	1,482

Employees by Age-group

	Sex	Age-group	Total Employees	Management Class	Supervisors
Fiscal 2022	Male	1. Below 30 years old	6,336	24	5
		2. 30-50 years old	20,209	3,394	4,226
		3. Over 50 years old	12,493	3,287	1,211
	Female	1. Below 30 years old	3,623	19	6
		2. 30-50 years old	7,061	612	834
		3. Over 50 years old	2,652	297	153
Fiscal 2023	Male	1. Below 30 years old	6,535	11	25
		2. 30-50 years old	19,675	3,320	3,975
		3. Over 50 years old	13,017	3,301	1,317
	Female	1. Below 30 years old	4,239	16	6
		2. 30-50 years old	7,256	598	884
		3. Over 50 years old	2,924	317	170

Diversity & Inclusion

Basic Approach

Approach

The TOPPAN Group positions diversity and inclusion (D&I) initiatives as an integral management strategy to further advance its progress as a group of corporations that creates social value.

We value our employees as precious “human assets” and understand how deeply we depend on them. Various initiatives are implemented to promote rewarding working conditions based on the foundational concept of “respect for human beings.” Our operations will consistently adhere to D&I principles that harness differences among our diverse human assets as drivers of innovation. We will encourage our employees to acknowledge and respect each other's social identities and values so as to better exert and enhance their individual abilities.

In order to cultivate a D&I mindset, TOPPAN is facilitating constant dialogue and nurturing heightened awareness and sensibilities that ensure mutual respect. We are consistently developing psychologically safe workplaces where every person can speak and act with dignity, free from inhibition or restraint.

TOPPAN Group Diversity and Inclusion Policy

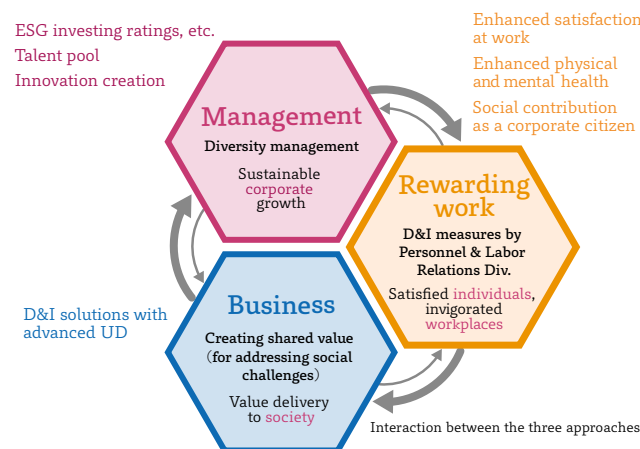
We will evolve into a social value creator that designs information and living by developing psychologically safe workplaces where every person's sensibilities are nurtured, individual differences are recognized and respected, constant dialogues are facilitated, and diversity is harnessed to drive innovation.

TOPPAN Group's vision for diversity and inclusion

A group of corporations that creates social value



Diversity and inclusion through three approaches: Management, Rewarding work, Business

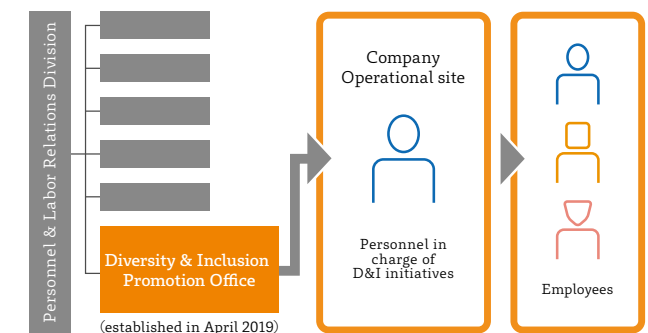


Promotion Framework

Framework

TOPPAN established a Diversity & Inclusion Promotion Office in 2019. The office has formulated a policy and develops plans and measures to evolve and accelerate diversity & inclusion (D&I) initiatives as a Groupwide management strategy. Personnel in charge of D&I initiatives work with the office to implement concrete measures attuned to their companies and operational sites and consult with employees at their workplaces to create inclusive environments in which every person can feel at ease.

Since fiscal 2022 we have organized Groupwide D&I awareness assessments to monitor current employee D&I mindsets and identify issues in the workplace. The assessment results help us develop specific programs for individual companies and operational sites. In parallel, we have formed a standing Diversity Promotion Committee that shares information on site-based issues and the progress made in enhancing the understanding of D&I principles throughout the organizations across the Group.



Supporting Employees with Children

Approach System Activity results, performance data

TOPPAN strives to create a working environment in which every employee can achieve better work-life balance under various circumstances. Measures are in place to provide both institutional support (work style reforms, expanded systems) and mental support (psychological care) for employees with children. Under a work-life support system introduced in



October 2022, employees can take paid leave for newborn care under flexible conditions, regardless of their gender or length of service. Our Hagukumi (nurturing) Program, underway since fiscal 2012, supports the wellbeing of employee parents by providing therapeutic activities for parents on childcare leave, activities to share know-how on maintaining good balance between working and raising children, and activities to give employees opportunities to learn about and consider the importance of work-family balance. Site-specific targets are also

set to encourage male employees to take childcare leave, and personnel in charge of D&I initiatives oversee programs to deepen understanding of support systems throughout the workforce. Our internal D&I website shares case examples of male workers who take on extensive child-rearing responsibilities. We continue to foster workplace environments where every person can balance work and childcare, regardless of their department or job.

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 pregnancy-related morning sickness 	<ul style="list-style-type: none"> Leave for hospital visit Leave for medical checkup Staggered working hours Specified fertility treatment subsidy
After Childbirth	<ul style="list-style-type: none"> Childcare leave Monetary gift on childbirth 	<ul style="list-style-type: none"> 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) Days-off for child healthcare 	<ul style="list-style-type: none"> Days-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) 	

Percentage of Eligible Employees Taking Childcare Leave (TOPPAN Inc.)

	Male			Female		
	Employees with a Newborn Child	Employees Taking Childcare Leave	Take-up Rate	Employees with a Newborn Child	Employees Taking Childcare Leave	Take-up Rate
Fiscal 2019	238	189	79.4%	91	90	98.9%
Fiscal 2020	236	168	71.2%	83	83	100.0%
Fiscal 2021	234	154	65.8%	89	87	97.8%
Fiscal 2022	207	151	72.9%	81	80	98.8%
Fiscal 2023	176	156	88.6% 	75	75	100.0% 

Notes

- For male employees, the percentage is calculated by dividing the number of persons who took childcare leave during the fiscal year by the total number of persons with children born during the year. For female employees, the percentage is calculated by dividing the number of persons who gave birth and took childcare leave during the fiscal year by the total number of persons who gave birth during the fiscal year. (The method for calculating the percentages has been revised in accordance with the applicable Japanese act requiring disclosure of the percentages, enforced from 2022. The percentages prior to fiscal 2021 were adjusted based on the revised calculation method.)
- The fiscal 2022 results cover Toppan Inc. employees, including those consigned to other companies during the fiscal year.
- The fiscal 2023 results cover TOPPAN Inc. employees, including those consigned to other companies within the Group during the fiscal year. The personnel structure of TOPPAN Inc. is unchanged from that of the former Toppan Inc.

Hagukumi (nurturing) Program*

*Received the Minister of State for Gender Equality Award at the Kids Design Award 2016 in Japan.

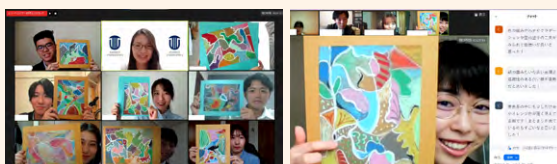
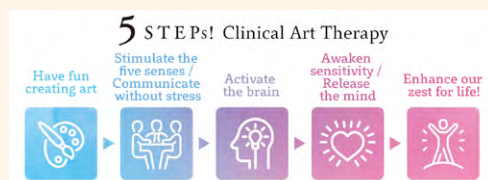
**Operates clinical art therapy sessions jointly with TOPPAN Institute of Formative Art Inc.



TOPPAN Institute of Formative Art Inc.

TOPPAN Institute of Formative Art Inc., a Group company, uses an original “clinical art therapy” methodology to contribute to society through art. The institute helps communities slow the onset of frailty in older adults, prevent and mitigate dementia symptoms, relieve occupational stress, and promote sensitivity education for children. Its clinical-art therapy programs bring joy to participants, regardless of age, gender, nationality, illness, or disability. Its art creation sessions activate the brain, release the mind, nurture a self-affirming mindset, and inspire creativity.

TOPPAN offers clinical art therapy for new hires, supports Group employees returning from childcare leave, and facilitates communication and mental hygiene. When human assets can discover, recognize, and accept the goodness of all individuals, they are better able to see things from different perspectives, understand diversity, and engage in workplace communication.



Online Art Salon for new employee training

TOPPAN Institute of Formative Art Inc. (in Japanese) >

<https://www.zoukei.co.jp/>

Systems for Good Work-Care Balance

System Activity results, performance data

TOPPAN is creating an environment where employees can concentrate on work without worrying about caring for their families. The labor union and management have developed systems to help employees maintain good balance between work and care at home. After reviewing the results of employee questionnaires on nursing care, we relaxed the eligibility requirements for nursing-care-related systems, designed schemes to flexibly adjust working hours for care, enhanced financial support, and provided more information on work-care balance. Care-giving employees are now allowed to commute by Shinkansen bullet train in certain cases. They have also been able to take nursing care leave in one-hour allotments (using the same system applied for child healthcare days-off) since fiscal 2019.

Our internal website posts various types of information to allay concerns and raise awareness on the issues faced by employees who provide care for their families. In parallel, a seminar series offered to employees since fiscal 2016 provides valuable support for maintaining a good balance between work and care at home. Outside experts from a nursing-care consultation service are invited to lead seminar courses. After the guest lecturer presents general knowledge on nursing care and tips for achieving good work-care balance, participants are briefed on our internal websites and support systems for employees with families in need of care (e.g., nursing care leave and reduced working hours). Individual counselling sessions have also been held online since fiscal 2022 to allay concerns arising from diverse circumstances.

TOPPAN strives to secure working environments where employees can fully concentrate on work without being mentally stressed by their caregiving burdens.

Four Approaches in the 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
Schemes 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 internal website to provide information on work-care balance This site provides employees with general knowledge about work-care balance and information on our support systems, public nursing-care-related systems, and so on. • Launch of a nursing-care consultation desk run by outside experts We commission 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.

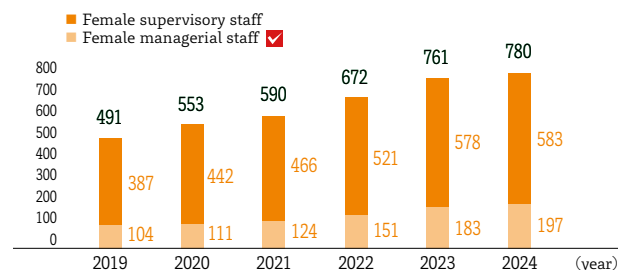
Empowering Women

Approach Activity results, performance data

TOPPAN promotes female empowerment in the knowledge that every employee can continue to work, enjoy good health, and play active roles according to their abilities, regardless of gender. We take positive action to support the career advancement of women based on our mid-to-long-term human asset strategy. Gender-equal treatment in promotion to managerial positions has been ensured through work style reforms and work-life support systems in the working environment. Tailored diversity & inclusion (D&I) training and seminars reflecting diverse perspectives have been developed to raise awareness about unconscious gender biases throughout the workplace. At TOPPAN Inc., a total of 197 and 583 female employees hold management and supervisory positions, respectively, as of April 2024. Women now make up 16.3% of all managerial and supervisory staff. In fiscal 2023 we introduced a diversity seminar for body & mind healthcare, based on discussions about employee health at the labor-management committee for enhanced job satisfaction. Focusing on female health as a starting point, the seminar provides gender-neutral information on the physical and mental ailments appearing at different stages of life. Participants gain a deeper understanding of effective remedies and matters to consider in the workplace.

Our management strategy prioritizes D&I issues that encompass female empowerment, infusing an inclusive mindset that will transform our corporate culture. D&I management training and seminars for officers have been held since fiscal 2021. In fiscal 2023, senior managers discussed the issues identified in internal assessments. Recognizing the importance of D&I management, they added relevant measures to the medium-term plans for Group companies and business divisions. We continue to accelerate D&I initiatives focused on female empowerment as a Groupwide challenge for management.

No. of Female Managerial and Supervisory Staff (as of April)
(TOPPAN Inc.)



*The April 2023 results cover Toppan Inc. employees, including those consigned to other companies during the fiscal year.

*The April 2024 results cover TOPPAN Inc. employees, including those consigned to other companies within the Group during the fiscal year. The personnel structure of TOPPAN Inc. is unchanged from that of the former Toppan Inc.

More details on TOPPAN Inc.'s Common Employer's Action Plan (second term; in Japanese) based on the Japanese Act on the Promotion of Female Participation and Career Advancement in the Workplace >

https://www.holdings.toppan.com/assets/ja/pdf/sustainability/women_act_plan_02.pdf

More details on TOPPAN Edge Inc.'s action plan (in Japanese) based on the Japanese Act on the Promotion of Female Participation and Career Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children >

<https://www.edge.toppan.com/sustainability/social/pdf/actionplan2304.pdf>

Recognition

Each year, the Japanese Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (TSE) compile a list of TSE-listed companies that have demonstrated outstanding performance in work-style diversity, regardless of gender, by extending their employees the support they need to build dual-income, co-parenting families. TOPPAN Holdings Inc. was included in this list ("Next Nadeshiko: Companies Supporting Dual-careers and Co-parenting") under the "Nadeshiko Brand" selection in fiscal 2023.



More details on Recognition for ESG (see page 163) >

Gender and Sexual Diversity

Approach System Activity results, performance data

TOPPAN has implemented various initiatives to enhance gender and sexual diversity (SOGI and LGBTQ+) awareness, in order to achieve an inclusive, universally comfortable working environment. Groupwide seminars have been held since 2018 and systems for supporting diverse lifestyles have been continuously updated. Employees with same-sex and/or common-law partners are now eligible for the benefits granted to employee spouses. Every manager, consultation specialist, and Group employee is required to take training programs to acquire basic knowledge on SOGIE, learn more about gender and sexual diversity, and prevent conduct that constitutes harassment. An original guidebook explaining these topics is available. Another initiative, TOPPAN ALLY, encourages employees to express their alliance with sexual minorities and nurture inclusive, stress-free workplaces through the concerted actions of Group employees.

Tokyo Rainbow Pride, the initiative TOPPAN began co-supporting in fiscal 2023 to promote LGBTQ+ visibility in society, gives everyone the opportunity to contemplate the role of businesses in solving social issues. Meanwhile, TOPPAN Holdings Inc. has received the "Gold" ranking, the highest in the PRIDE Index, for three consecutive years. The PRIDE Index evaluates corporate efforts to achieve inclusive workplaces for LGBTQ+ individuals and other sexual minorities.

*Allies are persons who understand and empathize with individual diversity in SOGIE and are guided by awareness of workplace diversity in their actions to ensure that everyone feels at ease in their working environment.



More details on Recognition for ESG (see page 163) >

Employing Persons with Disabilities

Activity results, performance data

TOPPAN develops work environments that accommodate all abilities by actively hiring persons with disabilities. We share model cases at operating companies, operational sites, and plants across Group workplaces to introduce job categories that empower persons with disabilities to work in the ways best suited to their abilities. Jointly with special subsidiary T.M.G. Challenged Plus Toppan Co., Ltd., we develop new job categories and programs to encourage persons with disabilities to continue working. Outside of work, our employee athletes participate in international para-sports competitions.



Toppan Electronics Products Shiga Plant: Designing posters that improve plant safety by alerting colleagues to workplace hazards.



Sign-language session at Akihabara Site: Deaf employees introduce sign language and deaf culture to provide Group personnel with a venue for interaction.

Programs for Students with Disabilities

TOPPAN Holdings Inc. has participated in an industry-academia-government body called the Accessibility Consortium of Enterprises (ACE)* of Japan since 2016. ACE develops original programs and in-person consultations for students with disabilities every year. Students seeking employment can allay the stresses of job-hunting by discussing their experiences with senior colleagues.

*Aims to establish a new employment model for people with disabilities that contributes to corporate growth. (40 companies participating as of April 2024)

Working with T.M.G. Challenged Plus Toppan

Employees with disabilities engage in office support tasks such as data entry, document digitalization, business card creation, internal mail delivery, and PC kitting. They also help sanitize and clean offices and engage in greening and beautification activities at plants. Their support has improved work efficiency and workplace environments at Group sites across Japan. Employees with disabilities at “Kamisuki Labo” make paper by hand from the waste by-products generated in the processing of Cartocans and EP-PAK liquid containers at TOPPAN’s folding-carton plants. The Kamisuki Labo and client companies have held offsite handmade papermaking workshops as an eco-education activity since 2022.



Office support work



Handmade papermaking workshop

Employment of Persons with Disabilities (TOPPAN Holdings Inc.)

	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Employees	325	339	338	357	422
Percentage of total workforce*	2.31%	2.39%	2.43%	2.53%	2.60%

*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.

*Toppan Inc. until 2023

Diversity & Inclusion Training

Training, education Activity results, performance data

TOPPAN organizes online D&I training. In sessions on personal empowerment, female employees and managerial staff can flexibly choose courses that best fit their needs and interests. D&I programs are also arranged in Groupwide compulsory training and rank-based training sessions, including some for new employees, and a series of seminars on D&I topics are held throughout each fiscal year. Participants learn and think together about the nature and challenges of D&I from multiple perspectives. The following seminars were held in fiscal 2023: “Diversity seminar for body & mind healthcare (July 2023),” “Seminar on balancing work and nursing care (December),” “D&I seminar on sensory differences (December),” “D&I seminar on balancing work and childcare (January 2024),” “D&I seminar on inclusive sex education (March).”

Diversity Training Programs (Fiscal 2023)

Course on authentic communication
Course to learn about diversity through gender-positive actions
Practical course to explore diverse ways of working
Course to promote diversity through LGBTQ+ inclusion
Course to foster barrier-free thinking for a universal society
Course on adult developmental disabilities that all of us must understand
Course on unconscious biases
Basic course to enhance resilience
Basic course on anger management
Course on meeting facilitation for working with diverse members

Universal Design

Approach Activity results, performance data

The TOPPAN Group pursues diversity and inclusion (D&I) through three approaches: management, rewarding work, and business. For business, we have been producing an array of universal design (UD) products and services by embracing D&I principles.

TOPPAN's Six Principles on Universal Design were formulated in 2001, two years after the launch of our UD packaging consulting service. These principles have shaped our approaches to developing products and services that value diversity in all of the businesses in which TOPPAN engages. In 2010 we announced the TOPPAN Declaration on Universal Design, revised the six principles into TOPPAN's Seven Principles on Universal Design, and formulated a set of Guidelines for Universal Design to be applied to communication design and packaging under the seven principles. In 2020 our UD businesses were consolidated into "D&I solution," an enterprise that continues to provide a widening scope of services.



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

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

Communication Design

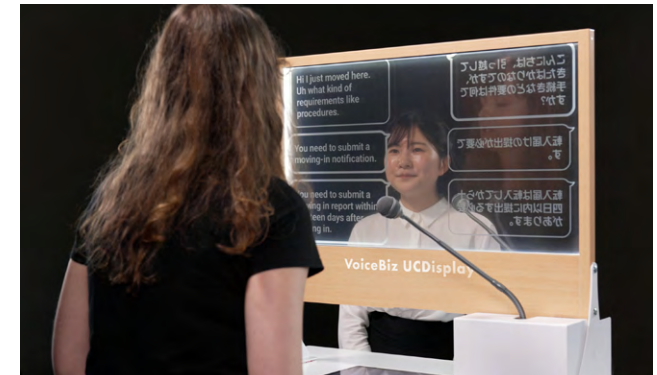
VoiceBiz™ UCDisplay™

Multilingual Communication with a Transparent Display

Conventional machine-based translation services tend to draw the user's eyes to their device, away from the person communicating with the user in a foreign language. With VoiceBiz™ UCDisplay™, the user sees translated text through a transparent display, enabling more natural conversation while looking into the other person's face. The UCDisplay currently supports thirteen languages. Beyond translation, the device facilitates communication with persons with hearing and speech disabilities by supporting keyboard input and displaying closed caption transcripts of conversations in real time.

A number of hotels, department stores, electronics retailers, and railroad operators have begun using the VoiceBiz service since its launch in October 2023. The Vision 2025 plan announced by the Tokyo Metropolitan Government includes the VoiceBiz UCDisplay in its list of technologies expected to enhance universal communication.

TOPPAN aims to create a world where barrier-free reception services like this are adopted universally.



DentatsuClinic™ & D&I Expression Guidebook

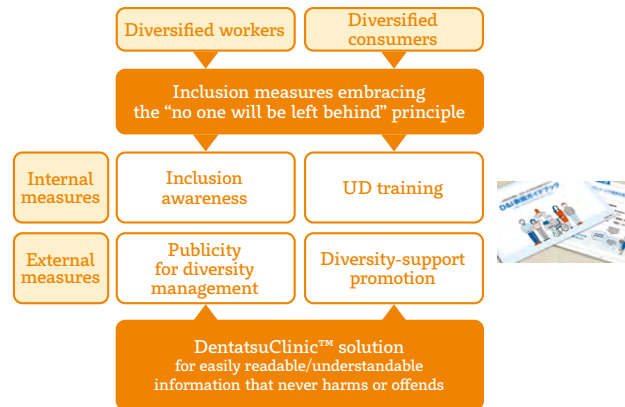
Supporting D&I Training and Expression

TOPPAN supports diversity & inclusion (D&I) initiatives in society through diverse channels. Along with the publication of a *D&I Expression Guidebook*, our DentatsuClinic™ service provides solutions for delivering easily readable and understandable information that never harms or offends. We also help organizations develop training programs and in-house campaigns to enhance D&I mindsets in the workplace.

The range of customer consultations with TOPPAN has been widening as the public interest in diversity issues grows, especially since the amendment of the Act for Eliminating Discrimination against Persons with Disabilities in April 2024. With this amendment, businesses in Japan are required to provide reasonable accommodations for persons with disabilities.

A growing number of customers have been approaching us to request consultations on DentatsuClinic solutions for the support of sales promotion activities, such as the production of POP installations and other in-store tools. In connection with the *D&I Expression Guidebook*, we are meeting the individual needs of customers by providing year-round support mainly through D&I workshops planned and organized in-house. We have also prepared a basic edition of the guidebook that covers the entire workforce and casebooks that address issues specific to individual jobs. The sales of the new *General-purpose Guidebook* are strong.

Our D&I Support Coverage



Packaging Design

Tube-Pouch™

Effortlessly Squeezable Package

A film processed into a tube-shaped pouch with a plastic spout attached to the tip. The thinness of the film (thinner than a conventional tube laminate) and a spout design optimized for viscous seasonings allow the user to dispense the contents with just a light squeeze. Young children and elders can easily squeeze out the product, leaving no residual contents at disposal. The cap "clicks," offering audio-haptic feedback, when it is snugly closed. The pouch is also eco-friendly, as it contains less than 50% plastic resin compared with a conventional pouch container.



Smart Deli Bag

Pouch for Easy Cooking

The Jo-deki Smart Deli Bag™ is a zippered pouch that allows users to mix ingredients of their choosing into handmade-style meals. *Jo-deki* means "excellent for microwave steaming" in Japanese. A GL BARRIER film makes the bag microwavable, for safe and convenient cooking without fire or kitchenware. Anyone can use the pouch to prepare a tasty meal, with no tedious cleanup after eating. Microwave cooking is also an eco-friendly method that reduces CO₂ emissions and water use compared to stovetop simmering or boiling.



DentatsuClinic™ (in Japanese) >

<https://solution.toppan.co.jp/creative/service/dentatsuclicin.html>

D&I Expression Guidebook (in Japanese) >

<https://solution.toppan.co.jp/creative/service/diguidebook.html>

Employee Health & Safety / Work-Life Balance

Basic Approach

Approach

TOPPAN values Group employees as precious “human assets” and understands how deeply it depends on them. Mindful that human assets excel most when they are vigorous, earnest, and driven, TOPPAN Holdings Inc., the Toppan Printing Labour Union (“the labor union”), and the TOPPAN Group Health Insurance Union (“the health insurance union”) promote rewarding working conditions and healthcare and safety initiatives to support motivated, vigorous, and earnest work. For employee health and safety, we undertake various activities based on the Health Management Declaration (est. 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 est. in 2010). The declaration clarifies health management policies for maintaining and enhancing the health of Group employees. Based on data visualizations that track “health and productivity management®,” this declaration reorganizes health promotion measures and action plans implemented by the Group and the health insurance union. Two aims are pursued: further promote the health of employees and their families through various approaches such as supporting work-life balance, and contribute to society through healthcare businesses that support community health. 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. Our efforts to eliminate occupational accidents are constant.

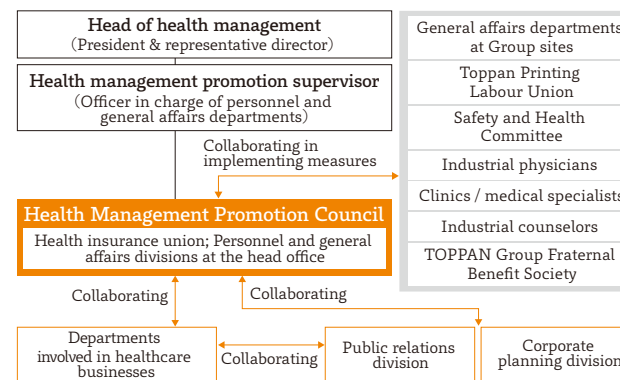
*Registered trademark of the Workshop for the Management of Health on Company and Employee of Japan

Promotion Framework

Framework

The Personnel & Labor Relations Division coordinates with general affairs departments at Group sites 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 at operational sites throughout the Group.

Organizational Framework for Health Management Promotion



Labor-Management Partnership at TOPPAN Inc.

The labor union and management at TOPPAN Inc. collaborate on various issues on an equal footing as partners that share and respect each other's ideals. Business councils are convened as cross-divisional and operational-site-based forums to discuss wide-ranging managerial issues. Several special committees are

convened to deliberate pertinent issues. Standing committees also meet to discuss issues such as working hour reductions, wages, and safety and health. Individual labor-management committees meet whenever necessary to discuss designated subjects such as the creation of a working environment amenable to enhanced job satisfaction. TOPPAN Inc. has adopted a union shop system. In principle, all non-managerial employees belong to the labor union.

*7,113 union members out of the company's total workforce

Health Management

A Health Management Promotion Council at TOPPAN Holdings Inc. has developed a framework for promoting “health and productivity management®.” The president & representative director oversees the council as the head of health management. Groupwide representatives meet with the health insurance union to establish key targets and key performance indicator (KPI) benchmarks for employee health initiatives. The council members discuss, implement, verify, and improve various healthcare measures to achieve the targets and benchmarks.

Investment for Health Management

	Fiscal 2023
Clinic operation cost (covered by the company)	Approx. 250 million yen

🌐 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 Training, education

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 framework of the Group. TOPPAN organizes 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 operated at three domestic sites for over a decade: the Kawaguchi Plant (Saitama), Takino Plant (Hyogo), and Fukuoka Plant. Two newer *dojos* opened at the Gunma Central Plant and Shiga Plant in Japan, respectively, in fiscal 2020 and 2021. Overseas, *dojo* facilities were set up at Group sites in China and Thailand in fiscal 2017. TOPPAN will continue upgrading Groupwide safety promotion activities to prevent occupational accidents, with support from the five domestic *dojos* and two *dojos* overseas. External companies and organizations come to train at the *dojo* facilities in Japan. While most train at the Kawaguchi *dojo*, inquiries on their use are welcome at the other plants. The Kawaguchi *dojo* is equipped with a virtual reality (VR) simulator to train employees and guests on the handling of workplace hazards. This *dojo* also uses mechanical simulators to familiarize trainees with the dangers of dust explosions and hazardous chemical exposure.

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

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



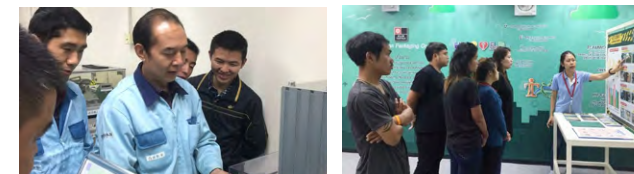
Operating Anzen Dojos Overseas

Dojo facilities were opened at Siam Toppan Packaging (Thailand) in October 2017 and the Toppan Leefung Dongguan Plant (China) in January 2018. Both facilities leverage expertise on safety training cultivated at the domestic *dojos* and are equipped with safety-related displays and hazard simulators optimally selected for the working conditions at their sites. TOPPAN fosters onsite safety masters for overseas Group companies and regularly holds safety sessions for frontline operators according to the operational scheme applied in Japan. *Anzen Dojo* tours with hazard simulators were conducted to ensure employee awareness of potential workplace dangers at four Group sites in the U.S. (May 2019), two sites operated by Giantplus Technology Co., Ltd. (November 2019), and several Group sites in Indonesia and Thailand (May 2020).

On a cumulative basis, 39,968 Group employees and visitors from around the world have taken safety training since the first *dojo* opened in fiscal 2010. Trainees from external companies and organizations have been limited to about 200 per year since fiscal 2020, mainly due to temporary site closures during the COVID-19 pandemic. Notwithstanding the four-year slowdown, a cumulative total of 7,557 visitors from 1,040 entities have trained at *dojo* facilities. TOPPAN has also been using VR technologies to produce hazard simulation content since 2019. In total, 22,678 Group employees have been trained on workplace hazards in *Anzen Dojo* VR tours organized at 55 operational sites across Japan. The innovations at the *dojos* for remote hazard training during the pandemic have heightened safety awareness across the Group.

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

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 (Thailand)
Fiscal 2017 Toppan Leefung Dongguan Plant (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.

*Established by the Japan Society for Safety Engineering under the Science Council of Japan. The group monitors corporate safety activities and commends outstanding initiatives to make them visible to other Japan-based companies.

Enhancing Employee Safety Awareness

A Safety Project has been formed at TOPPAN Holdings 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.




To bolster defenses against COVID-19, TOPPAN site members across Japan have taken part in a diverse series of remote meetings focused on the implementation of safety education and the standardization of safer work procedures for personnel working at production departments throughout the Group. Basic online training sessions have been provided primarily for safety masters and employees in charge of safety across Japan. Site personnel have also gathered at subcommittees to deliberate safety measures in their production processes. In parallel with these ongoing remote initiatives launched during the pandemic period, we have also resumed onsite, in-person safety meetings and training sessions in conjunction with the onsite inspections to promote safety activities throughout TOPPAN.

Enhancing Employee Health with the Health Insurance Union



We engage in a “collaborative healthcare” initiative encompassing health improvement activities, in cooperation with the TOPPAN Group Health Insurance Union. Healthcare promotion committee members deployed across operational sites and 51 clinics supporting employee health throughout Japan collaborate with the health insurance union to develop measures for maintaining and enhancing the health of Group employees. The health insurance union and Group sites leverage their own resources and strengths to implement their health

promotion activities in a solid alliance. Their current initiatives include measures to increase family health checkup rates and forest therapy sessions that bring individual employees and Group organizations into natural surroundings to enhance their vitality.

Data

		2019	2020	2021	2022	2023
Deaths from occupational accidents 	TOPPAN Inc.	0	0	0	1	0
	TOPPAN Inc. and some of its subsidiaries ^{*3}	0	0	0	1	0
Frequency rate ^{*1} 	TOPPAN Inc.	0.144	0.095	0.046	0.092	0.000
	TOPPAN Inc. and some of its subsidiaries ^{*3}	0.342	0.238	0.444	0.340	0.139
Severity rate ^{*2} 	TOPPAN Inc.	0.003	0.001	0.001	0.345	0.000
	TOPPAN Inc. and some of its subsidiaries ^{*3}	0.007	0.004	0.014	0.169	0.003

Fiscal 2023 Results

Fiscal 2023	Deaths from Occupational Accidents	Frequency Rate ^{*1}	Severity Rate ^{*2}
TOPPAN Inc. 	0	0.000	0.000
Some of its subsidiaries ^{*3} 	0	0.290	0.006
Subtotal	0	0.139	0.003
Group companies in Japan ^{*4} 	0	0.184	0.002
Group companies overseas ^{*5}	0	2.380	0.022
Total	0	1.014	0.010

Notes

*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 Fiscal 2022: 30 domestic subsidiaries under the control of either Toppan Inc. or its business divisions
Fiscal 2023: 13 domestic subsidiaries under the control of either TOPPAN Inc. or its business divisions
The results for TOPPAN Inc. pertain to its employees, including those consigned to other companies within the Group. The personnel structure of TOPPAN Inc. is unchanged from that of the former Toppan Inc.

*4 Fiscal 2022: Toppan Inc. and 30 Group companies in Japan
Fiscal 2023: 46 Group companies in Japan

*5 Entities covered: 101 Group companies overseas

*Change in aggregate classification: Some of the entities covered in aggregate have been reclassified with the transition to a holding company structure. With other pertinent data, subsidiaries under the control of the head office are reclassified as “Group companies in Japan.” (These subsidiaries were formerly classified as “some of its subsidiaries” under the control of the former Toppan Inc. until fiscal 2022.) The current reclassification aims to align fiscal 2023 data with the data up to fiscal 2022, as the former head office functions of Toppan Inc. have been transferred to TOPPAN Holdings Inc.

**Only “T” is capitalized in “Toppan Inc.” the entity before the transition, to distinguish it from TOPPAN Inc. (“TOPPAN” in all uppercase), one of our current operating companies.

Measures for Mental Healthcare

Approach Activity results, performance data

TOPPAN works with industrial physicians and the health insurance union to prevent mental health problems at the workplace. The measures taken broadly adopt “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. Diverse knowledge and expertise from outside of the Group have enabled us to develop in-house training programs and materials attuned to our internal mental healthcare needs. The training programs at TOPPAN 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 conditions. Training for new employees, rank-based training, division-based training, workshops at workplaces, and training for candidates for overseas assignments all play important roles. Emerging challenges such as harassment prevention and special care for remote working are comprehensively addressed in our training regime. When individual employees are absent from work for mental health reasons, we support their recovery step by step by encouraging them to concentrate on their own medical treatment, preparing them for their return to work in advance, confirming their readiness to return, and extending support when they are back at work. Deliberative support helps employees maintain good balance between work and medical treatment and avoid any exacerbation or recurrence of mental burdens.

Developing a 3D Stress Check & Support

TOPPAN has analyzed extensive data from employee stress checks and from specialists overseeing mental health problems at the workplace. The risk factors for mental illness identified

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 a proprietary 3D Stress Check & Support system that offers detailed risk assessments and automatically prescribes tailored mental hygiene support through video coaching programs that employees in need can access anonymously. Stress checks are also arranged twice a year for graduates hired in the last 24 months, redoubling our mental healthcare support for new

hires. A question to measure presenteeism has been assessed in our stress checks since fiscal 2022 (single-item presenteeism question [SPQ], University of Tokyo), and new questions to measure absenteeism have been introduced in fiscal 2024. These questions clarify how the mental/physical conditions of employees relate to their productivity. 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.

Overview of Mental Healthcare Activities

	Self-care	Line Care (by managers and supervisors)	Care Using Resources within the Group	Care Using Resources outside of the Group
Fundamental Prevention	<ul style="list-style-type: none"> ● Enhanced physical and mental condition <ul style="list-style-type: none"> • New employee training and training for employees hired in the last 24 and 36 months • Original video materials • Heightened awareness of good sleep 	<ul style="list-style-type: none"> ● Improved communication skills <ul style="list-style-type: none"> • Rank-based training • Workshop on FFS theory ● Harassment prevention <ul style="list-style-type: none"> • Various training programs 		
Primary Prevention	<ul style="list-style-type: none"> ● 3D Stress Check & Support <ul style="list-style-type: none"> • Good physical and mental condition • Guidance on addressing environmental changes 	<ul style="list-style-type: none"> • Improved workplace environments through group analysis 	<ul style="list-style-type: none"> • Interviews by physicians 	<ul style="list-style-type: none"> ● In-house counseling support <ul style="list-style-type: none"> • Adler’s theories of individual psychology • Cognitive behavior therapy ● Healthcare action plan
Secondary Prevention	<ul style="list-style-type: none"> • Training before overseas assignment 	<ul style="list-style-type: none"> • Enhanced early-response capability based on caseness • Interviews, etc. through the coordination of supervisors, general affairs departments, industrial physicians, and the health insurance union 		<ul style="list-style-type: none"> ● Online counseling by the health insurance union ● Employee assistance programs (EAPs) for personnel assigned overseas
Tertiary Prevention	“Return-to-work steps 2022” campaign to shorten the duration of absence and prevent the recurrence or exacerbation of mental burdens			
			<ul style="list-style-type: none"> • Absentee care under the H-ARM-ONLY program 	

Presenteeism*

	Fiscal 2022 Result	Fiscal 2023 Result
Measuring method	SPQ-incorporated stress check	SPQ-incorporated stress check
Result	81.1%	80.0%

*An indicator proposed by the World Health Organization (WHO) to measure performance deficits due to health problems. Presenteeism is productivity loss resulting from the health problems of employees while they work. Absenteeism is absence from work for health reasons (sick leave). Presenteeism tends to be overlooked in attendance management systems.

Work Styles

Approach System Activity results, performance data

Labor representatives and management at TOPPAN Inc. have been engaged in a vigorous dialogue since 2019 to devise flexible work styles. A remote work system adopted on October 1, 2020 covers working from home, working from satellite offices, and mobile working. A smart work system launched in 2018 spurs innovation by achieving full-time work from home on a discretionary basis. We have also revised existing working arrangements and introduced new systems to adapt to post-pandemic, new-normal work styles. Eligibility requirements for remote and smart work systems were relaxed in 2023, and employees are now given the discretion to choose four-day work weeks. Beyond system improvements, ongoing training programs encourage employees to establish their own work styles in the new-normal environment. Employees learn to set individual goals, commit themselves to incremental tasks towards their goals, and actively collaborate with diverse people inside and outside of the Group.

Supporting Work-Life Balance

At ongoing business councils and labor-management committees to support work-life balance, 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 also analyze actual overtime practices, review recently adopted working systems, and deliberate the introduction of new systems. Labor and management at each operational site discuss tailored approaches to creating an accommodating environment where employees are encouraged to take leave. The target paid leave set is at least 10 days per year per employee. Employees working for TOPPAN for 30 consecutive years receive a reward and a period of leave.

Annual Paid Leave Used (TOPPAN Inc.)

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Average paid leave used (days)	11.1	10.3	10.5	11.9	11.7
Average ratio*	60.6%	55.2%	57.0%	64.6%	64.3%

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

Monthly Overtime Working (regular employees, TOPPAN Inc.)

	Fiscal 2021	Fiscal 2022	Fiscal 2023
Average monthly overtime hours	20.87	21.68	22.08

Achieving a Good Work-Life Balance

Various systems and measures are in place 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 financing system to encourage savings; asset-building support through stock ownership and collective insurance; enhanced systems for maintaining 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* runs welfare programs for leisure, health promotion, and life design support. On the diversity front, our benefit systems for spousal arrangements have accommodated same-sex partners and common-law marriage since July 2020, facilitating celebration and condolence leave and benefits such as allowances and wedding gifts.

*TOPPAN Group Fraternal Benefit Society
Founded by employees and TOPPAN under the philosophy of co-creation through mutual support. The society's welfare programs help employees and their families maintain secure lives.

Announcing an Action Plan for Childcare Support

TOPPAN Inc. publishes a “common employer’s action plan” based on an applicable Japanese act*. The plan aims to develop a working environment that supports balanced work and family life for employees with young children. Employers are expected to design their own plans in order to flexibly arrange working conditions for diverse employees, including those not raising children.

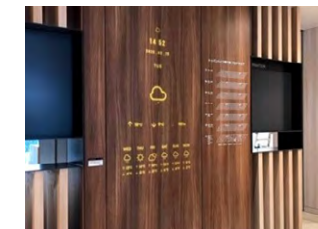
*Act on Advancement of Measures to Support Raising Next-Generation Children

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 >

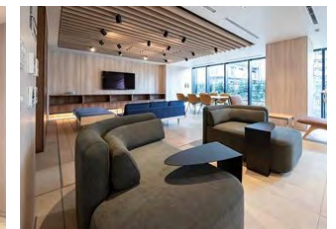
https://www.holdings.toppan.com/assets/ja/pdf/sustainability/toppan202303_actionplans6.pdf

Housing for Single Employees

TOPPAN is updating the housing for single employees in the Group. Our dormitory is set within a contemporary residential environment that has been developed to improve the work-life balance of employees by shortening their commutes to the main operational sites and providing a secure, comfortable living climate. The dormitory is equipped with TOPPAN décor products designed for comfortable living. A soundproofed theater and common lounge facilitate communication among residents.



TOPPAN décor products



Lounge

Main Leave Systems and Family Benefits

Leave Systems, Family Benefits, and Work-Life/Next-generation Support Measures

Stock Leave	Annual paid leave left unused for two years after being granted can be accumulated, up to a ceiling of 50 days. It can be used for reasons such as medical treatment for employees or their spouses, healthcare or nursing care for employee families, fertility treatment, recovery-work after disasters, or school closures due to circumstances such as infectious diseases or natural disasters. (To be taken in half-day allotments, as needed.)
Childcare Leave	Parents can take leave consecutively until their child reaches two years of age. The first five days taken are paid. From day six, employees receive 15% of their regular salaries (until the child's second birthday) and a 1,000-yen daily subsidy from the TOPPAN Group Fraternal Benefit Society. They can also work for shorter hours (up to two hours reduced per day) or select a flextime or irregular working schedule, until their child completes the fourth year of elementary school. TOPPAN subsidizes certain childcare costs and operates a related consultation desk. A leave system for newborn care was also introduced in October 2022 under 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 of leave within eight weeks from the child's birthday or expected delivery date, whichever is later. The 28 days can 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 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	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 (e.g., staggered working hours, two-hour daily reductions). The TOPPAN Group Fraternal Benefit Society pays a 1,000-yen daily subsidy during the leave. TOPPAN offers nursing care information and contracts external guidance counselors.
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 engage in socially beneficial activities for up to one year on leave with 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, TOPPAN 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

TOPPAN is reforming various personnel systems to better reward human assets with diverse skills and career backgrounds by promoting their skill and career development, assigning important roles to younger employees, enabling veteran employees to demonstrate their accumulated skills, and creating a working environment where every person can take on new challenges. Our newly restructured personnel evaluation system grades employees not uniformly by position, but granularly by

incorporating job-specific elements. An employee's tenure, or years in a position, is no longer an evaluation metric. New personnel evaluation metrics—"the creation of a sustainable society," "diversity," "respect for human rights," and "social value creation"—have been added to our basic grading system to help guide employees through the processes of behavioral innovation and personal growth towards enhanced organizational performance throughout the Group. The personnel systems of TOPPAN Holdings Inc., TOPPAN Inc., TOPPAN Edge Inc., and

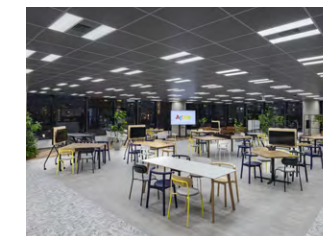
TOPPAN Digital Inc. are being integrated following the transition to a holding company structure in October 2023. This will increase the mobility of human assets within the Group to maximize synergies for enhanced corporate value.

Second-job and Side-business Arrangements

TOPPAN Group employees can engage in second jobs or side businesses, as a basic rule, provided that they can avoid prolonged work in their dual jobs and fulfill the duties of security, confidentiality, non-competition, and good faith in their work at TOPPAN. Ninety-two employees used these arrangements at TOPPAN Inc. in fiscal 2023 (52 employees in fiscal 2022).

Offices Suitable for Diverse Work Styles

Our office environments have been adapted to a diversity of new and flexible work styles that facilitate innovation. Along with shared offices in-house, TOPPAN has opened "Atte," an office where innovation is spurred through face-to-face meetings under the new-normal circumstances. We have also set up "ICT KÔBÔ" studios across Japan as bases for our system development activities driving DX business. Nationwide studios will encourage human assets to choose diverse ways of working as remote workers with shortened commuting times, create new businesses through interactions with local people and companies, and activate communities through increased local employment.



Atte



ICT KÔBÔ

Supply Chain Management

Basic Approach

Approach

We promote sustainable procurement throughout the entire supply chain based on our Purpose & Values, a philosophy shared across the Group. This supply-chain-wide initiative shaped by respect for human rights will satisfy the preconditions we are required to meet to fulfill our social responsibilities and support a sustainable society. The sustainable procurement also enhances corporate value for our suppliers and subcontractors (“business partners”), as well as TOPPAN.

Under the TOPPAN Group Sustainable Procurement Guidelines shared across the supply chain, we will accelerate this endeavor in cooperation with our partners through a cycle of operations, audits, and refinement.

The Sustainable Procurement Guidelines

The TOPPAN Group Sustainable Procurement Guidelines consist of the Basic Procurement Policy, which is to be observed by every department responsible for procurement or involved in operations linked to products and services, and the Sustainable Procurement Standards, which are to be satisfied by our business partners.

The Sustainable Procurement Standards comprise nine sections: “legal compliance and respect for internationally recognized standards,” “human rights and labor,” “health and safety,” “environment,” “fair business and ethics,” “quality and safety,” “information security,” “business continuity planning,” and “establishing a management system.”

We strive for co-prosperity with business partners through sustainable procurement. Based on the TOPPAN Group Human

Rights Policy, the TOPPAN Group Environmental Policy, and the Declaration of Partnership Building, we respect human rights throughout the supply chain, conserve biodiversity, maintain good business practices with business partners, and provide the partners with advice and suggestions on their business continuity planning.

More details on the TOPPAN Group Sustainable Procurement Guidelines (Version 3.1) >

https://www.holdings.toppan.com/assets/en/pdf/sustainability/TOPPAN_sustainable_E_3.1_20231120.pdf

More details on the TOPPAN Group Human Rights Policy >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/human-rights-policy.html>

More details on the TOPPAN Group Environmental Policy >

<https://www.holdings.toppan.com/en/sustainability/environment/>

More details on the Declaration of Partnership Building (in Japanese) >

https://www.holdings.toppan.com/assets/ja/pdf/our-corporate-approach/toppan's_partnership.pdf

The Structure of the TOPPAN Group Sustainable Procurement Guidelines

Basic Procurement Policy

This is a basic policy that applies to all workers involved in procurement activities at the TOPPAN Group.

We fairly and impartially offer opportunities to all Business Partners and potential Business Partners.

We comply with domestic and overseas laws and regulations and conduct fair business transactions based on corporate ethics.

We strictly control the information obtained through procurement activities.

We work to conserve the environment and reduce impact on the environment.

We pursue QCD (Quality, Cost, Delivery) in order to meet the needs of the market.

We work to foster mutual cooperation and build relationships of trust with Business Partners.

We promote sustainable procurement throughout the entire supply chain.

*“Subcontractors” are referred to as “Business Partners” in these guidelines.

Sustainable Procurement Standards

These are sections that set out requirements for suppliers and subcontractors*.

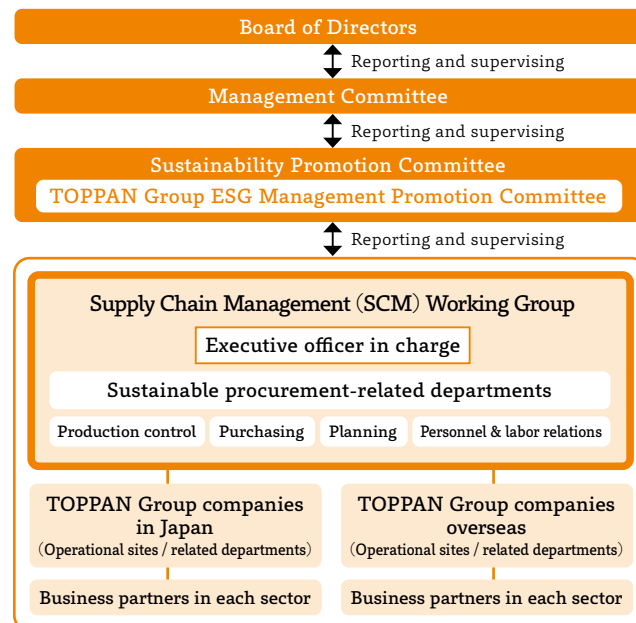
1. Legal Compliance and Respect for Internationally Recognized Standards
2. Human Rights and Labor
3. Health and Safety
4. Environment
5. Fair Business and Ethics
6. Quality and Safety
7. Information Security
8. Business Continuity Planning
9. Establishing a Management System

Promotion Framework and Mechanisms

Framework

The executive officer heading the Corporate Planning Division spearheads sustainable procurement initiatives at TOPPAN. The Sustainability Promotion Committee deliberates on concrete measures and reports the results to the Board of Directors through the Management Committee. The directors make comprehensive decisions on sustainable procurement and discuss, monitor, and continuously oversee the implementation, target setting, and progress of measures. Sustainable practices are followed not just by the procurement departments, but by every department involved in operations linked to products and services. Production control, purchasing, planning, personnel & labor relations, and other departments in the Supply Chain

Supply Chain Management Framework



Management (SCM) Working Group work with related departments in operating companies to implement sustainability measures in close cooperation with their business partners.

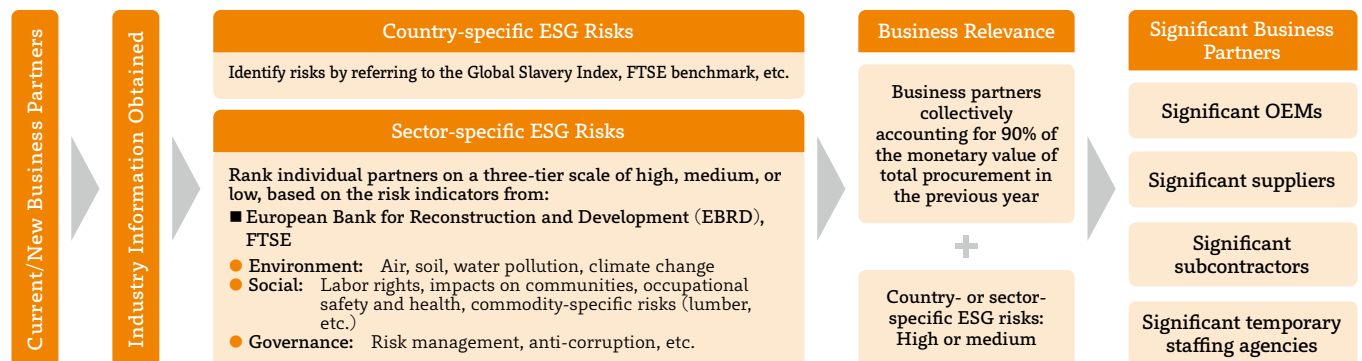
Departments that Work with Business Partners

Departments	Significant Business Categories
Production control	OEMs
Purchasing	Suppliers
Planning	Subcontractors
General affairs	Temporary staffing agencies

Selecting Significant Business Partners

The screening process for selecting significant business partners, both new and current, takes place in several steps. The first step is an assessment of environmental, social, and governance (ESG) risks specific to the countries and industries (business sectors) of our partners, primarily focusing on those with whom we do ongoing business. Next, the “significant business partner” designation is applied to the companies that collectively account for 90% of the monetary value of TOPPAN’s total procurement, or the companies with higher country-specific or sector-specific ESG risks. And significant business partners are divided into four major categories. Country-specific risks are identified with reference to the Global Slavery Index and other indicators. Sector-specific risks are assessed based on the industry classification benchmark from the Financial Times Stock Exchange (FTSE). ESG risks (e.g., labor rights, pollution of air, soil, water, etc.) corresponding to detailed sector classification (e.g., manufacturing, service, printing industries) are also considered.

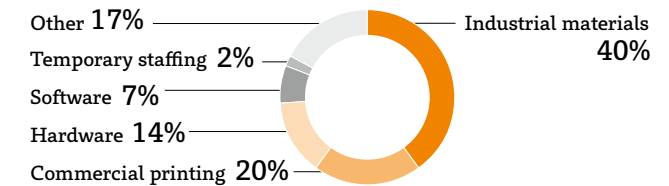
Screening Process for Designating Significant Business Partners



Supply Chain Overview

Below are percentages of our business partners by industry category in fiscal 2023.

Partners by Industry Category



*Based on the FTSE industry classification

Group Policies and Measures for Sustainable Procurement

Group Policy	Policy (details)	Risks Identified through Assessments	KPI Benchmark or Management Metric or Standard	Business Partners Covered
TOPPAN Group Human Rights Policy	Human rights initiatives	Forced labor, harassment, or other human rights issues in the supply chain	Dissemination of the human rights policy and confirmation of compliance	Significant business partners*
TOPPAN Group Sustainable Procurement Guidelines	Basic Procurement Policy	Compliance violations (violations of subcontract law, etc.); acts contrary to accepted social ethics	Compliance training in procurement departments	Related departments within the Group
			Training on the Sustainable Procurement Guidelines in procurement departments	Related departments within the Group
			Monitoring on compliance in procurement departments and the assessment of monitoring results	Significant business partners*
	Sustainable Procurement Standards	Quality-related incidents, environmental incidents, legal violations, insufficiencies in raw material supply, or other incidents in the supply chain that can develop into issues in wider society	Number and percentage of business partners (meeting the Group's sales criterion) that have signed cooperation agreements, basic transaction agreements, and basic sale & purchase agreements stipulating the observance of the TOPPAN Group Sustainable Procurement Guidelines	Significant business partners*
Declaration of Partnership Building	Continuation of business operations with business partners in the event of a disaster	Supply disruption of materials, components, or equipment caused by earthquakes, storms, floods, or other natural disasters	Enhancement of the business continuity competencies of business partners (through annual SAQs and workshops on BCP)	Significant business partners*
	Observance of good business practices with business partners	Damage to social credibility arising from failures to rectify business practices concerning pricing methods, payment terms, work style reform, intellectual property usage, the sharing of expenses for mold management, etc.	Training on good business practices (training on transaction-related legislation and the Declaration of Partnership Building)	Related departments within the Group
TOPPAN Group Environmental Policy	Control of chemical substances in products	Reduced product safety resulting from the admixture of hazardous substances into raw materials	Dissemination of the TOPPAN Group Standards for the Management of Chemical Components of Raw Materials	Significant business partners*
	Biodiversity conservation	Suspension of operations at paper manufacturers resulting from interruptions in the supply of lumber derived from forest resources (the main material of paper) that are considered to have significant impact on biodiversity	Verification of the legality of lumber to promote the sustainable use of forest resources for paper production	All paper manufacturers in the supply chain
		Supply stoppage of printing paper and suspensions of printing operations	Dissemination of the Paper Procurement Guidelines for the Sustainable Use of Forest Resources	Significant business partners*

*Significant business partners are those who engage in ongoing business with TOPPAN and either collectively account for 90% of the monetary value of the total supply or have country- or sector-specific ESG risks.

Sustainable Procurement Initiatives

Approach Policy

Applying the Sustainable Procurement Guidelines

We have been implementing the following measures since fiscal 2022 to apply the TOPPAN Group Sustainable Procurement Guidelines throughout the entire supply chain, in cooperation with significant business partners.

- Hold briefing sessions on the procurement guidelines
- Conclude cooperation agreements, basic transaction agreements, and basic sale & purchase agreements that stipulate the observance of the procurement guidelines
- Ask business partners to fill out self-assessment questionnaires (SAQs) on the procurement standards and encourage them to remedy any issues they have identified
- Confirm the BCP steps business partners are taking to address wide-scale disasters

TOPPAN has also established the Standards for the Management of Chemical Components of Raw Materials, a set of criteria to control chemical components throughout the entire supply chain.

More details on the TOPPAN Group Standards for the Management of Chemical Components of Raw Materials (ver. 5.1) >

<https://www.holdings.toppan.com/assets/en/pdf/about-us/our-corporate-approach/chemical-components-of-raw-materials-v5.1en.pdf>

Advocating the Basic Procurement Policy (Fair transactions by procurement departments)

Sustainable procurement should be built upon trust between business partners and TOPPAN. We have set up a Supplier Hotline to enhance transparency and fairness in transactions

and deepen relationships of trust with business partners. The hotline is open for use by all of our partners.

We also send the partners questionnaires to monitor whether our procurement departments operate properly in accordance with the Basic Procurement Policy in their transactions with the partners.

More details on the Supplier Hotline >

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

Conserving Biodiversity

We promote the sustainable use of natural resources based on the TOPPAN Group Environmental Policy. As a mechanism for governing the procurement of raw materials, we have formulated a set of paper procurement guidelines to advance the sustainable use of paper, a resource representing 70% of our material input.

As an assurance for the sustainable use of forest resources, TOPPAN cooperates with paper manufacturers in the supply chain to confirm that the lumber they use for paper production is legally obtained.

More details on the TOPPAN Group Environmental Policy >

<https://www.holdings.toppan.com/en/sustainability/environment/>

More details on the TOPPAN Group Paper Procurement Guidelines for the Sustainable Use of Forest Resources (second edition) (in Japanese) >

https://www.holdings.toppan.com/library/japanese/about-us/files/sustainability/2014/proc2014_06.pdf

Main Activities and Results

Activity results, performance data

Designating Significant Business Partners

For wider dissemination of the sustainability initiatives throughout the supply chain, we select significant business partners and ask them to observe the TOPPAN Group Sustainable Procurement Guidelines.

In procuring paper, a resource accounting for 70% of our material input, TOPPAN has designated a group of significant paper manufacturers that collectively represent more than 90% of total paper purchases by monetary value. Efforts to ensure our sustainable use of forest resources are conducted through surveys that confirm the legality of lumber used in paper production by these significant partners.

No. of Significant Business Partners

Rank	Fiscal 2023	
	No. of Companies	Share of Procurement by Monetary Value ¹
Significant partners in Tier-1	2,919	94%
Significant partners in Tier-2 (paper manufacturers) ²	24	-
Significant business partners ³	2,943	-

¹ Transaction amount with significant business partners in Tier-1

² Significant partners not in Tier-1

³ Total for partners in Tier-1 and Tier-2

Concluding Agreements with Business Partners

We have been promoting sustainable procurement throughout the entire supply chain by encouraging business partners to conclude cooperation agreements, basic transaction agreements, and basic sale & purchase agreements that stipulate the observance of the TOPPAN Group Sustainable Procurement Guidelines. Our goal is to conclude agreements with 90% of our

significant partners by no later than fiscal 2025. If we discover that a partner has violated the procurement guidelines, we request the partner to take corrective actions. Should the corrections not be made within a set timeframe, we may reconsider how and if we will transact with the partner, and in some cases may choose to terminate our contract with the partner in accordance with the terms of the agreements concluded.

Turning to the environment, TOPPAN asks business partners to adhere to the procurement guidelines by setting 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.

Ex. 1: Cooperation Agreement text (excerpt)

The company understands the intent of sustainable procurement, and in transactions with TOPPAN Group companies, shall observe sustainable procurement standards and shall comply with said procurement standards or equivalent company standards.

Ex. 2: Basic Transaction Agreement (excerpt)

Article 41. Legal Compliance and Promotion of Corporate Social Responsibility

Through procurement, manufacturing, sales, disposal, and all

No. of Partners with Agreements

		Fiscal 2023
Target		2,943
Result		2,068
Rate of conclusion of agreements		71%
Breakdown by business category	OEMs	658
	Suppliers	1,072
	Subcontractors	337
	Temporary staffing agencies	1

other business activities, the company shall observe the Sustainable Procurement Guidelines, and shall request its own business partners to comply with said guidelines or with equivalent guidelines established by the company.

Asking Partners to Fill out SAQs

The self-assessment questionnaires (SAQs) provide insight into the environmental, social, and governance (ESG) practices of business partners and help the partners verify and improve their adherence to the TOPPAN Group Sustainable Procurement Guidelines on their own. The SAQs are prepared based on international codes of conduct, guidelines, and assessment criteria on sustainability and human rights established by the Responsible Business Alliance (RBA), the Japan Electronics and Information Technology Industries Association (JEITA), and other organizations. The SAQ results are fed back to business partners, along with requests for corrective actions whenever necessary. The same results serve as a useful reference for TOPPAN employees and contracted consultants as they organize onsite assessments and provide guidance on corrective measures.

The fiscal 2023 SAQs evaluated the management of working hours, the payment of appropriate wages, the extent to which a whistleblower system on harassment has been established, and several other assessment items specified in the “human rights and labor” section. Fifteen percent of the respondents reported that no whistleblower system on harassment had been in place. The respondents were given feedback on their overall SAQ ratings/item-based ESG-risk evaluations, the industry averages, specific items in need of improvement, and recommended improvement plans. No serious human rights abuses were found in the supply chain in fiscal 2023. TOPPAN employees carried out onsite assessments of the four partners who received low SAQ ratings/ESG evaluations.

SAQ sections (excerpt)

International certifications obtained / Policies and rules formulated

- | | |
|--|-------------------------------------|
| 1. Legal compliance and respect for internationally recognized standards | 6. Quality and safety |
| 2. Human rights and labor | 7. Information security |
| 3. Health and safety | 8. Business continuity planning |
| 4. Environment | 9. Establishing a management system |
| 5. Fair business and ethics | |

No. of Partners Undergoing SAQs & Onsite Assessments

		Fiscal 2023
Target		2,943
Result		1,952
Percentage of responses received		67%
Breakdown by business category	OEMs	674
	Suppliers	919
	Subcontractors	356
	Temporary staffing agencies	3
Feedback provided ¹		468
Subject to corrective actions ²		4
Subject to an onsite assessment ³		4
Corrective measures confirmed ⁴		1 ^{*6}
Transaction terminated ⁵		0

^{*1} No. of business partners receiving feedback on overall SAQ ratings/item-based ESG-risk evaluations, risk mitigation measures, and recommended improvement plans

^{*2} No. of partners assessed to have substantial actual or potential negative impacts

^{*3} No. of partners who underwent onsite assessments, among those assessed to have substantial actual or potential negative impacts

^{*4} No. of partners who were confirmed to have taken corrective measures, among those assessed to have substantial actual or potential negative impacts

^{*5} No. of partners whose transactions with TOPPAN were terminated, among those assessed to have substantial actual or potential negative impacts

^{*6} The three partners who have yet to complete their corrective plans continue to implement the corrective measures

Feedback on SAQ Results

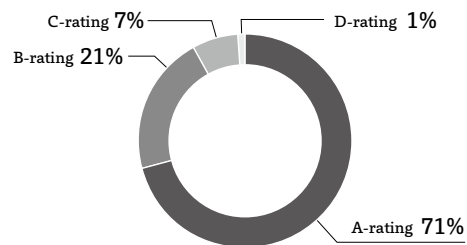
The business partners who respond to the SAQs receive feedback on their overall ratings and the evaluation results for each ESG-risk item.

Overall SAQ Rating

Percentage breakdown of companies by overall rating.

Respondent partners can use this chart to compare their positioning against other companies.

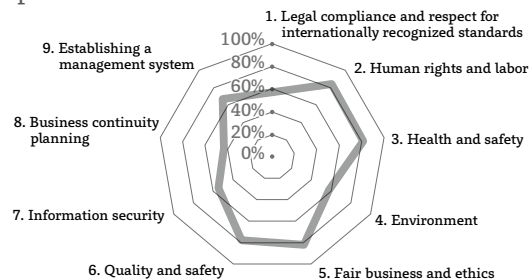
Sample Case



Industry Average

Respondent partners can check their positioning by comparing their own scores with the industry average for each risk section.

Sample Case



Detailed Evaluation by Risk Item (sample case)

Below are the ESG risks to be closely examined.

Risks requiring confirmation:	Items to be checked and addressed
Further actions required:	Items to be addressed through sustainability activities
Risk factors:	Items to be checked and addressed as risks
Important management questions:	Items that take higher priority

Sample Case

Section	Item	Risks Requiring Confirmation	Further Actions Required	Risk Factors	Important Management Questions
1. Legal compliance and respect for internationally recognized standards	1) Legal compliance and respect for internationally recognized standards	✓	✓		
2. Human rights and labor	2-1) Prohibition of forced labor				
	2-3) Management of appropriate working hours	✓		✓	
4. Environment	4-1) Environmental permits and reports	✓	✓		✓

Improvement Plans by Risk Item (sample case)

TOPPAN provides business partners with recommended improvement plans for guidance.

Sample Case

Inadequate Environmental Approvals and Authorizations

As actions for improvement, the company is required to collect information on the latest applicable laws and regulations and to establish an in-house framework and mechanisms to ensure compliance.

Improvement Support via Onsite Assessments

TOPPAN has helped business partners develop concrete improvement plans to address each risk section specified in the fiscal 2023 assessment. Risk remediation through improvement measures has also been confirmed.

Section	No. of Partners Targeted	Human Rights and Labor	Health and Safety	Environment	Fair Business and Ethics	Quality and Safety	Information Security	Business Continuity Planning	Establishing a Management System	Total No. of Cases
Improvement support via onsite assessments	4	9 cases	7 cases	1 case	—	2 cases	1 case	3 cases	—	23 cases
Improvement measures confirmed	1	1 case	1 case	—	—	—	—	1 case	—	3 cases

Enhancing BCP Competencies

TOPPAN expects business partners to prepare procedures in advance to ensure that production can be promptly resumed when a wide-scale natural disaster or other emergency affects their operations. The Declaration of Partnership Building released from TOPPAN Holdings Inc. in October 2023 voices our support for business continuity planning (BCP) at business partners to secure the continuity of their operations in the event of a disaster. We survey the BCP steps taken by significant business partners every year and invite those partners to participate in our BCP workshops.

Out of the 211 partners surveyed, 22 participated in online workshops and discussed BCP matters in fiscal 2023.

BCP Survey Results

		No. of Partners Surveyed	No. of Partners Participating in Workshops	No. of Partners with Improved Evaluations after Workshops	No. of Partners with Improved Evaluations after Workshops (cumulative total)
Fiscal 2021	Suppliers in Tier 1	63	14	2	6
	Suppliers in Tier 2	122	6	1	9
	Total	185	20	3	15
Fiscal 2022	Suppliers in Tier 1	25	7	2	8
	Suppliers in Tier 2	223	73	9	18
	Total	248	80	11	26
Fiscal 2023	Suppliers in Tier 1	119	16	4	12
	Suppliers in Tier 2	92	6	3	21
	Total	211	22	7	33

Procurement Guideline Training within the Group

The TOPPAN Group Sustainable Procurement Guidelines apply to every department that handles goods and services necessary for our business operations. Training on the guidelines is organized for employees in the relevant departments and for corresponding personnel from significant business partners.

The Declaration of Partnership Building, issued by TOPPAN Holdings Inc. in October 2023, pledges our ongoing commitment to the building of close relationships and the observance of good business practices with the partners.

TOPPAN holds training sessions on transaction-related legislation and on the Declaration of Partnership Building at the procurement departments to remind personnel of their obligation to practice the following commitment set forth in the Basic Procurement Policy: “We comply with domestic and overseas laws and regulations and conduct fair business transactions based on corporate ethics.”

Procurement Guideline Training within the Group

	Training Result	Fiscal 2021	Fiscal 2022	Fiscal 2023
Break-down	Production control	327	653	781
	Purchasing	168	302	259
	Planning	—	1,019	311
	General affairs	—	155	141
	Total no. of participants	495	2,129	1,492

Procurement Guideline Training for Significant Partners

		Target	Fiscal 2023 Result
Break-down	OEMs		269
	Suppliers		186
	Subcontractors		161
	Temporary staffing agencies		14
	Total no. of partners	630	630

Training on Partnership Building and Transaction-related Legislation

No. of Participants	Fiscal 2023
Ordering departments, incl. procurement depts.	6,480

Monitoring Compliance in Procurement Departments

TOPPAN regularly asks significant business partners to fill out questionnaires to clarify their transactions with the Group. With the questionnaire results, we monitor whether our procurement departments operate properly in accordance with the Basic Procurement Policy. No monitoring survey was carried out in fiscal 2023, however, as we concentrated on preparing for the shift to a holding company structure and on reviewing our transaction arrangements with suppliers who could be subject to the Subcontract Law of Japan. We will be sure to carry out the survey in fiscal 2024.

Monitoring Results

	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
No. of responding partners	17	10	10	0
Cumulative no. of partners	151	161	171	171

Verifying the Legality of Lumber for Paper Production

The TOPPAN Group Environmental Policy, formulated in April 2024, reaffirms our commitment to achieving zero deforestation associated with forest resources in paper procurement. As a major procurer of paper, a resource representing 70% of our material input, we promote the sustainable use of forest resources by surveying the legality of lumber, the main material of paper.

TOPPAN continues to monitor paper suppliers based on the environmental policy. A fiscal 2023 survey of 35 sites operated by 24 paper manufacturers around the world confirmed that all of the lumber they used to produce paper was obtained legally. These 24 partners supplied 100% of the paper TOPPAN Inc., one of our main operating companies, procured in fiscal 2023.

 More details on the TOPPAN Group Environmental Policy >

<https://www.holdings.toppan.com/en/sustainability/environment/>

Survey Results on the Legality of Lumber for Paper Production

	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Paper suppliers surveyed	13	13	10	24
Purchase value basis	90.0%	91.8%	97.4%	100%
Percentage of lumber sources verified as legal	100%	100%	100%	100%

Research and Development

Basic Approach

Approach

In the more than 120 years since its foundation, the TOPPAN Group has evolved its original specialization of printing skills into printing techniques. Technical advances in printing, coupled with the fusion of varied knowledge and expertise with processing technologies, have enabled us to systemize “printing technologies” of our own. Five core technologies now drive our business: Information Processing, Microfabrication, Surface Treatment, Material Forming, and Marketing Solutions. These five technologies and the distinct benefits they offer are combined into the new solutions we offer.

By strengthening core technologies to maximize synergies within the Group, TOPPAN is steadily generating new value for society through co-creation with clients, universities, and startups. We will continue deepening and expanding our unique technologies to develop new businesses that provide solutions to global social challenges and transform our business portfolio.

Research and Development Framework

Framework

We advance research and development activities centered on our core technologies from a market-oriented perspective. The R&D Strategy Office and the Business Development Division work together with the technology development departments at operating companies. The R&D Strategy Office seeks to establish an infrastructure for cross-departmental technical administration, while the Business Development Division engages in research, new business development, and strategic investments to create new businesses as a disruptive innovator.

TOPPAN also strategically builds and uses intellectual property, generates R&D synergies within the Group, and collaborates creatively with clients and external research institutions to advance R&D activities. In these ways, we deliver new value to address today's shifting society and global environment.

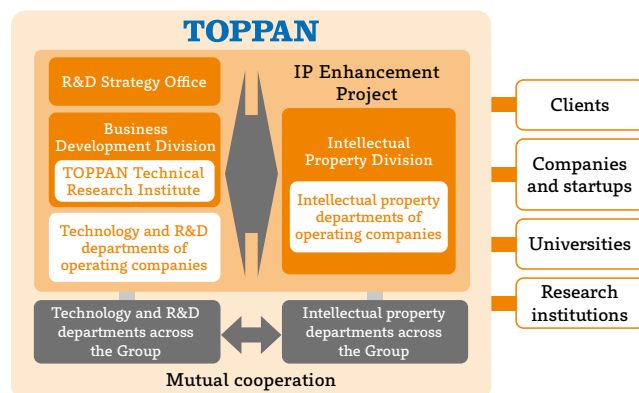
TOPPAN Technical Research Institute

Framework

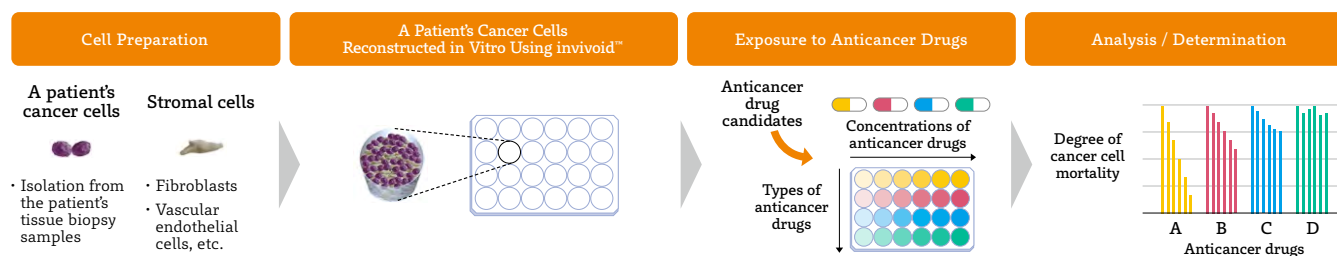
Our central research facility, the TOPPAN Technical Research Institute (est. in 1986 in Sugito, Saitama Prefecture, Japan) promotes research integration, interdisciplinary research exchanges and technological development, and cross-border Groupwide research collaborations. Its primary focuses are fundamental research to usher in next-generation technologies and the development of highly original, competitive products and services. The institute also utilizes its advanced expertise to provide technical support to TOPPAN business divisions.

invivoid™, a forefront 3D cell culture technology using proprietary biomaterials, was developed jointly with Professor Michiya Matsusaki from the Graduate School of Engineering at Osaka University. In one of its various R&D projects to promote the social implementation of this technology, the institute is using invivoid to reconstruct 3D tissues in vitro from tissues

Research and Development Framework



Anticancer Drug Selection Test



removed from patients in cancer surgery. The reconstructed tissues, called “cancer-patient avatars,” will serve as new experimental materials that are likely to obviate the need for conventional mouse experiments in anticancer drug trials. These avatar tissues are already used in a clinical study the institute has launched in Japan in partnership with the Japanese Foundation for Cancer Research. Specifically, researchers are administering multiple anticancer drugs to both avatar tissues and actual patients to compare the cancer responses. In October of 2023, the institute began collaborating with The University of Texas MD Anderson Cancer Center (MDACC) on testing to evaluate new immunotherapeutic drugs MDACC has been studying in the U.S. Researchers from MDACC and TOPPAN are using cancer-patient avatars equipped with immune functions as models to evaluate new drugs. Through this research, TOPPAN seeks to acquire a CLIA certification* and launch a cancer testing business in the U.S. Our ultimate goal is to personalize the selection of anticancer drugs for every patient.

*The Clinical Laboratory Improvement Amendments (CLIA) are a set of regulatory revisions legislated in the U.S. in 1988. CLIA authenticates that the clinical tests performed in healthcare laboratories meet the quality standards required in the U.S. This certification confirms the reliability of test results for patients and healthcare providers.

New Business Creation Themes

Policy

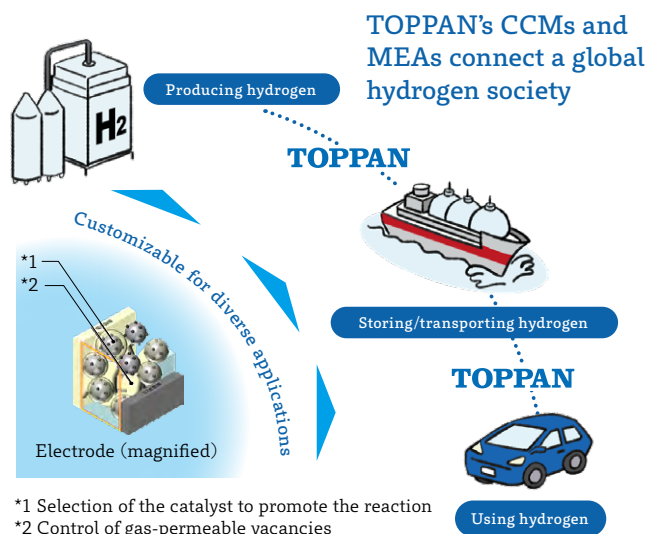
TOPPAN has been creating new businesses that address social and industrial issues by leveraging business models and technologies that give us a competitive edge.

One notable venture we are committed to is the development of membrane electrode assemblies (MEAs), core components of fuel cells. Fuel cells have been attracting worldwide attention as a key technology in the coming hydrogen society. These zero-emission power generation devices supply electricity from hydrogen and air, and discharge water alone.

TOPPAN's MEAs are distinguished by a single-wafer manufacturing process in which both sides of an electrolyte sheet are coated with catalyst ink at the same time. Another feature is the high energy-conversion efficiency achieved by the catalyst structure and the special materials added to it. Thanks to our patented technologies, TOPPAN's MEAs have been evolved into products that have higher operational performance and durability, more customizability for individual users, and superior market competitiveness. Their sales were launched in August of 2023, soon after the operational startup of our manufacturing facility at the Kochi Plant in Japan. MEAs are generally used for producing hydrogen, as well as for storing, transporting, and using it. We will be supplying our MEAs to customers across the hydrogen energy field to help the international community achieve carbon neutrality.

 More details on the Acquisition of Intellectual Property Rights (see page 73) >

Diverse Applications in a Hydrogen Society



Investing in Startups

Policy Activity results, performance data

TOPPAN has invested in more than 60 promising startups around the world since 2016. The joint ventures we enter with these startups bring us closer to the goals of the Medium Term Plan, our roadmap to becoming a leading provider of solutions for global society through DX and SX initiatives.

In June 2022 we founded a corporate venture capital (CVC) fund in the U.S. to secure more overseas funding for the development of businesses. Our focus is on partnership with innovative North American startups that are technologically able to develop novel eco services and products.

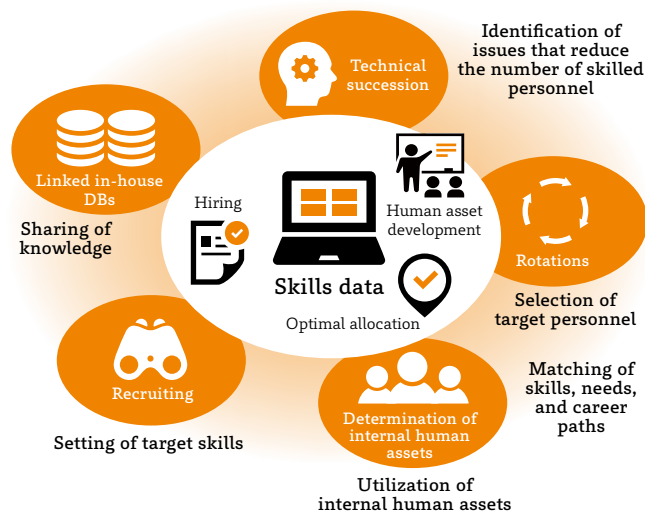
Fostering R&D Talent

Policy

TOPPAN strives for technological enhancements through the strategic utilization of our human capital. In fiscal 2020 we began surveying employees in technology departments across the Group to rate their technical skills and consolidate the skills we identify into a skill map.

The skill map allows us to better foster human assets equipped with digital skills. At present, for example, we are enriching our pool of personnel capable of leveraging AI and analyzing big data. In R&D, in particular, we focus on the development of human assets who can apply materials informatics (MI) methods assumed to be effective for efficient materials development.

Overview of Skill Map Utilization



R&D Investments

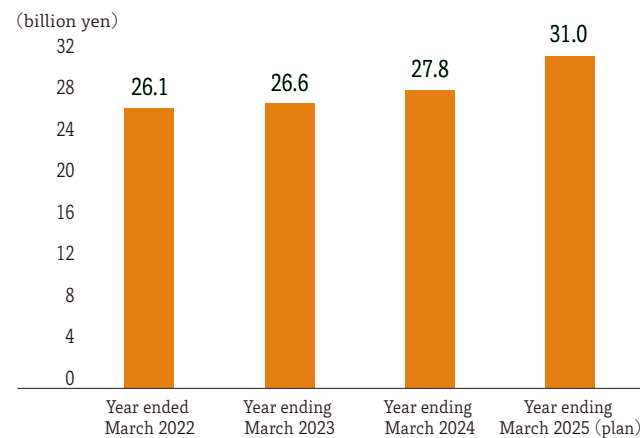
Policy Activity results, performance data

The TOPPAN Group advances research and development to create new businesses with a view to transforming its business portfolio. We have defined key fields in which to invest R&D resources on a priority basis, starting from fiscal 2020. Fiscal 2020-2022 and fiscal 2023-2025 are positioned as the “foundation building phase” and “result delivery phase,” respectively.

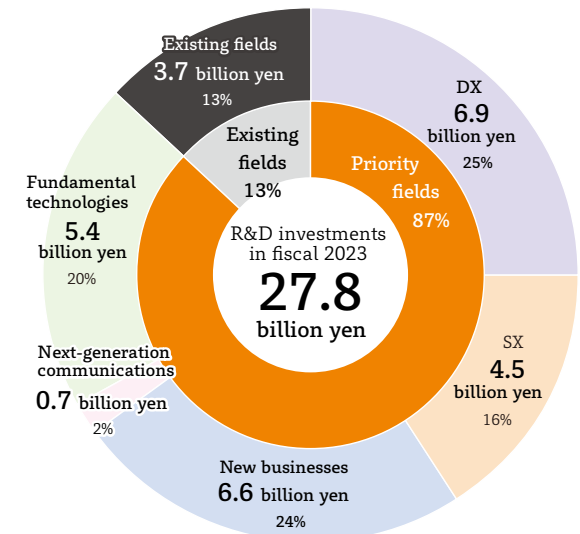
Seeds have been planted to achieve results in fiscal 2023 and beyond through increased R&D budgets for technological enhancements and the faster creation of new businesses. The bulk of the R&D funding is spent in key investment fields that address current social issues and technological trends (shown in the table on the right) and in the establishment of technological platforms and other foundations that support efforts in those key fields.

Business Model/Field	Main R&D Objectives
DX	AI/IoT businesses, solutions for local government administration, digital marketing, digital platform business, BPO, smart city initiatives & community planning, etc.
SX	Mono-material compositions, switch to paper materials, recycling/upcycling operations, biomass business, biodegradable materials, etc.
New businesses	Metaverse-related business, healthcare business, 3D cell cultures, fuel cell components, quantum dots, energy business, genome editing, robotics, agribusiness, etc.
Next-generation communications	Next-generation FC-BGA substrates, sensors, etc.
Fundamental technologies	Materials/analysis, foundation for service quality improvement, converting, microfabrication, AI business, security business, etc.

R&D Expenditure



Fiscal 2023 Breakdown of R&D Investment Fields



Intellectual Property

Basic Approach

Approach

Mindful of the importance of intellectual property (IP) as a core source of competitiveness, TOPPAN implements IP initiatives to secure market advantages. We believe that every IP activity should be aligned with business plans and R&D activities. We will acquire IP rights for products and services generated from the linkage between an IP strategy derived from our IP portfolio and a technology strategy focusing on market needs and the competitive landscape. Intensified IP initiatives will enable us to acquire IP capabilities that support our portfolio transformation and reinforce our management.

TOPPAN Group Basic Policy on Intellectual Property

1. We develop proactive intellectual property initiatives from a global perspective based on an intellectual property strategy that further aligns our market-oriented stance and R&D activities by positioning intellectual property and intangible assets as important management resources to generate competitiveness in business.
2. We strategically use the intellectual property we have created to enhance corporate value and attain sustainable growth through the execution of Group management, higher business profits, and effective solutions for social issues.
3. We respect the intellectual property rights of others and take appropriate proactive/preemptive measures to avoid rights infringements when operating our businesses.
4. We comply with the laws and regulations pertinent to intellectual property rights across the world and exercise our legitimate rights appropriately when any of our intellectual property rights is infringed by a third party.
5. We appropriately and accurately use the trademarks we hold to enhance our brand value.

Maximizing Corporate Value

IP initiatives support our business portfolio transformation to achieve the Medium Term Plan. Effective intellectual assets secure our competitiveness in business to maximize the corporate value of TOPPAN.



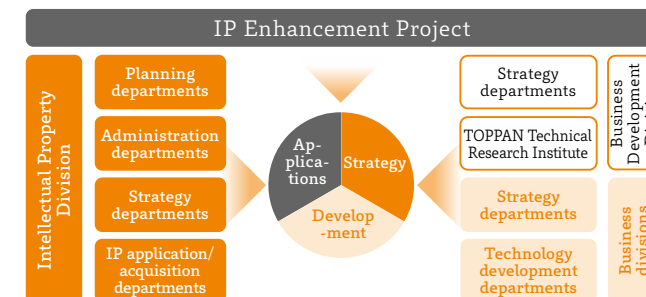
Reinforcing the IP Infrastructure

Framework

IP Management Framework

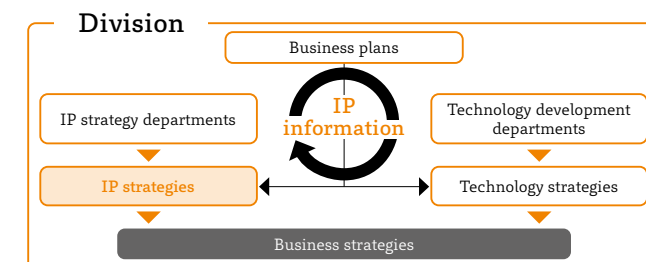
With the transition to a holding company structure in October 2023, we have built a framework where TOPPAN Holdings Inc. centrally manages the intellectual property rights owned by the main operating companies. Group synergies will be maximized through Groupwide IP utilization under the holding company structure.

Under this framework, the business divisions, R&D departments, and IP departments collaborate to implement IP activities across the Group. IP managers and personnel from the business divisions are jointly operating an IP Enhancement Project that addresses cross-divisional IP issues for the consolidated control of IP activities throughout the Group.



Promoting IP Strategy

TOPPAN is establishing a framework to enable business divisions to implement their own IP strategies in line with business plans. The measures required consist of the following: IP analysis to determine the direction of technology development, beginning from business planning (e.g., a clear understanding of positioning); construction of an IP portfolio linked to technology development aimed at business advantage; planning and execution of IP strategies to counter competitor intellectual properties of interest. Strategy, technology development, and IP departments develop IP strategy by preparing a joint IP strategy sheet. Business divisions use this sheet to identify TOPPAN's business strengths by reviewing market environments, technological trends, and the IP rights held by the Group and competitors. Once our strengths are confirmed, we search for the optimal approaches to applying for and acquiring intellectual properties.



Developing IP Talent

An IP training system has been built for all of the technical personnel employed by TOPPAN Holdings Inc. and its main operating companies. Job-based IP training, for example, enhances an IP-focused mindset in every TOPPAN employee. Human assets chosen from business divisions across the Group take part in training on IP strategy as future specialists in the field.

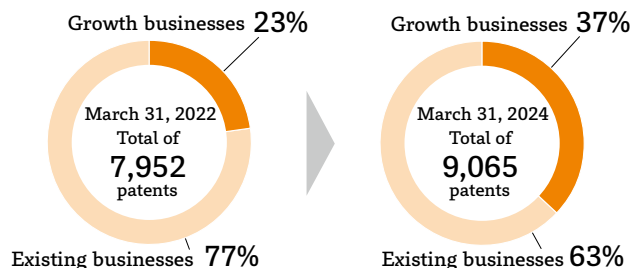
IP Initiatives to Secure the Portfolio Transformation

Activity results, performance data

A Patent Portfolio Consistent with the Business Transformation

We review our patent portfolio whenever necessary to ensure that the intellectual property rights we hold are aligned with our management policy under the Medium Term Plan. The establishment of the Intellectual Property Division in April 2022 has accelerated our patent portfolio transformation. The ratio of patents TOPPAN holds in the growth businesses of “DX (Erhoeht-X™),” “SX,” and “new businesses” has been steadily increasing.

Patent Portfolio in Japan (incl. unprotected) *Published only



Gaining Competitive Edge in New Businesses

The IP departments work with the development departments and business strategy departments in the TOPPAN Group to build a strategic patent network that secures competitive advantages in prominent businesses we are developing on a priority basis.

Metaverse Platform

TOPPAN is constructing a unique metaverse platform that satisfies diverse consumer needs by leveraging the communication and security technologies we have refined in our Information & Communication businesses.

“Metapa™” is a metaverse shopping mall combining the real and virtual worlds. Several of the original functions developed for communication between users and service staff have been patented: private talk, tour mode, screen sharing, and more. These functions differentiate Metapa from similar services



Private talk function

Protects confidentiality by preventing other users from overhearing conversations



Tour mode function

Allows users to follow behind staff guides automatically



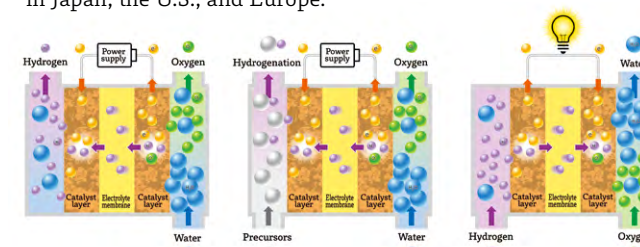
Screen sharing function

Synchronizes and shares screen operations between users and staff

from competitors, securing us a competitive edge in the metaverse.

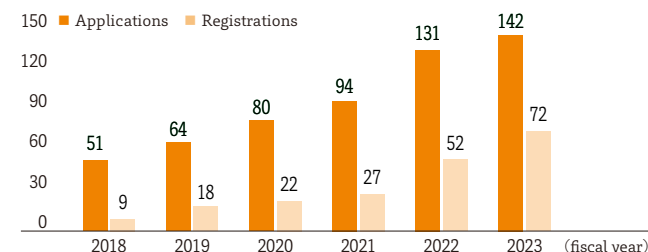
Electrodes for Hydrogen Energy

TOPPAN is developing electrode components, catalyst-coated membranes (CCMs) and membrane electrode assemblies (MEAs). CCMs and MEAs are core devices integrated in forefront hydrogen energy equipment that can be applied in hydrogen production, storage, transport, and use. Our original direct-coating manufacturing method has improved adhesion between the electrolyte membrane and catalyst layers to achieve high energy-conversion efficiency. Our unique additives have also enhanced the drainage and conductivity of the catalyst layers. Outstanding TOPPAN technologies bring high functionality to CCMs and MEAs. We are strategically developing a patent network for these technologies with a view to securing competitive superiority on a global basis, especially in Japan, the U.S., and Europe.



Producing hydrogen Storing/transporting hydrogen Using hydrogen

Cumulative Total of CCM/MEA-related Patent Applications/Registrations (Japan)

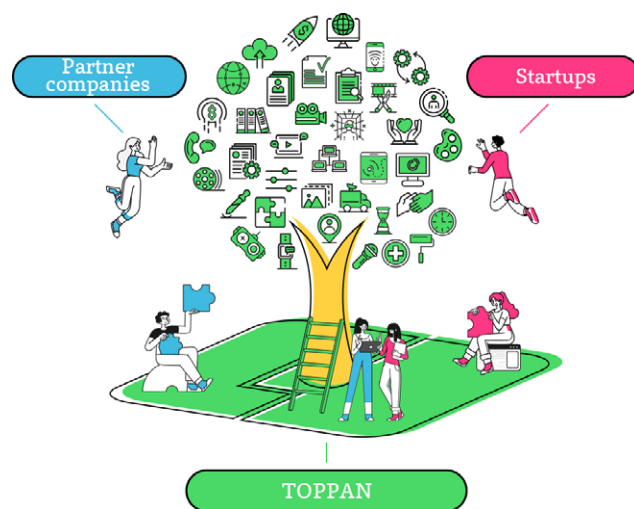


Driving Open Innovation

The TOPPAN Group has been implementing an open innovation program called “co-necto™” since 2017. The program solicits outstanding business ideas mainly from startups and advances those ideas with our management resources to co-create new businesses.

A co-necto venture starts with field trials aiming at co-creation by three parties: TOPPAN, a startup, and a local partner company. The field trials explore the best market to fit a new service, product, or solution emerging from the collaboration of the three parties. One hundred and thirty-five startups entered this program and three field trials were performed in fiscal 2023.

We support the ventures from an IP perspective by conducting IP due diligence before the field trial implementation.

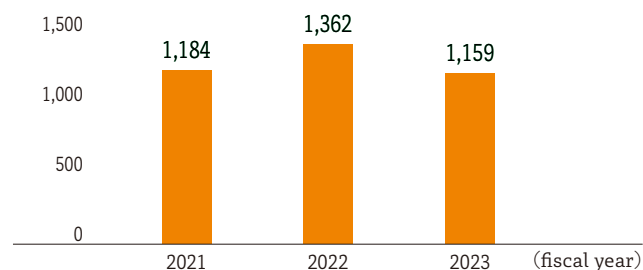


Acquisition of Intellectual Property Rights (TOPPAN Holdings Inc.)

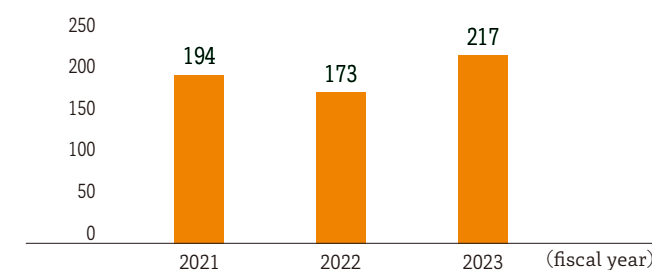
Activity results, performance data

*The number of applications, etc. may increase or decrease when we change our in-house aggregation methods.

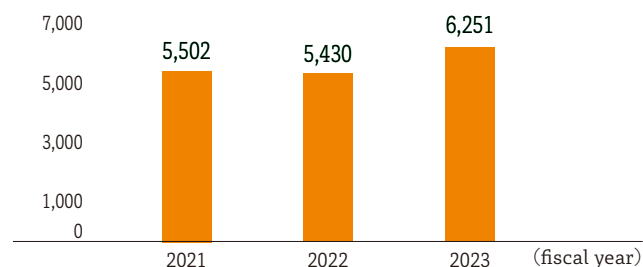
No. of Patent Applications (Japan)



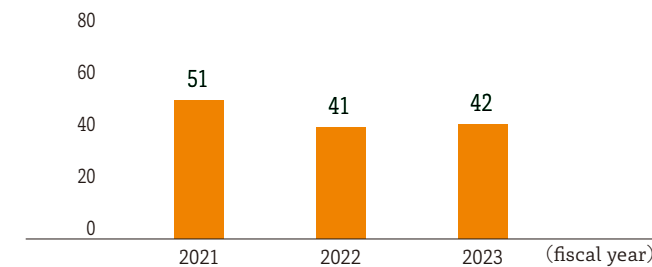
No. of Overseas IP Applications (PCT)



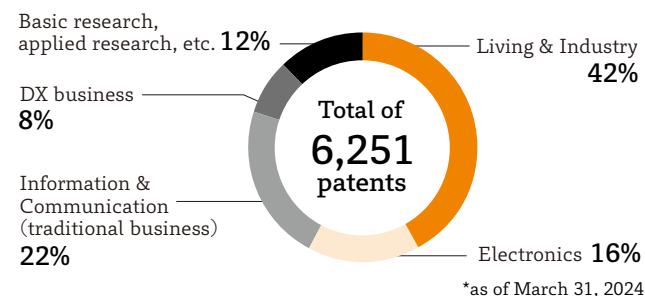
No. of Patents Held (Japan)



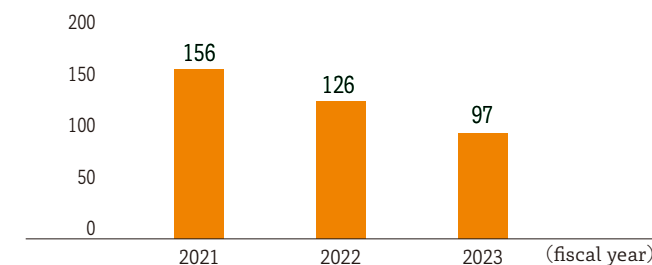
No. of Design Applications (Japan)



Patents Held by Business Field (Japan)



No. of Trademark Applications (Japan)



Total Quality Assurance

Basic Approach

Approach

We define quality assurance as a total activity covering services as well as products and strive to steadily improve the quality of the products and services the Group develops.

Products

Quality assurance for products 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 we describe our quality initiatives as “total quality assurance” as we strive to improve product quality and manage product safety throughout the Group.

For the maintenance and improvement of product quality, TOPPAN 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 we produce.

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.

More details on the TOPPAN Group Basic Policy on Product Safety Management >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/total-quality-assurance.html#anchor01>

Services

Every department involved in service development, from planning to release and operation, contributes to quality assurance according to customer requirements. The departments continuously strive to maintain and improve the quality of the services TOPPAN provides.

The TOPPAN Group Basic Policy on Service Quality sets out the guiding principles for service quality management. The essentials of the policy are summarized in our Basic Philosophy on Service Quality Management.

Basic Philosophy on Service Quality Management

We engage in service quality management in accordance with the basic principles of our Conduct Guidelines in order to gain the satisfaction and trust of customers, society, and business partners by driving co-creation of value as we work to enhance the TOPPAN brand.

More details on the TOPPAN Group Basic Policy on Service Quality >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/total-quality-assurance.html#anchor02>

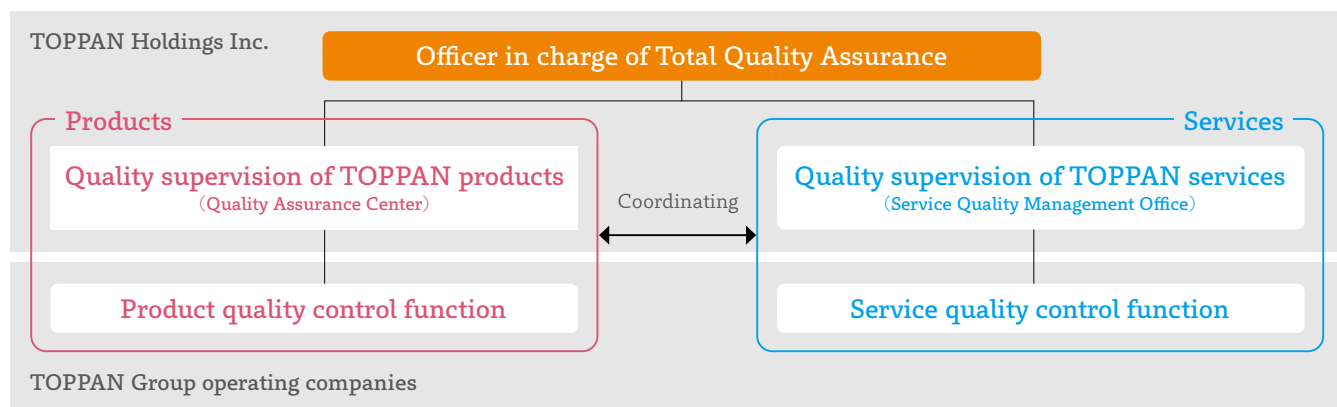
Promotion Framework

Framework System

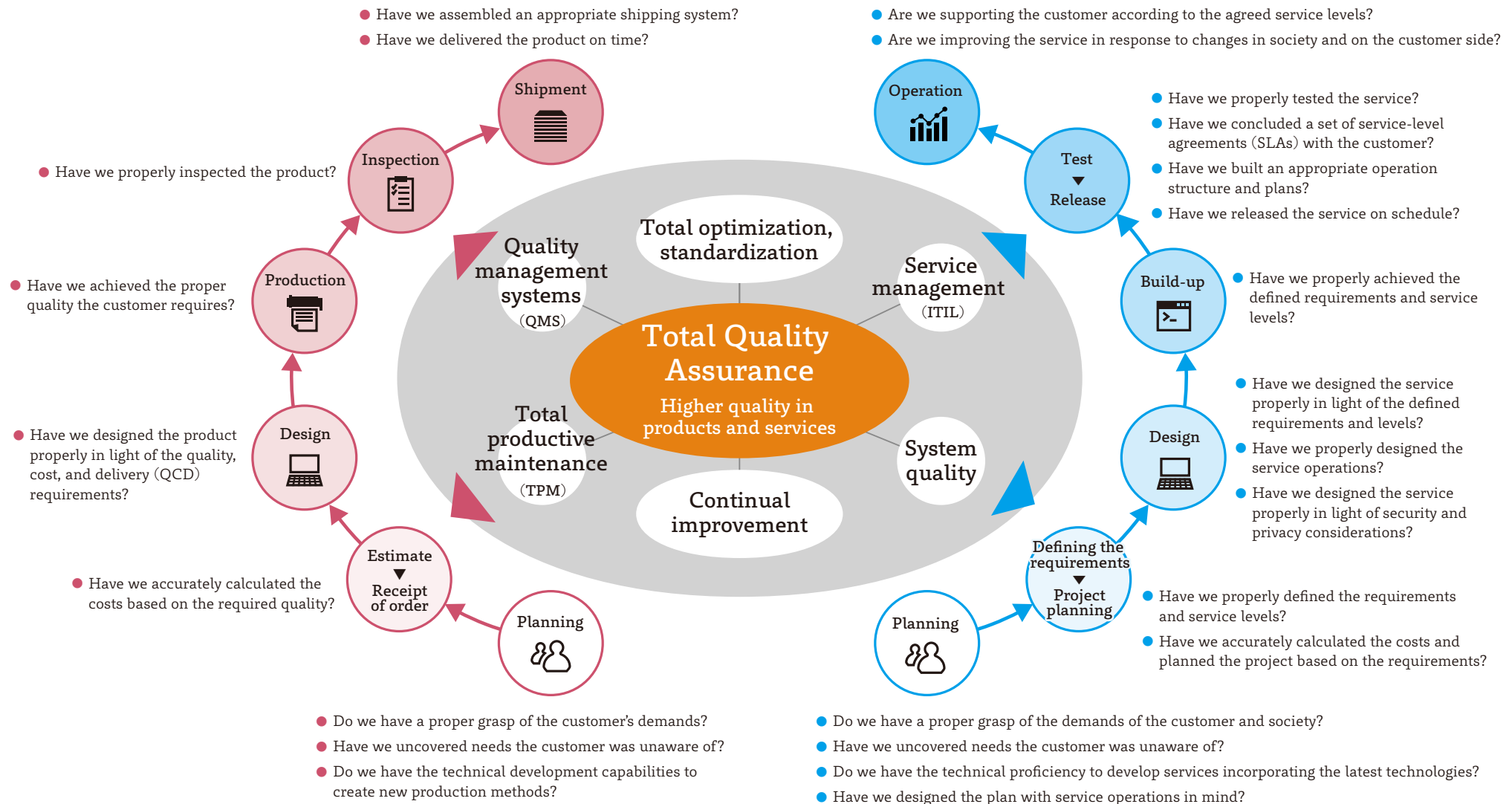
Adding to our long-established product-based system, we have developed a service-based quality assurance system that extends our quality efforts to encompass services as well as products. TOPPAN’s “total quality assurance” activities have been implemented through the interoperation of assurance systems that merge product quality control with service quality control at each operating company. The officer in charge of Total Quality Assurance at TOPPAN Holdings Inc. supervises this comprehensive framework for quality governance for products and services.

Comprehensive Quality Assurance Framework

— Product quality assurance departments — Service quality assurance departments




TOPPAN's Total Quality Assurance in Business Activities



Products

Operating companies in the TOPPAN Group have established ISO-9001-compliant quality management systems (QMS) to sustain product safety management. Based on their QMS, the companies strive for continuous improvement and the assurance of their product quality.

 More details on our ISO 9001 accreditation and certification >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/iso/iso9001.html>

The quality assurance departments in each operating company handle customer complaints and claims on products. When a serious product-related incident occurs, TOPPAN sets up a Crisis Management Committee in line with the Group's rules on risk management to rapidly and properly address the issue, giving the top priority to user safety. We have also formulated 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 operating companies and monitors the progress of improvement activities. For serious product-related incidents, the center checks the validity of recurrence-prevention measures and the status of efforts to sustain those measures. TOPPAN has also adopted a production approval system to accredit Group sites and partner companies as entities qualified to engage in the manufacture of food containers/packages and healthcare products according to the exacting quality-assurance levels required for safety and sanitation.

Services

We established a Service Quality Management Office at TOPPAN Holdings Inc. in October 2023 to govern service quality management. This office properly manages service quality and pertinent risks and promotes continual improvements throughout the entire lifecycle of a service.

We have also formulated a set of rules on service quality at the TOPPAN Group as practical principles based on global standards, primarily the ISO standards and the Information Technology Infrastructure Library (ITIL) framework. These management rules are aligned with the TOPPAN Group Basic Policy on Service Quality.

A system has also been developed to ensure consistent quality control across service development processes, from planning and release to operation and continual improvement. Independent specialized departments at each operating company check the quality of services based on the required process-based procedure/quality standards we have defined to improve the quality of our services. This management system allows us to assess the effectiveness of the TOPPAN Group's rules on service quality and the operating companies' activities for securing their service quality. The Service Quality Management Office evaluates their activities and supports their improvement efforts.

When a serious service-related incident occurs, a Crisis Management Committee will be set up to rapidly and properly handle the issue in line with our rules on risk management. The process closely parallels our response to a product-related incident.

TOPPAN's Checklist on Service Quality

Check Points

- Cyber security
- Privacy policy
- Service levels
- Operational design
- Terms of use
- Response to service interruptions
- Contract risks when using AI
- Legal compliance

Activity Results

Training, education

Activity results, performance data

Products

Enhancing Quality Management Systems

The Quality Assurance Center holds training seminars for internal auditors for quality management systems (QMS) to improve the effectiveness of QMS across the TOPPAN Group. In fiscal 2023, a total of 179 seminar participants learned how to effectively use internal audits to detect potential defects in QMS at their sites.

The center also assesses QMS effectiveness at Group sites and provides guidance to shore up the weaknesses identified in their QMS processes. Quality management assessments were held at 44 Group sites in fiscal 2023.

Accreditation System for Food Packaging and Healthcare Products

Food packaging requires exacting quality assurance for safety and sanitation. We have adopted a production approval system to ensure that the production sites of TOPPAN and business partners can manufacture containers and packages only after

undergoing audits with checklists in conformance with the Quality Assurance Guidelines for Food Packaging. Accreditation audits for packaging operations were carried out at eight sites inside and outside of the Group in fiscal 2023. The accreditation system for approving production via audits has also been applied to the healthcare business. Accreditation audits were conducted at 16 sites inside and outside of the Group in fiscal 2023.

Audits for Food Filling/Packing and Healthcare Businesses

Audit Points

- Agreements with client companies
- Quality assurance systems
- Design of products and services
- 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

Tier 1 food filling/packing businesses

- 5 sites run by manufacturing subsidiaries
- 3 sites run by production business partners

Healthcare businesses

- 7 sites run by manufacturing subsidiaries
- 9 sites run by production business partners

Services

To underpin service quality, every operating company takes thorough steps to educate human assets on the significance and purpose of the TOPPAN Group Basic Policy on Service Quality and the TOPPAN Group's rules on service quality. Employee training and awareness campaigns have been organized to establish appropriate actions based on the policy and rules.

Groupwide e-learning programs on the basic policy were arranged in fiscal 2023 (16,703 participants). Trainees learned the importance of service quality and explored ways to improve it.

The fiscal 2024 training mainly consists of e-learning programs on the rules on service quality for employees from service departments across the Group. The training programs, in combination with informative communications from senior managers, have been effective in improving the quality of the services TOPPAN delivers.

AI Ethics


Basic Approach

Approach

The growing adoption of artificial intelligence (AI) worldwide has given rise to social issues linked to AI usage, such as privacy and human rights infringements, aggravated discrimination and prejudice, and the widening of inequity. In pursuing our mission (“Purpose”) of “breathing life into culture, with technology and heart” in a society burgeoning with AI, we believe that every member of the TOPPAN workforce must understand the risk of AI impacts on society and maintain appropriate control over AI technology with high ethical standards. The TOPPAN Group AI Ethics Policy stipulates seven topics (shown below) to be observed by all Group employees in the development, provision, and use of AI. Our policy is based on the AI Guidelines for Business developed by the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry of Japan. It also accords with the Conduct Guidelines, as well as the Human Rights Policy, the Basic Policy on Information Security, and the Basic Policy on Service Quality, the policies we have formulated so far.

Structure of the TOPPAN Group AI Ethics Policy

1. Human-centered AI Usage
2. Respect for Human Rights and Equality
3. Consideration for Privacy
4. Pursuit of Transparency and Accountability
5. Provision of Safe AI
6. Contribution to a Sustainable Society and Economy
7. Development of Human Assets Skilled in AI

 TOPPAN Group AI Ethics Policy >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/ai-ethics-policy.html>

Operational Framework

Framework

We understand that it will be necessary to review the content and operation of the TOPPAN Group AI Ethics Policy in order to adapt to the fast advances in AI technology and shifts in the social climate and civilian values. Based on our principle of total quality assurance, the management responsibilities linked to the policy have been delegated to the Digital Innovation Division, the Corporate Planning Division, the Legal Division, and the Service Quality Management Office.

Within this operational framework, we regularly review the policy in order to promptly address any changes in the environment around us. Continuous improvements of the AI ethics policy will allow us to appropriately harness the functionalities of AI throughout the Group.

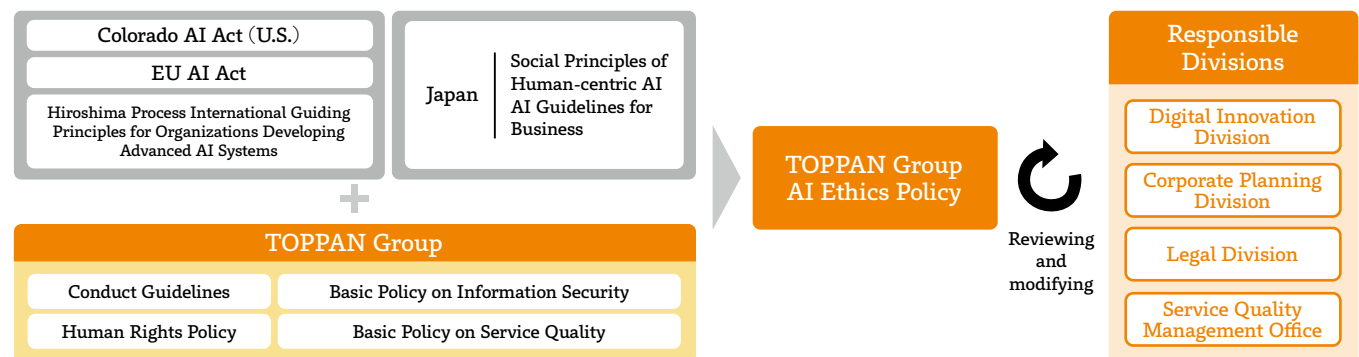
Fostering AI Talent

Training, education

An environment compatible with our original generative AI chatbot is now available across the TOPPAN Group. The AI chatbot service was introduced in October 2023. In parallel, a set of practical guidelines for the safer and more efficient use of AI has been disseminated throughout the Group. For generative AI models considered to pose significant risks, particularly in the areas of security and ethics, we organize basic training (via e-learning programs) to enhance general familiarity with AI usage among the entire workforce.

TOPPAN Holdings Inc. and TOPPAN Digital Inc. have joined the AI Governance Association (AIGA) of Japan, a business consortium formed to address practical issues in the social implementation of AI governance. AIGA encourages member companies to share their conceptions of AI governance approaches ideal for adapting to social shifts in their businesses. We will reflect insights gained in the TOPPAN Group AI Ethics Policy whenever necessary. Through our efforts at the AIGA initiative, we strive to maintain our reputation for integrity in the international community as a corporation that provides solutions for diverse social issues worldwide.

Legislation and Guidelines Underlying TOPPAN's AI Ethics Policy



Engagement

Basic Approach

Approach

The TOPPAN Group assigns great value to the appropriate disclosure of corporate information to promote stakeholder engagement. We are communicating our views, listening to stakeholder opinions, and engaging in earnest dialogues to reach a mutual understanding with stakeholders. These communication practices enable us to follow the shifting demands of society and incorporate the diverse expectations and needs of stakeholders in the planning of our corporate activities. Through this approach, we would like to maintain our present status as a group of companies that upholds the trust of society.

We are also committed to enhancing relationships with overseas stakeholders through rapidly globalizing operations that provide various solutions to social issues around the world. TOPPAN will bolster Groupwide initiatives to upgrade stakeholder engagement with careful attention to legal compliance and diverse cultures in the countries and regions where the Group does business. We will help achieve a sustainable society by building, maintaining, and enhancing cooperative relationships with stakeholders of all kinds.

Activity Results

Activity results, performance data

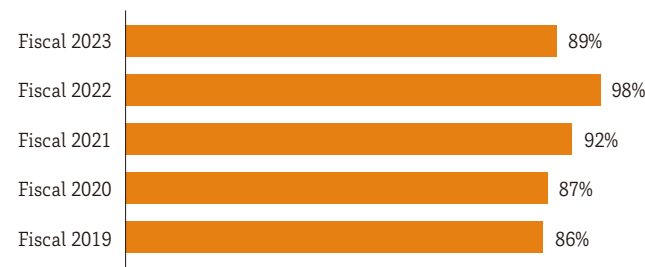
Communicating with Customers

From our very first day in business, we have been working to secure the trust and satisfaction of customers by developing and

providing excellent products and services that meet customer requests. The “total quality assurance” approach TOPPAN takes to all of the business processes throughout the supply chain has helped us secure and improve the safety and quality of our products and services.

We have also been developing, improving, and upgrading manifold products and services by promptly identifying the diverse and sophisticated needs of customers. To further enhance products and services, TOPPAN keeps constant track of customer satisfaction (CS) and harnesses the customer feedback the Group receives. CS surveys comprehensively assess the quality of our products and services by checking operations from technological development to sales promotion across the Group. The survey results are delivered to the responsible departments and used to make continuous quality improvement towards refined service provision and enhanced customer satisfaction.

Customer Satisfaction (Secure Media)
(Total of “satisfied” and “somewhat satisfied”)



*The survey items are rated on a 5-point evaluation scale: “satisfied,” “somewhat satisfied,” “neutral,” “somewhat dissatisfied,” and “dissatisfied.”

Boosting Mutual Trust with Business Partners

TOPPAN is enhancing communication with business partners in the conviction that cooperative and trusting relationships are critical for the promotion of sustainable procurement.

The TOPPAN Group Sustainable Procurement Guidelines have been shared throughout the supply chain. In a cycle of guideline-compliant transactions, performance audits, and practice improvements, we engage in ongoing dialogues with business partners to deepen mutual understanding. Our Supplier Hotline is open for use by all partners. The hotline evinces our commitment to enhancing transparency and fairness in transactions and boosting relationships of trust. We also ask partners to fill out questionnaires to monitor whether our procurement departments operate properly in accordance with the Basic Procurement Policy under the TOPPAN Group Sustainable Procurement Guidelines.

The Declaration of Partnership Building, issued in September 2022, clarifies priority themes for solidifying cooperation and co-prosperity with our partners and cultivating partnerships based on good business practices.

More details on the Declaration of Partnership Building (in Japanese) >
<https://www.holdings.toppan.com/assets/ja/pdf/our-corporate-approach/toppan's-partnership.pdf>

More details on Supply Chain Management (see page 60) >

Labor-Management Approach to “Respect for Human Beings”

We understand how deeply we depend on our human assets. The working environments TOPPAN has been developing are designed to help employees accomplish their tasks vigorously, earnestly, and with strong motivation. We organize various site-based initiatives primarily for employee health and job satisfaction through collaborations with the labor union, the health insurance union, and other related organizations. In-house club activities and various events such as health awareness campaigns and labor-management recreation events have been held to facilitate communication and build a sense of unity throughout the Group.



Club activity



Health awareness campaign

Surveying Employee Engagement

TOPPAN has designated “employee health & job satisfaction” as a Materiality theme to drive our success in fulfilling our sustainability management goal of creating social value. We see increased employee engagement as a key underpinning for achieving this management strategy. The integrated strengths of the Group will be further improved when employees find their work rewarding, feel fulfilled, and work proactively.

We launched an annual employee engagement survey in fiscal 2021. The fiscal 2023 survey analyzed the responses of 31,194 employees at TOPPAN Holdings Inc. and 44 Group companies to assess the expectation-perception gaps in their experiences working within their organizations (16 areas

surveyed; see the table below). The surveys will allow us to identify factors that enhance or hinder employee engagement, deliberate and implement measures that reliably enhance employee engagement, and verify the effectiveness of those measures. The employee mindsets revealed through the surveys are reported to each organization and used to develop plans to increase employee engagement. Senior management and section managers act together to solve organizational issues by sharing the survey results at the Executive Officer Committee.

Engagement Survey Summary for Fiscal 2023

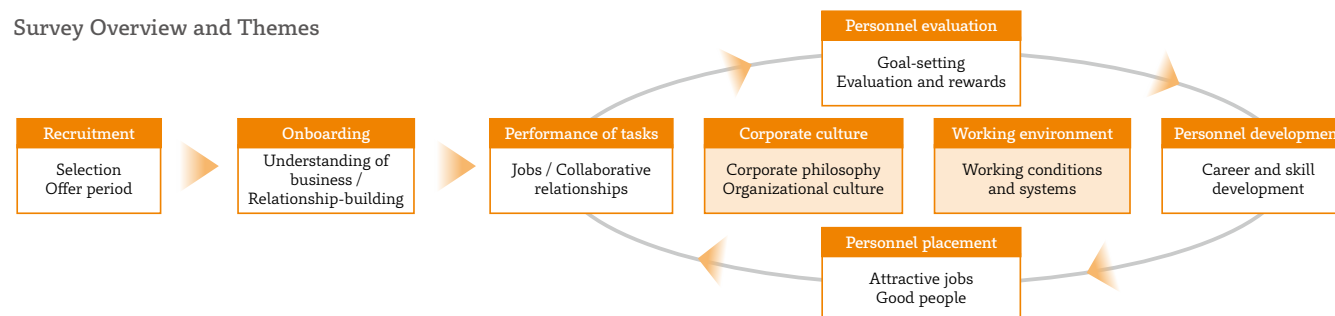
Employees Covered	31,194 employees, from 45 companies within the Group
No. of Respondents (RR)	29,252 (93.7%)
Dates	From November 16 to December 25, 2023
Total No. of Questions	Performance of tasks, personnel evaluation, personnel development, personnel placement, working environment, corporate culture 108 questions in 12 areas under 6 themes *4 areas under 2 themes (recruitment and onboarding) were added for the fiscal 2023 hires, bringing the total up to 133 questions.
Aggregated Index (EX score)	70.1 (0.3 pt. increase compared with fiscal 2021) Medium-term target for fiscal 2025 under the Medium Term Plan: Increase in the EX score by 5 pt. compared with fiscal 2021 *Reference score: Japanese manufacturing industry average of 69.9 *This score is a metric for assessing organizational conditions. The value is higher when expectations and perceptions are both high and the gap between them is small. (With EXintelligence service from HRBrain, Inc.)

TOPPA!!! TOPPAN Festival 2024

In February 2024, we held “TOPPA!!! TOPPAN Festival 2024,” a series of events that facilitate a sense of unity throughout the Group. The festival embodied a new form of communication in the post-pandemic world combining online events with real-life events held at operational sites across Japan. Teams placing first in preliminary rounds came together to show off their skills in eSports competitions, and Japan-based teams competed in eSports exhibition matches with contenders from overseas sites. A wider range of participants were invited to take part in the festival by holding in-person events such as an inter-site quiz contest and a one-day office work experience for children.



Survey Overview and Themes



Communicating with Shareholders and Investors

TOPPAN values our long-term relationships of trust with shareholders and investors. As a basis for investment decisions, we provide them with corporate information in a timely, fair, and constant manner. We voluntarily disclose information beyond the scope institutionally required in order to present our investors with a clear picture of our business and provide a solid foundation for practical dialogues with investors that deepen our mutual understanding.

TOPPAN briefs financial analysts and institutional investors in quarterly earnings calls. On our IR-Day launched in fiscal 2023, the executive responsible for each segment summarizes the businesses of the segment and explains the segment’s strategies and plans, along with other IR-related information. We will continue to hold TOPPAN IR-Days to facilitate investor understanding of our business.

By consenting to requests for individual interviews and participating in conferences sponsored by securities firms, we meet with institutional investors to explain our performance and strategies and glean how the market views us. Various ESG matters have also been discussed with investors to reflect their views into our management. We conducted about 280 interviews in fiscal 2023, a significantly larger number than in the year before. Constant meetings throughout the year have enhanced our dialogues with shareholders and investors.

Through a cycle of disclosure, dialogue, and feedback to management, TOPPAN pursues the sustainable growth of the Group and the medium-to-long-term enhancement of our corporate value.

Stakeholder Engagement

Stakeholder Engagement: Themes and Activities

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 value to the everyday lives of consumers through online services; continuously improving the services

Creating opportunities to sound out opinions on products and services

- Performing day-to-day sales activities
- 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.
- Running open innovation programs
- Advocating digital transformation using Erhoeht-X™ services
- 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

Business Partners^{*}

Promoting sustainable procurement

- Cooperating with business partners based on the TOPPAN Group Sustainable Procurement Guidelines
- Setting up the Supplier Hotline as a portal for receiving reports from business partners
- Assessing human rights risks
- Controlling chemical components of products
- Arranging self-assessment questionnaires and holding workshops on business continuity planning for business partners
- Verifying the legality of lumber as a paper material

Providing fair and equal business opportunities

- Concluding basic transaction agreements and basic sale & purchase agreements with business partners
- Asking business partners to fill out questionnaires to evaluate their transactions with TOPPAN procurement personnel

Employees

Supporting the empowerment of diverse human assets

- Expanding the Group's policy to promote diversity and inclusion in the workplace; obtaining commitments from top management
- Implementing programs to pursue diversity management, raise awareness of unconscious biases, etc.
- Designing various working arrangements for flexible working styles
- Operating systems for in-house staff recruitment and the self-determination of employee's career paths

Sharing wide-ranging information within the Group

- Sending out executive messages
- Issuing *CONVEX*, *CONVEX Online*, and *CONVEX International* (in-house newsletters)
- Surveying employees on wide-ranging topics
- Convening a TOPPAN Group Human Resource Development Committee and sharing personnel development information across the Group

Facilitating labor-management partnership

- Convening Group- and site-based business councils
- Holding labor-management events
- Convening special committees to discuss pertinent issues of the day
- Holding labor-management committees for enhanced job satisfaction

Providing information on occupational safety and health, Implementing measures for mental healthcare

- Developing safety promotion systems (i.e., building an information-sharing network linking Group sites throughout the world; standardizing safety measures across the Group)
- Operating *Anzen Dojo* safety training facilities; delivering and sharing information on *dojo* initiatives (e.g., conducting *dojo* tours with hazard simulators at domestic and overseas Group sites; organizing safety training; posting regular newsletters on safety)
- Offering the 3D Stress Check & Support service
- Setting up counseling services
- 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

Addressing human rights issues

- Setting up the TOPPAN Group Helpline
- Assessing human rights risks

Shareholders and Investors

Disclosing information on TOPPAN's financial position, Briefing shareholders and investors on the Group's business activities and plans

- Holding shareholder meetings
- Briefing shareholders and investors on financial results
- Arranging meetings and briefings for institutional investors on financial performance
- Issuing the *Integrated Reports* and *TOPPAN Story* newsletters
- Posting IR information on the TOPPAN corporate website
- Answering questionnaires from environmental, social, and governance rating agencies
- Holding TOPPAN IR-Days

Communities

Sounding out opinions and requests

- Setting up a portal for receiving and handling inquiries

Supporting the arts and culture

- Operating the Printing Museum, Tokyo
- Holding the Graphic Trial exhibitions
- Operating Toppan Hall

Conserving community environments

- Regularly beautifying and cleaning up the surroundings of operational sites
- Organizing events to learn about biodiversity

Communicating with the community

- Holding plant tours
- Welcoming community members to in-house events

Collaborating with NGOs and NPOs

- Holding the *TOPPAN Charity Concert* series to support literacy improvement
- Organizing the Kanosei Art Project to support persons with disabilities
- Organizing the “Mirai Ne! (for a better-tomorrow)” projects to support SDG education

National and Local Governments

Preparing for disasters

- Participating in anti-disaster and fire-safety campaigns in the community

Stimulating communities

- Supporting governments through business operations
- Participating in community festivals and events

Supplying information for solving social issues and promoting public 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

^{*}Suppliers and subcontractors

Social Contribution Activities


Basic Approach

Approach

“Breathing life into culture, with technology and heart,” the “Purpose” under the Group philosophy, avows our commitment to supporting society and people’s lives through business. The TOPPAN Group addresses social issues through extensive engagement with the community by delivering wide-ranging goods and services.

Recognizing the strong links between our business and society, we work to fulfill our responsibilities as a good corporate citizen and foster mutual understanding through interaction and dialogues with local communities. We believe that the building of relationships of trust and mutual growth with communities is essential for our efforts to achieve a sustainable society.

Our community involvement has been strengthened through social contribution activities across the entire global Group. TOPPAN organizes various initiatives to support donations, education, and the arts and culture. Group employees participate in volunteer and environmental conservation activities that address the needs of diverse communities.

 [More details on the Conduct Guidelines](#) >

<https://www.holdings.toppan.com/en/group/conduct-guidelines.html>

Activity Policy

Policy

Activity Policy

1. To focus on global and local social issues and engage in activities that contribute to the achievement of the SDGs, which are worldwide goals for sustainability.
2. To engage in activities to protect the global environment, communicate information, foster culture, and breathe life into culture.
3. To proactively support the social contribution activities of employees.
4. To make effective use of the TOPPAN Group's management resources.

Activity Guidelines

Activities should:

1. be implementable on a continuous basis;
2. generate public benefit;
3. be voluntarily selected;
4. have an association with the TOPPAN Group's business;
5. be something that employees support;
6. not be motivated by an intent to advertise or promote; and
7. be undertaken with a consciousness of objectives and outcomes.

Activity Themes

1. The Environment: Conservation and nurturing of community environments
 - 1) Environmental conservation and biodiversity events
 - 2) Beautification and cleanup activities around sites
 - 3) Meetings with communities to report environmental initiatives
 - 4) Environmental classes at schools
2. Education: Initiatives sustained by the TOPPAN Group's resources
 - 1) Offsite classes for schools
 - 2) Plant tours for children and students
 - 3) SDG-related programs and workshops
 - 4) Practical training and work experience sessions
 - 5) Educational programs for literacy, reading, and creative skills
3. Culture: Sports promotion and support for the arts and culture for the community
 - 1) Supporting the arts and culture
 - 2) Promoting printing culture
 - 3) Promoting borderless art and para-sports
 - 4) Supporting community festivals and events
4. Community: Initiatives conducted with community groups, NPOs, NGOs, etc.
 - 1) Donations to various organizations (hospitals, schools, elderly facilities)
 - 2) Events and scholarships for people with disabilities
 - 3) Supporting anti-disaster and fire-safety campaigns
 - 4) Supporting safety promotion activities and traffic safety campaigns
 - 5) Supporting beautification and cleanup activities
 - 6) Providing site facility access and water resources
 - 7) Blood donation drives

1. The Environment: Conservation and Nurturing of Community Environments

Activity results, performance data

Biodiversity-learning Events

TOPPAN collaborates with community groups and environmental NPOs to organize biodiversity-learning events. After a hiatus during the COVID-19 pandemic, participants returned in fiscal 2023 to an in-person workshop to make pencil brooches in a village forest in Tama Zoological Park, Tokyo. In March 2024 we also supported the “Umi-no-Mori Spring Festival,” a pre-inaugural event held for Umi-no-Mori Park, as a member of the Tokyo Sea Forest Club led by the Bureau of Port and Harbor, Tokyo Metropolitan Government. TOPPAN Holdings Inc. assisted with event operations and offered festival hosts and participants file folders made by T.M.G. Challenged Plus Toppan Co., Ltd. The folders are composed of paper handcrafted from waste by-products generated in TOPPAN



Conserving the village forest in Tama Zoological Park, Tokyo



Weeding in the village forest



Umi-no-Mori Spring Festival (Tokyo Sea Forest Club)



Walking in Umi-no-Mori Park

plants. Employees, employee families, and growing numbers of stakeholders are exploring biodiversity in native and non-native ecosystems in events like these. We expect our nature events to spur participants into action as environmental conservationists.

2. Education: Initiatives Sustained by TOPPAN Resources

Activity results, performance data

“Mirai Ne!” for a Good Future for Everyone

We have been organizing “Mirai Ne! (for a better tomorrow),” a series of projects to motivate people to think about things that will be good for the future. Mirai Ne! develops learning and hands-on programs by linking companies with educational sites to introduce various corporate sustainability initiatives in fun ways.

Co-creations

●Kansai Television Co. Ltd.

Worked with Kansai TV (Kantele) to produce “Kantele SDGs Festa” at the Kan-tele Atrium in Osaka, Japan. Visitors learned about everyday SDG actions through fun events such as quizzes, card games, and an all-you-can-take buffet of imperfectly shaped, non-marketable vegetables.

Kantele SDGs Festa video



●GEO Holdings Corporation

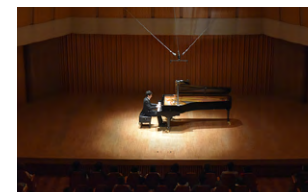
Offered YouTube videos, onsite classes at educational institutions, and various other activities to promote an understanding of the significance of reuse as a means of adding new value to unneeded items and passing them on to new users.



YouTube video

TOPPAN Charity Concerts

We have been holding our annual *TOPPAN Charity Concert* series since 2008 as a social engagement activity that supports global community initiatives to raise literacy rates in developing countries. In fiscal 2023 we organized the 15th concert. The ticket revenue from the concerts has been donated to the Asia-Pacific Cultural Centre for UNESCO (ACCU) to fund SMILE Asia, a project that supports literacy education for Cambodian women, especially mothers who are raising young children or have children on the way. The 2023 concert, performed by pianist Miyuji Kaneko, raised 1,965,405 yen. We aim to grow the total cumulative donations from 33,873,493 yen (fiscal 2023 figure) to 35 million yen by fiscal 2025.



3. Culture: Sports Promotion and Support for the Arts and Culture for the Community

Activity results, performance data

Printing Museum, Tokyo

The Printing Museum, Tokyo was established in 2000 to mark the 100th anniversary of the founding of TOPPAN. Over the last two decades, the museum has collected and researched materials related to printing culture and organized a host of educational activities such as classes and lectures on “printing culture studies.” Workshop instructors at the Printing House introduce visitors to the traditional craft of letterpress printing and get them to explore printing culture. After the long stretch of crowd avoidance during the COVID-19 pandemic, large numbers of visitors attended a series of special exhibitions organized by the museum in 2023. The most notable event was “The Media King of the Meiji Era: Kazumasa Ogawa and Photomechanical Process,” an exhibition held in the basement floor Exhibition Room. Also prominent were “Graphic Trial 2023—Feel,” “Picture Book *Anpanman*: The Origin of Anpanman,” “Modern Japan Package 2023,” and “2022-23 World Book Design 2022-23 (at P&P Gallery).”



Printing Museum, Tokyo >

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

Toppan Hall

Toppan Hall is a symphonic concert venue that was opened concurrently with the Printing Museum, Tokyo in 2000 to commemorate the 100th anniversary of the founding of TOPPAN. The concerts held at the hall promote the arts and culture under a Group philosophy that aspires to “breathe life into culture, with technology and heart.” The Suntory Foundation for the Arts bestowed Toppan Hall with the 47th Suntory Music Award in 2016 to commend its seminal programs, mainly recitals organized by Toppan Hall itself as an outstanding contributor to the development of musical culture in Japan. The performances at the hall have also attracted notice throughout Europe and influenced the European chamber music scene.

With the almost complete lifting of COVID-19 restrictions in fiscal 2023, the hall drew audiences in their former numbers. Sixteen of the 26 paid performances held at the venue were sold out. In one performance, music devotees came to listen to what some consider to be the world's finest string quartet. Others enjoyed performances by young musicians who grew up with Toppan Hall, both solo and ensemble.

Activities in fiscal 2023

2022/2023 season performances >

<https://www.toppanhall.com/en/concert/lineup/2223.html>

2023/2024 season performances >

<https://www.toppanhall.com/en/concert/lineup/2324.html>



Toppan Hall >

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

Graphic Trial

TOPPAN promotes printing culture and supports graphic designers 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.

● Graphic Trial 2023 “Feel”—Exploring the Possibilities of Graphic Design through Offset Printing

Dates: April 22 - July 9, 2023

Artists:

KISHINO Shogo (art director, graphic designer)

Masashi MURAKAMI (art director, graphic designer)

TELYUKA (3D-CG generalist)

Maho SHIMADA (art director, designer at TOPPAN Inc.)

Related site >


<https://www.printing-museum.org/en/collection/exhibition/g20230422.php>



Central Contest for Book Report Drawings

TOPPAN 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. The judges of the fiscal 2023 contest received 584,972 picture entries from 5,515 elementary, middle, and high schools around Japan.

Apart from cosponsoring, we have been organizing various support activities such as student tours of the Printing Museum, Tokyo. In another program, prize-winning students have been presented with replicas of famous Japanese-style paintings produced with TOPPAN printing technology.

 Related site (in Japanese) >

<https://www.dokusyokansoubun.jp/kansouga/>



Kanosei Art Project

TOPPAN has been collaborating with Support Center DREAM and the Borderless Art Organisation of Japan as co-organizers of the Kanosei Art Project since 2018 (*kanosei* means “potential” in Japanese). The project seeks to add value to the works of borderless artists and to develop a model that supports both business and the independence of persons with disabilities. A generation of young leaders is expected to emerge in the process. Artworks are used for the development of sales promotion tools and other items for businesses. Copyright royalties from the works have been returned to borderless artists and the organizations that support them. Companies have picked up the artworks to produce a wide variety of goods and objects. Cumulative royalties from the borderless artworks totaled approximately 13.3 million yen in the fiscal year ending March 31, 2024. The ongoing Kanosei Art Project received the Grand Mécénat Award, the top accolade for corporate activities in support of the arts and culture, at the Japan Mécénat Awards 2022 sponsored by the Association for Corporate Support of the Arts of Japan.



“This is MECENAT 2024” Certification

TOPPAN Holdings Inc. has been certified as a “This is MECENAT 2024” contributor and granted the Mécénat Mark (shown below), in recognition of the following efforts. The Association for Corporate Support of the Arts of Japan commends outstanding activities for supporting the arts and culture to enrich society undertaken by corporations and corporate foundations in Japan.

- Kanosei Art Project
- Graphic Trial 2024 “asobi” exhibition
- Educational activities at the Printing Museum, Tokyo
- Toppan Hall *Lunchtime Concerts*



*A movement founded in 2014 to demonstrate the social significance and presence of the arts and culture by highlighting diverse corporate activities in support of the arts and culture across Japan

4. Community: Initiatives Conducted with Community Groups, NPOs, NGOs, etc.

Activity results, performance data

Community Cleanups around Group Sites

TOPPAN cooperates with residents and various organizations in the community to beautify and clean up local public spaces such as beaches, riversides, and parks.



Cleaning up around the site
(Kumamoto Plant, Kumamoto)



Beautifying and cleaning up off-premises once a month (Itabashi Plant, Tokyo)



Participating in a community beautification/cleanup campaign
(Fukuyama Plant, Hiroshima)



Installing a green curtain beside the welfare building (Kawaguchi Plant, Saitama)

Site Facilities and Stockpiles for the Community

TOPPAN Group sites open company facilities such as tennis courts and parking areas, distribute emergency stockpiles of food, and arrange other disaster relief activities for the members of their communities.



Stockpiling emergency provisions for employees and community members
(Asaka Plant, Saitama)

Exhibitions and Onsite Classes for School Pupils

Onsite classes and exhibitions are held for students from neighboring elementary and middle schools to present an overview of TOPPAN's business and the products and services we offer.



Teaching basic programming for a school club activity (ICT KOBO™
URUMA, Okinawa)



Holding a hands-on learning class for neighboring elementary school students at our "L·IF·E" showroom
(Akihabara, Tokyo)

Plant Tours and Working Experience Sessions for Students

Local high school students are taken on plant tours and enrolled in practical training sessions, working experience programs, and other learning activities at site facilities across the Group.



High school students on a plant tour
(Fukusaki Plant, Hyogo)



High schooler interns at a practical training session (Toppan Media Printech Kansai Co., Ltd., Osaka)

Blood Donation Drives across the Group

Blood donation drives are held at Group sites in collaboration with Red Cross blood centers.



Kumamoto Plant, Kumamoto

Cooperation with Community Events

Group employees participate in and cooperate with festivals and various other events in the community.



Participating in Kaido Matsuri festival (Mie Plant, Mie)



Taking part in a "place to talk with adults" at a local elementary school (Saga Plant, Saga)

Environment

- P. 89 Environmental Policy
- P. 96 Disclosure in Accordance with the TCFD and TNFD Recommendations
- P. 107 Environmental Management
- P. 111 Contributing to Decarbonization
- P. 117 Biodiversity
- P. 121 Building of a Recycling-oriented Society
- P. 125 Control of Chemical Substances
- P. 127 Pollution Control
- P. 129 Environmental Data



Environmental Policy

Basic Approach

Approach Policy

With 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 the framework for environmental conservation by establishing the Ecology Center in 1991 and formulating a Declaration on the Global Environment, a basic philosophy for environmental conservation activities, in 1992.

In April 2009 we revised this declaration into the TOPPAN Group Declaration on the Global Environment, an environmental action philosophy for the entire Group. The revised declaration has reflected our commitment to realizing a sustainable society where all living things can coexist into the future. We are intensifying our environmental activities based on this action philosophy.

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 October 2023

TOPPAN Group Environmental Policy

Policy

In April 2024 we formulated a TOPPAN Group Environmental Policy as a replacement to the Annex to the TOPPAN Group Declaration on the Global Environment. This policy sets forth the environmental issues to address, our commitments, and systems and initiatives for implementation for the creation of a sustainable society as advocated in the declaration. Under this policy, we will deploy solutions to global environmental issues as means of enhancing our corporate value and shaping a sustainable society.

TOPPAN Group Environmental Policy

1. Environmental Issues to Address

The TOPPAN Group uses life-cycle assessment (LCA) to identify environmental issues based on the environmental impact of its business activities.

Environmental Issues

1. Contributing to Decarbonization
2. Preserving Biodiversity
3. Contributing to Resource Circulation
4. Optimal Water Use

Environmental Impact

- Mineral resources
- Fossil resources
- Forest resources
- Water resources
- Climate change
- Atmospheric pollution
- Photochemical oxidants
- Land use
- Waste

Environmental Issues

- 1) Contributing to Decarbonization: Working to tackle climate change, conserve forest resources, and reduce fossil resource consumption.
- 2) Preserving Biodiversity: Working to conserve forest and water resources and prevent pollution.
- 3) Contributing to Resource Circulation: Working to ensure the circular use of fossil, forest, and mineral resources.
- 4) Optimal Water Use: Working to optimize water consumption, recharge water by conserving forest resources, and prevent pollution.

2. Commitments

1. Scope

We advance initiatives and collaboration focused not only on our own business activities but on the entire value chain. This includes

production activities and business facilities, products and services, distribution and logistics, waste management, suppliers, service providers, contractors, and other major business partners (businesses outside of our control, joint venture partners, licensees, subcontracting partners, etc.), due diligence, mergers, and acquisitions.

2. Legal Compliance

In conducting our business activities, we comply with laws, regulations, and other requirements related to environmental conservation.

3. Environmental Conservation and Pollution Prevention

In conducting our business activities, we will strive to prevent pollution of the atmosphere, water, and soil; control water consumption; and protect the environment to ensure the provision of sanitary water to employees and local residents.

4. Measures to Address Climate Change

We will strive to reduce greenhouse gas emissions in our business activities and through the products and services we provide.

5. Preservation of Natural Capital and Biodiversity

In conducting our business activities, we will strive to preserve natural capital, including biodiversity, and to consider the human rights of local residents in procurement.

6. Deforestation Prevention

We will strive to achieve zero deforestation associated with forest resources in paper procurement.

7. Continuous Improvement

To fulfill our commitments, we will make continuous efforts to improve our environmental management system, environmental vision and targets, and relationships with internal and external stakeholders.

3. Systems and Initiatives for Implementation

1. Environmental Management System

Our environmental management system is structured based on ISO 14001. Environmental management systems based on ISO 14001 drive

improvements through a PDCA cycle of planning, support and operation, assessment, and improvement. In addition, the Ecology Center, which is the organization responsible for overseeing environmental conservation activities, monitors, checks, and audits environmental performance data and legal compliance to ensure continuous improvement.

2. Governance

The Board of Directors of TOPPAN Holdings Inc. is the highest level body responsible for the TOPPAN Group's environmental conservation activities. As the organization that oversees environmental conservation activities, the Ecology Center advances efforts under the direction of an officer appointed by the Board of Directors, supervises and assesses activities, and reports the results of verification to the Board of Directors. By supervising and providing guidance on the approval and progress of the TOPPAN Group Environmental Policy, the TOPPAN Group Environmental Vision, and the TOPPAN Group Medium-and-Long-Term Environmental Targets, the Board of Directors advances initiatives focused on key environmental issues for management, such as countermeasures to climate change and preservation of natural capital.

3. Environmental Vision and Targets

To drive solutions to environmental issues, we will formulate a long-term environmental vision as well as medium-term environmental targets that serve as milestones and will advance initiatives to achieve the targets.

4. Raising the Awareness of Internal and External Stakeholders

We will contribute to solutions to environmental issues by disclosing information on the TOPPAN Group's environmental initiatives—including our declaration on the global environment, environmental policies, performance data, and the progress of our efforts—and communicating with internal and external stakeholders based on the information disclosed.

5. Employee Education

To drive solutions to environmental issues, we will provide TOPPAN Group employees with educational opportunities that enable them to acquire and put into practice the necessary knowledge on the environment.

Formulated in April 2024

Environmental Targets

Policy Activity results, performance data

TOPPAN Group Environmental Vision 2050

We pledge our ongoing commitment to addressing environmental issues throughout the supply chain in cooperation with the communities we work with around the world. To accelerate the Group's initiatives for a sustainable society that supports all forms of life in the global ecosystem of tomorrow, we have added two themes to the TOPPAN Group Environmental Vision 2050 ("Vision 2050"): preserving biodiversity and aiming for net zero Scope 3 greenhouse gas emissions. Vision 2050 is the long-term environmental policy we established in 2021.

TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030

We partially revised the TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030 ("fiscal 2030 goals") in April 2024.

April 2024 Updates to the Fiscal 2030 Goals

Main Points

- Raised the renewable energy ratio from 6.5% to 25% for the reduction of Scope 1 & 2 greenhouse gas emissions, to respond to emission increases due to the expanded boundary of the targets.
- Set fiscal 2025 as the target year for verifying 100% legality in the procurement of raw materials for paper across the Group, including overseas sites.

TOPPAN Group Environmental Vision 2050

As a member of international society, the TOPPAN Group aims to enable "fulfilling, sustainable living" by contributing to decarbonization, preservation of biodiversity, resource circulation, and the optimal use of water through forward-looking activities with consideration for preservation of the global environment.

- | | |
|--|--|
| 1. Contributing to Decarbonization
Aiming for net zero Scope 1 & 2 and Scope 3 greenhouse gas emissions. | 3. Contributing to Resource Circulation
Aiming for zero waste emissions. |
| 2. Preserving Biodiversity
Aiming for a society that coexists in harmony with nature, balancing conservation with socioeconomic activity. | 4. Optimal Water Use
Contributing to achieving optimal water use and improving water quality by preventing pollution. |

TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030

- | | |
|--|--|
| 1. Contributing to Decarbonization
Reduce Scope 1 & 2 greenhouse gas emissions by 54.6% (by 847 kt-CO ₂ e) compared to the fiscal 2017 level (1,552 kt-CO ₂ e). (Renewable energy ratio of 25%)
Reduce Scope 3 greenhouse gas emissions by 54.6% (by 3,769 kt-CO ₂ e) compared to the fiscal 2017 level (6,904 kt-CO ₂ e). | 3. Contributing to Resource Circulation
Reduce final landfill waste disposal by 60% (by 5,296 t) compared to the fiscal 2017 level (8,739 t).
Increase waste plastic material recycling rate by 9%pt. (to 65%) compared to the fiscal 2017 level (56%). |
| 2. Preserving Biodiversity
Confirm 100% legality in procurement of raw materials of paper by fiscal 2025.
Contribute to the conservation of regions in which humans coexist with nature both inside and outside the Group, covering an area equivalent to 10% of the area of manufacturing sites. | 4. Optimal Water Use
Achieve water withdrawal reduction targets for at least 50% of sites (4 out of 7 sites) with high water risk (water stress exceeding 40%).
Ensure no cases of action taken by authorities due to exceeding regulatory threshold values. |

SBTi Approved GHG Emission Reduction Targets

TOPPAN Holdings has received new Net-Zero Target validation from the Science Based Targets initiative (SBTi) for the TOPPAN Group's greenhouse gas (GHG) emission reduction targets for the entire value chain.

 More details on our SBTi Approved GHG Emission Reduction Targets >
https://www.holdings.toppan.com/en/sustainability/environment/#anchor_07

Overall net-zero target	2050 target Net-zero Scope 1 & 2 and Scope 3 GHG emissions
Near-term targets	2030 targets Scope 1 & 2 GHG emissions: Reduce by 54.6% compared to the fiscal 2017 level. Scope 3 GHG emissions: Reduce by 54.6% compared to the fiscal 2017 level.
Long-term targets	2050 targets Scope 1 & 2 GHG emissions: Reduce by 90% compared to the fiscal 2017 level. Scope 3 GHG emissions: Reduce by 90% compared to the fiscal 2017 level.

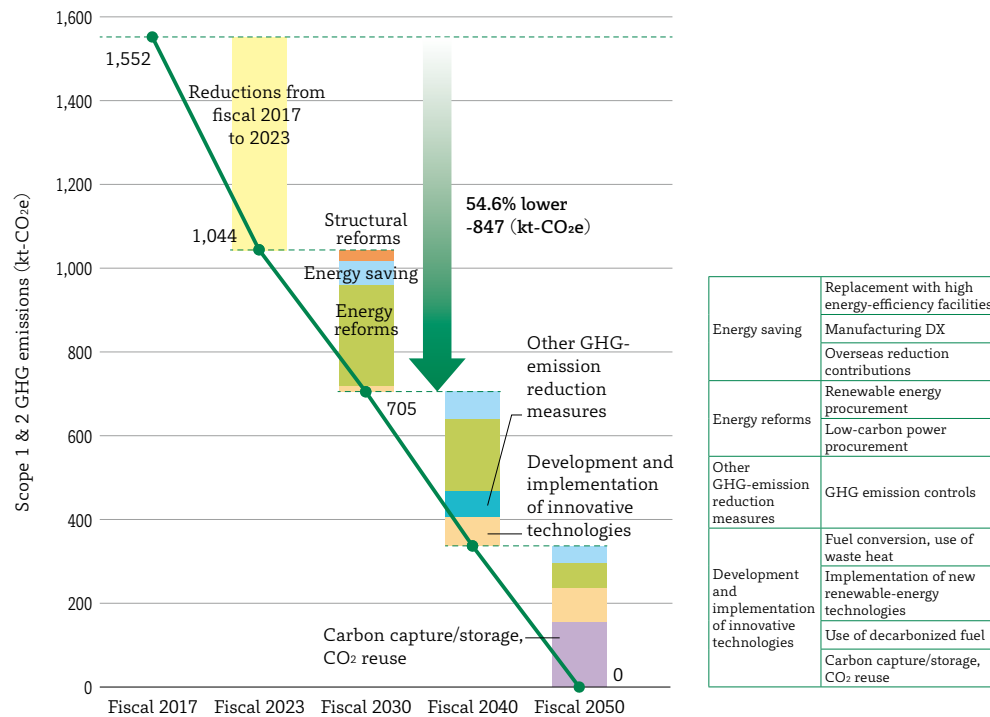
Transition Plan for Carbon Neutrality by 2050

Scope 1 & 2 Greenhouse Gas Emissions

By 2030, the TOPPAN Group will focus on energy efficiency measures and the preferential adoption of low-carbon power and renewable energy sources.

From 2030, we will switch fuel sources and increase the use of decarbonized fuel.

By current estimates, approximately 10% of the Scope 1 & 2 greenhouse gas (GHG) emissions resulting from our operations in fiscal 2017 will still be emitted in 2050. These emissions will be absorbed using carbon capture/storage technologies, CO₂ reuse technologies, and other carbon neutrality measures deployed to achieve net zero emissions by 2050.

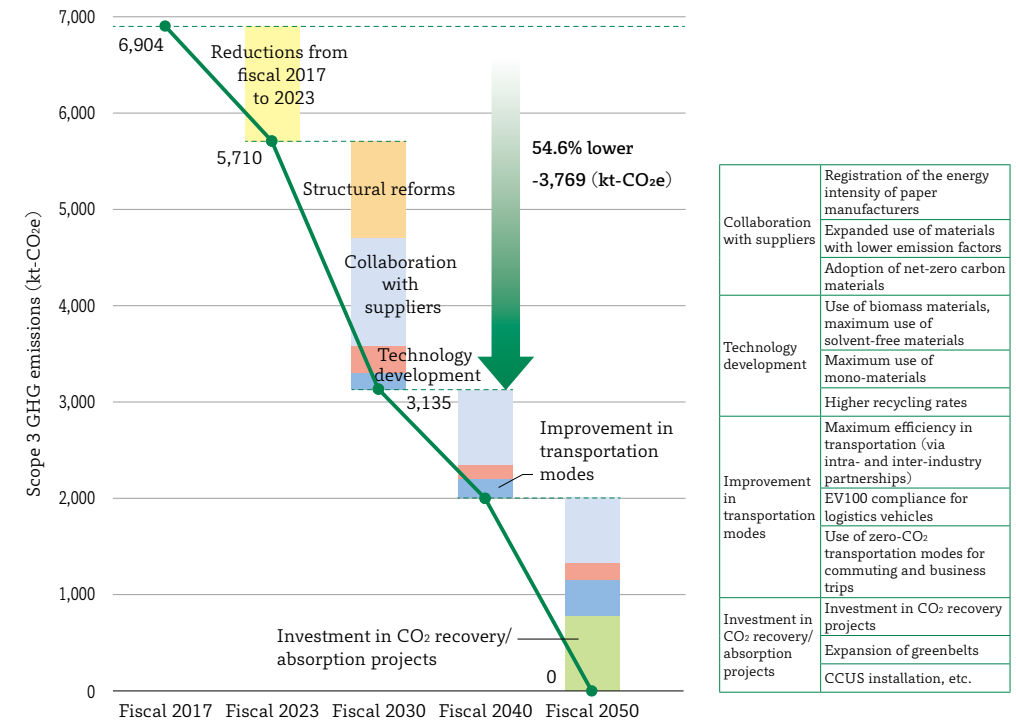


Scope 3 Greenhouse Gas Emissions

By 2030, TOPPAN will further adopt low-carbon materials and switch from paper to digital data through the digital transformation (DX).

From 2030, we will adopt low-carbon logistics companies outside of the Group and shift from fossil fuels to electricity to power vehicles owned by logistics companies within the Group.

By current estimates, approximately 10% of the Scope 3 GHG emissions resulting from our operations in fiscal 2017 will still be emitted in 2050. We will absorb these emissions by investing in CO₂ recovery projects and expanding greenbelts to achieve net zero emissions by 2050.



Single-year Environmental Targets

The Ecology Center aggregates annual environmental performance data related to targets set under the fiscal 2030 goals, reports results to the Board of Directors, sets single-year targets, and develops measures for the current year with

authorization from the Board of Directors. Site-specific targets set in line with the Groupwide targets are treated as key performance indicators for managing the progress of environmental conservation activities carried out at individual sites.

Environmental Targets for Fiscal 2024

	Performance Target	Performance Indicator	Target Value for Fiscal 2024
1) Contributing to decarbonization	Reduce CO ₂ emissions	Scope 1 & 2 greenhouse gas emissions	1,019 kt-CO ₂ e
		Renewable energy ratio	3.43%
		Scope 3 greenhouse gas emissions	4,875 kt-CO ₂ e
2) Preserving biodiversity	Prevent illegal deforestation	Confirm the legality of raw materials procured for paper production	100%
	Contribute to a society that coexists in harmony with nature	Area of land in which humans coexist in harmony with nature	Increase by 1% (23,000 m ²) relative to the total area of manufacturing sites
3) Contributing to resource circulation	Reduce final landfill waste disposal	Final landfill waste disposal	4,466 t
	Circulate resources	Waste plastic material recycling rate	51.0%
4) Optimal water use	Reduce water withdrawal in regions with higher water risk	No. of sites in high-water-risk regions that implement water-saving measures	4 sites
	Prevent water pollution	No. of actions taken by authorities in response to exceeded regulatory standards	0

Environment-related Data

Activity results, performance data

TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030 (Fiscal 2023 Results)

TOPPAN 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 & 2 Greenhouse Gas Emissions

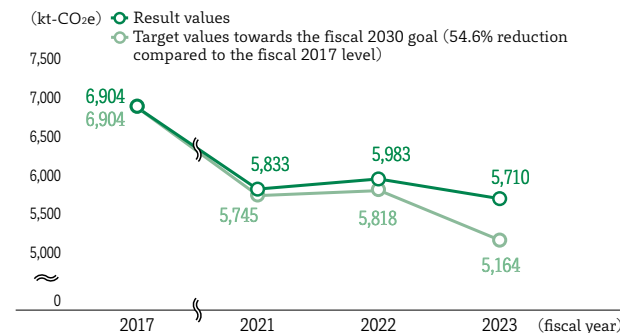
In fiscal 2023 we achieved our single-year Scope 1 & 2 greenhouse gas (GHG)-emission reduction target towards the fiscal 2030 goal (under the Science Based Targets initiative [SBTi] 1.5°C scenario).



*For Scope 1 & 2 emissions, greenhouse gas (GHG) emissions associated with electricity consumption at domestic sites are calculated using the adjusted emission factors according to the method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from the Business Activities of Specified Dischargers issued by the Ministry of the Environment (MOE) of Japan. The conversion factors used to calculate GHG emissions associated with electricity consumption at overseas sites are prioritized in the following order: 1) the factors independently set by the electric utilities from which Group sites purchase electricity, 2) the factors published by central and local governments, and 3) the latest 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 the Business Activities of Specified Dischargers.

Scope 3 Greenhouse Gas Emissions

In fiscal 2023 we failed to attain our single-year Scope 3 GHG-emission reduction target towards the fiscal 2030 goal (under the SBTi 1.5°C scenario).



*The methods for calculating Scope 3 GHG emissions are presented on page 114.

*The results for fiscal 2017 and 2022 are adjusted based on the calculation methods applied to the fiscal 2023 results. (The results before the revision were 7,365 kt-CO₂e and 5,929 kt-CO₂e, respectively.)

Renewable-derived Energy: Amount and Ratio

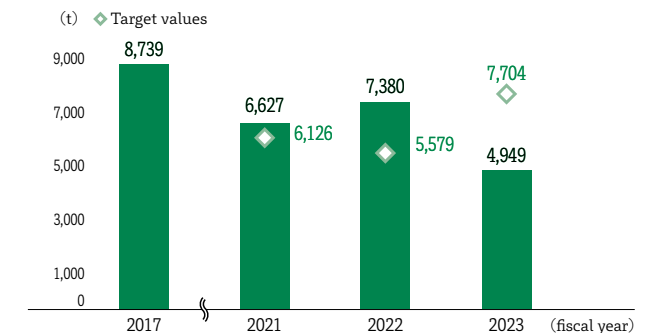
Fiscal Year	Renewable-derived Energy (GWh/year)	Ratio (%)
2021	11.10	0.67
2022	20.22	1.19
2023	41.81	2.52

*Renewable-derived energy (electricity derived from renewable energy sources) is the renewable energy procured from off-site power purchase agreement (PPA) providers and electricity retailers plus the total energy generated at renewable energy power facilities (for solar power and hydro power) installed at Group sites.

*The ratio of renewable-derived energy is the percentage of electricity derived from renewable energy sources out of our overall power consumption.

Final Landfill Waste Disposal

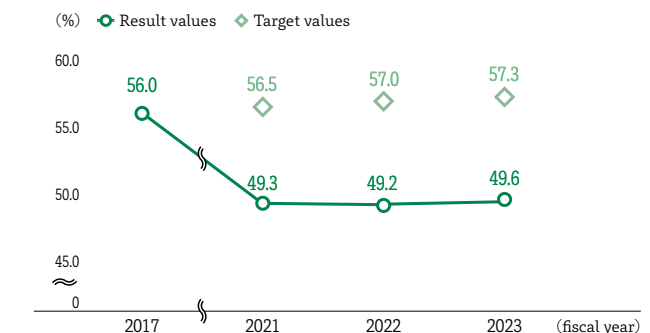
Efforts have been underway since fiscal 2021 to attain the single-year targets set in line with the fiscal 2030 goal. We succeeded in attaining the reduction target in fiscal 2023.



*The data for fiscal 2022 and earlier are adjusted based on revised calculation methods.

Waste Plastic Material Recycling Rate

Efforts have been underway since fiscal 2021 to attain the single-year targets set in line with the fiscal 2030 goal. Our recycling-rate target was not attained in fiscal 2023.



*The data for fiscal 2022 and earlier are adjusted based on revised calculation methods.

Assessing Environmental Impact

Approach Activity results, performance data

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

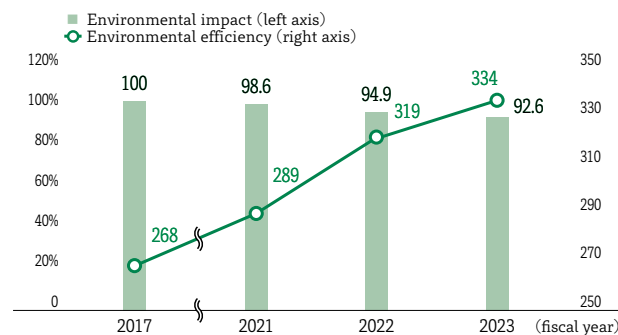
Quantifying Environmental Impact based on LIME

We apply the LIME method to quantify the total environmental impact across the Group, setting the base year value to 100.

With LIME 3, we attained a 7.4% reduction in environmental impact and a 25% enhancement in environmental efficiency in fiscal 2023, compared with the baseline values in fiscal 2017 (the base year in the LIME 3 calculation).

LIME 3 Assessment across the Group

Environmental Impact and Environmental Efficiency

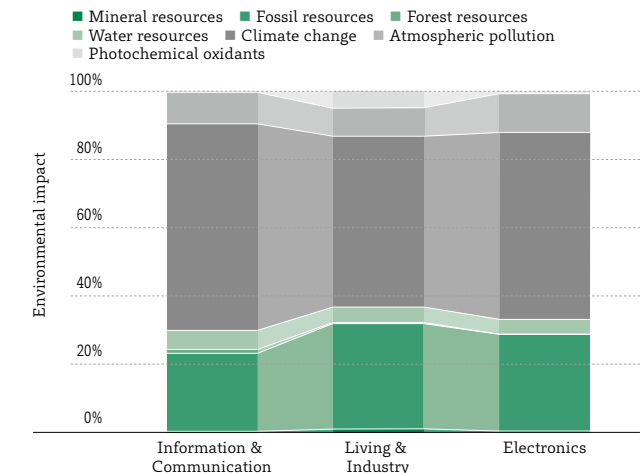


*The value in fiscal 2017 = 100 (baseline); calculated with nonproduction sites excluded

*Environmental efficiency = net sales / environmental impact

We have been reducing our climate-change-related impact, a large component of our overall environmental impact, primarily through two channels: energy-saving and other eco initiatives that reduce energy consumption, and high-efficiency production and material recycling methods that reduce resource consumption.

Types of 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. We therefore assess the environmental impact associated with key items for each business field.

Disclosure in Accordance with the TCFD and TNFD Recommendations


Basic Approach

A. Establishment of Our Purpose

The TOPPAN Group's Purpose is “Breathing life into culture, with technology and heart.” In order to fulfill our mission for a vibrant world in which the earth and all living organisms are interwoven and people enjoy fulfilling lives, we will build a sustainable future by not only providing products and services that meet customers’ needs but also addressing social issues and promoting activities that protect the environment together with a wide range of stakeholders that include customers, society, partner companies, employees, and local communities.

B. Formulation of Environmental Policy and Identification of Environmental Issues

To drive specific efforts to “realize a sustainable society,” as advocated in the TOPPAN Group Declaration on the Global Environment established in 1992, we formulated the TOPPAN Group Environmental Policy in 2024. The policy sets out three elements: environmental issues to address, commitments, and systems and initiatives for implementation. Based on the policy, we will work to raise corporate value and enable a sustainable society through solutions to environmental issues.

 Environmental Policy >

<https://www.holdings.toppan.com/en/sustainability/environment/>

C. Support for the TCFD and TNFD Recommendations

As a Group that conducts business worldwide, we recognize the scale of the impact of climate change on the Group. We consider climate change to be an important issue in sustainability management.


In 2019, we announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), an entity established by the Financial Stability Board. In 2020, we commenced a scenario analysis based on the recommendations. We continue to disclose the financial impact related to climate change and our responses to the same, in accordance with the TCFD recommendations.

At the same time, we recognize the significance of the impact of nature-related issues (issues related to natural capital*), such as climate change and biodiversity, on our business. The TOPPAN Group provides a variety of products and services to over 20,000 client companies around the world. To proceed even further with the development of sustainable supply chains and the provision of products and services that contribute to the growth of the Group as well as customers and local communities, in 2023 we added “preserving biodiversity” as a theme for TOPPAN Group Environmental Vision 2050. In January 2024, we announced our support for the Task Force on Nature-related Financial Disclosures (TNFD) final recommendations and, as an Early Adopter, declared our intention to disclose the information according to the recommendations.

Climate change response and biodiversity conservation are interrelated in many ways, and therefore an integrated approach is necessary to finding a fundamental solution to these issues. This is a point we will continue to emphasize in the management of our business. On the other hand, the benefits gained from addressing these environmental issues sometimes come at the expense of one another. Focusing only on climate change may have a negative impact on our efforts to conserve biodiversity. Accordingly, we will examine our response to climate change and approaches to biodiversity by considering the synergies and trade-offs involved.

D. Approach from Groupwide and Business-specific Perspectives

In November 2019 we established the *TOPPAN SDGs STATEMENT*, a pledge to our commitment to integrating the SDGs into management. The statement describes the “fulfilling, sustainable living” that we want to make possible through our SDG efforts and identifies environmental issues, including those associated with climate change and biodiversity, to be addressed through Groupwide activities and specific business activities. From both the perspectives of our businesses and the foundation that supports them, we are advancing initiatives addressing nature-related issues, including climate change and biodiversity.

 Approach to the General Requirements of the TNFD Recommendations >

https://www.holdings.toppan.com/en/sustainability/environment/tcfdtnfd.html#anchor_02

*Natural capital refers to the stock of animals, plants, water, soil, and air that provides benefits to businesses and society through ecosystem services. Biodiversity refers to the biodiversity of animals and plants, which are part of natural capital. It is deeply tied to water resources and soil due to its role in ensuring that natural capital remains healthy and stable by supporting recovery from floods, droughts, and other natural disasters, the carbon cycle and water cycle, and soil formation. In this report, the term “biodiversity” incorporates the meaning of “natural capital.” The term “nature-related issues” is used in conjunction with “climate-related issues” in reference to issues related to biodiversity and natural capital in general.

Governance

A. Board of Directors' Oversight on Dependencies, Impacts, Risks, and Opportunities

1) Organizational initiatives and the responsibilities of the

Board of Directors

Under the key concept of “Digital & Sustainable Transformation,” the Medium Term Plan (fiscal 2023-2025) defines “expanding ESG initiatives” as a priority measure for the medium-to-long term. We are strengthening efforts related to environmental, social, and governance (ESG) issues, including climate change and biodiversity. The Board of Directors recognizes the importance of climate-related issues in management strategy and considers climate change risks and opportunities when plotting out investments for business growth (including business

portfolio transformation centered on DX and SX for addressing social issues).

As for specific initiatives that address climate change and other ESG issues, the Board of Directors receives reports from the Management Committee regarding the details of actions that have been considered and discussed by the Sustainability Promotion Committee. The Board discusses, monitors, and supervises target setting and progress. The Board of Directors also recognizes that nature-related issues are an important part of management strategy. In addition to climate-related issues, the activities discussed and deliberated by the Sustainability Promotion Committee on nature-related issues will be reported through the Management Committee to the Board of Directors, which will discuss, monitor, and supervise target setting and the progress of initiatives.

2) Process and frequency of reports received by the Board of Directors

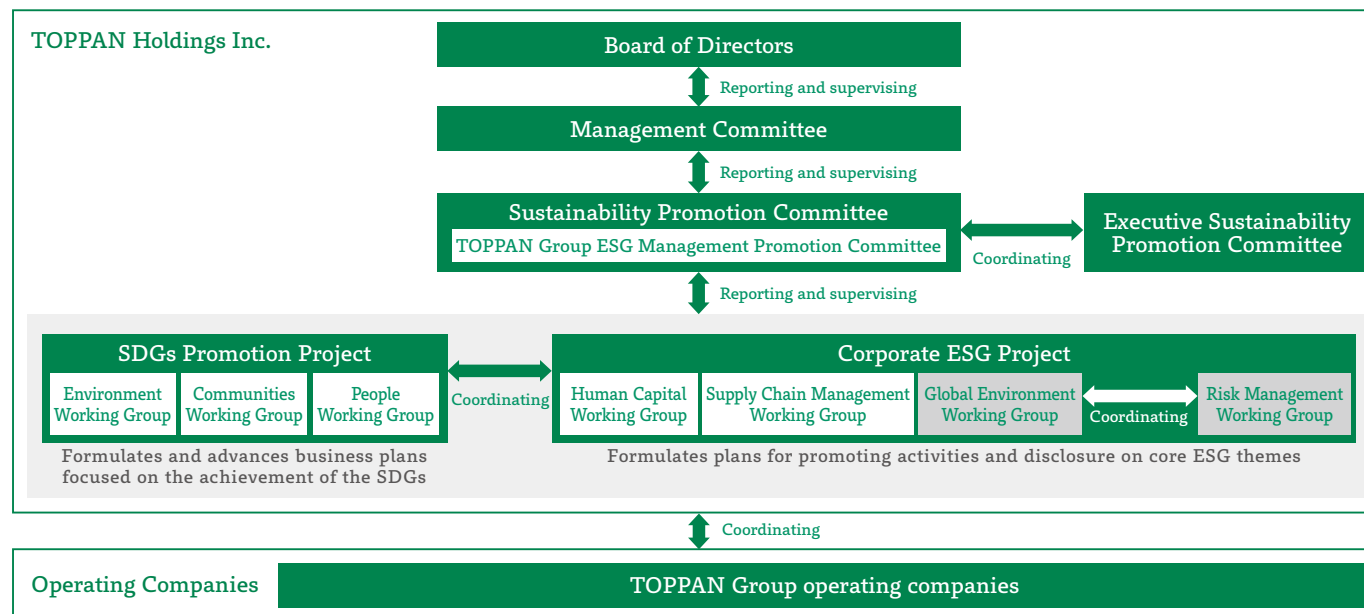
Each year in April, the Board receives and approves reports regarding greenhouse gas (GHG) emission volumes and the results of efforts focused on preserving biodiversity, contributing to resource circulation, and optimal water use in the previous fiscal year under the TOPPAN Group Environmental Vision's Medium-and-Long-Term Environmental Targets for Fiscal 2030, as well as reports regarding single-year targets for the current fiscal year. The Board also receives reports on the assessment and status of important risks and opportunities as well as the progress of efforts in relation to climate-related issues, and takes such issues into account as part of comprehensive decision-making on management strategy and other matters. In the event that new regulations, systems, or the like pertaining to climate-related issues are announced, the Board receives quarterly reports from the Sustainability Promotion Committee and discusses and decides on responses.

Going forward, we will address nature-related issues in the same way as climate-related issues.

B. Management's Role in Assessing and Managing Dependencies, Impacts, Risks, and Opportunities

The Board of Directors has assigned responsibility for climate-related issues to the Sustainability Promotion Committee (chaired by the president & representative director) and supervises the activities undertaken by the committee. The Global Environment Working Group set up under the committee leads related efforts. The working group consists of personnel from responsible divisions and the business departments of Group companies. The working group coordinates assessments and countermeasures on climate-related issues in cooperation with the Risk Management Working Group and the SDGs Promotion Project via the TCFD Sub-Working Group.

Governance Structure for Addressing Climate- and Nature-related Issues



*as of the end of September 2024

Through the Management Committee, the Board of Directors receives reports from the Sustainability Promotion Committee regarding the assessment, status, and target management of climate-related issues. The Board implements comprehensive decision-making with regard to such matters as management strategy, taking climate-related issues into account. The Board also assigns responsibility for nature-related issues to the Sustainability Promotion Committee and supervises the activities undertaken by the committee. In October 2023 we established a TNFD Sub-Working Group under the Sustainability Promotion Committee's Global Environment Working Group. The TNFD Sub-Working Group is taking the lead on initiatives addressing nature-related issues, and the Global Environment Working Group will coordinate efforts with those on climate-related issues when making reports to the Management Committee from here on.

The Executive Sustainability Promotion Committee has been established as a forum for exchanging views on future sustainability issues. Directors and external experts discuss ESG issues, including those related to climate and nature, and coordinate with the Sustainability Promotion Committee to consider important matters.

 Promotion Structure for Sustainability Initiatives >


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

C. Stakeholder Engagement for Biodiversity

1) Approach to human rights

The TOPPAN Group regards human rights as a paramount principle guiding its business activities and sustainability initiatives. We continue to operate our business under the foundational tenet of “respect for human beings.” The TOPPAN Group Human Rights Policy based on this tenet was formulated in October 2021. We promote environmental conservation

initiatives based on the TOPPAN Group Declaration on the Global Environment, the TOPPAN Group Environmental Policy, and the Basic Policy on Biodiversity. We advance such measures to avoid human rights violations whereby our operations adversely affect people's lives.

 Human Rights >

<https://www.holdings.toppan.com/en/sustainability/social/human-rights.html>

2) Human rights due diligence

The TOPPAN Group supports the United Nations Guiding Principles on Business and Human Rights and recognizes the need for due diligence to ensure human rights. We have clarified and evaluated human rights risks in the printing industry and identified five risks specific to us, in accordance with the TOPPAN Group Human Rights Policy formulated in October 2021. In fiscal 2022 and fiscal 2023, we assessed our stakeholders with a focus on the five risks we identified. Informed of the assessment results, the Sustainability Promotion Committee deliberated future initiatives.

We have also identified human rights risks related to local communities (health of local residents, rights of Indigenous people, etc.) for nature-related issues (soil, water pollution, etc.)

3) Engagement process

The TOPPAN Group understands the importance of engagement with local residents and Indigenous people. When acquiring or using land for business activities, we place emphasis on not only compliance with local laws and regulations but also gaining the understanding of local residents and Indigenous people who will be affected. We are also aware of the importance of hearing the opinions of a wide range of stakeholders in assessing and responding to nature-related issues, and participate in various organizations and consortiums, including the TNFD Forum and the 30by30 Alliance for Biodiversity established by the Ministry

of the Environment of Japan. In these ways, we gather information on external trends and stakeholder views on biodiversity, tie them to the TOPPAN Group's LEAP approach for assessing nature-related issues, and apply them in actual measures, such as the use of green spaces at our business sites and conservation and restoration efforts in surrounding areas.

 Participation in Initiatives and Collaboration with External Parties >

https://www.holdings.toppan.com/en/sustainability/environment/management.html#anchor_03

 Biodiversity >

<https://www.holdings.toppan.com/en/sustainability/environment/biodiversity.html>

Strategy

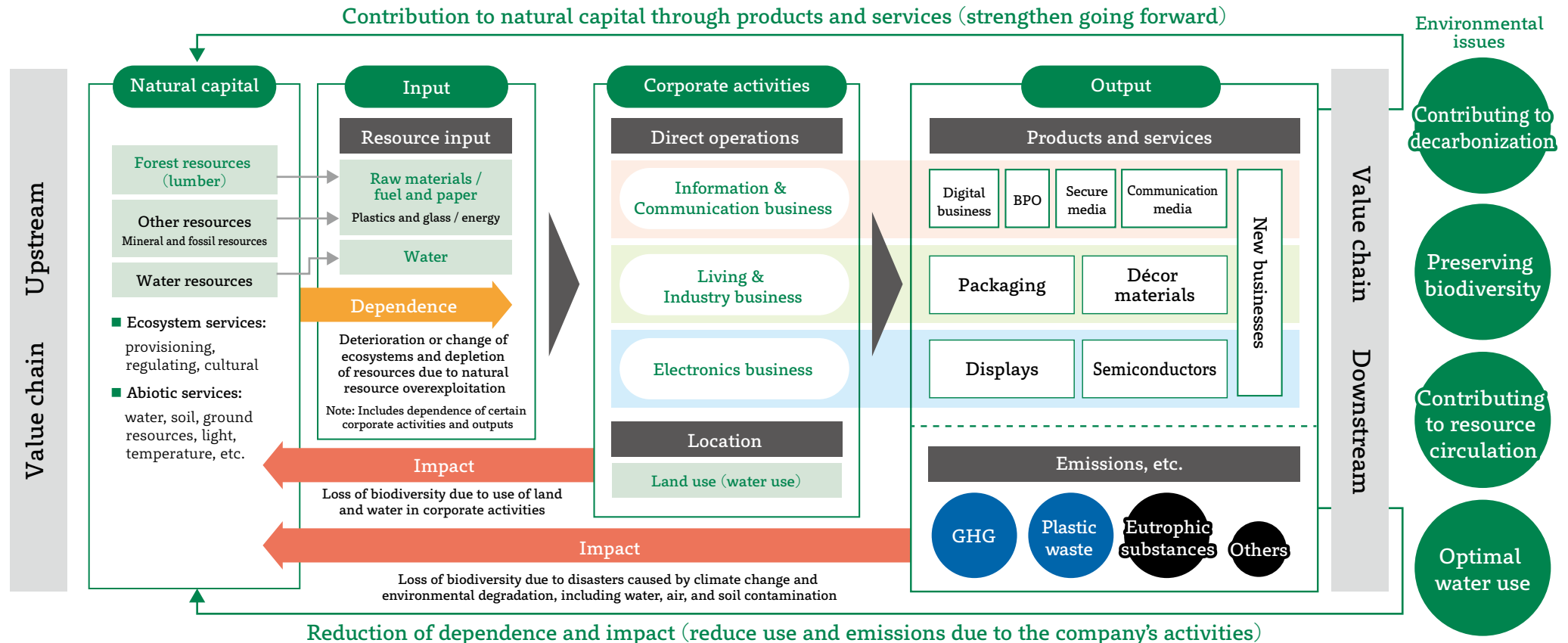
A. The TOPPAN Group's Environmental Value Chain

The dependencies and impacts of the TOPPAN Group's business activities on natural capital are organized as follows.

In package manufacturing and communication media, two of our core businesses, we assume high dependence on paper as well as on forest resources (lumber) as raw material. We also assume that ground water use in the Information & Communication, Living & Industry, and Electronics segments is high in terms of both dependence and impact. Furthermore, we assume that the impact on biodiversity includes not only

manufacturing processes but also the discharge of plastic packaging materials and promotional materials into rivers, oceans, and other natural environments after use. We understand the importance of balancing climate change response and corporate sustainability in all areas of our business as well as the impact of greenhouse gas (GHG) emissions.

TOPPAN Group Environmental Value Chain Chart



B. Risks and Opportunities

Regarding climate change, we have identified significant physical and transition risks in our scenario analysis and are assessing their financial impact while discussing measures to address them. As for nature-related issues, we will conduct scenario analysis going forward and expect to identify risks and opportunities based on an awareness of the changes in our external business environment and dialogues with experts.

Risks and Opportunities for Climate- and Nature-related Issues

*We plan to disclose principal measures for nature-related issues in the table below from October onwards.

Scenario	Risk Type	Drivers / Hazards	Potential Impact on Business	Dependency / Impact		Climate	Nature	Risk / Opportunity	Time Frame	Climate-related Issues	
										Financial Impact	Principal Measures Addressing Climate-related Issues
Transition	Existing regulations (carbon tax, carbon emission policies)	Introduction of / increase in carbon tax	Increase in operational costs due to introduction of carbon tax	Impact	GHG emissions	○	–	Risk	Medium term	Large	Implement Scope 1 & 2 GHG emission reduction activities towards the Medium-and-Long-Term Environmental Targets for Fiscal 2030 in order to achieve the TOPPAN Group Environmental Vision 2050; monitor systems, renewable energy technologies, etc., from a long-term viewpoint
		Increase in renewable energy ratio	Increase in operational costs due to rises in unit prices for energy	Impact	GHG emissions	○	–	Risk	Medium term	Medium	Implement Scope 1 & 2 GHG emission reduction activities towards the Medium-and-Long-Term Environmental Targets for Fiscal 2030 in order to achieve the TOPPAN Group Environmental Vision 2050; monitor systems, renewable energy technologies, etc., from a long-term viewpoint
			Growth in sales of relevant products due to expanded markets for clean energy	Impact	GHG emissions	○	–	Opportunity	Long term	Medium	Strengthen the development of fuel cell materials and battery packaging materials for EVs; invest in expansion of production bases SX
	New regulations	Tightened regulations on single-use plastics	Increase in costs due to introduction of tax on plastic packaging	Impact	Waste GHG emissions	○	○	Risk	Medium term	Medium	Develop recyclable packaging products; establish specifications for raising percentage of recycled material used; pass on costs to prices
			Increase in procurement costs due to expanded demand for recycled plastic raw materials	Impact	Waste GHG emissions	○	○	Risk	Long term	Medium	Secure recycled materials through entry into recycling business; pass on costs to prices
			Growth in sales of recyclable plastic products (mono-material barrier packaging, etc.)	Impact	Waste GHG emissions	○	○	Opportunity	Medium term	Large	Strengthen the development of barrier films and expand their product lineup; expand network of bases for global supply SX
		Tightened control of wood procurement	Increases in paper prices due to stricter forest management regulations, including imposition of deforestation tax on paper suppliers	Dependency	Wood	–	○	Risk	–	–	–
			Expanded sales of décor materials and décor sheets as alternatives to wood	Dependency	Wood	–	○	Opportunity	–	–	– SX
	Market	Increase in raw material prices (due to crude oil prices)	Decrease in cost of procuring petrochemical-based film due to lower demand for crude oil	Impact	GHG emissions	○	–	Risk	Medium term	Small	Check existing suppliers and find new suppliers; research/consider alternative products; monitor systems/markets from a long-term perspective
		Increase in raw material prices (due to cost pass-through)	Increase in cost of procuring non-petroleum-derived raw materials, such as paper and glass, due to carbon tax and increases in unit prices for energy on supplier side	Impact	GHG emissions	○	–	Risk	Medium term	Large	Check existing suppliers and find new suppliers; research/consider alternative products; monitor systems/markets from a long-term perspective
		Changes in customer/consumer attitudes	Growth in sales of environmentally friendly products and services, centered on SX products	Impact	GHG emissions	○	–	Opportunity	Short term	Large	Expand the lineup and sales of environmentally friendly products SX
			Expanded sales of digital media solutions as an alternative to paper	Dependency	Wood	–	○	Opportunity	–	–	– DX
Physical	Acute	Increasing severity of acute, extreme weather conditions	Expanded markets for next-generation communications due to growth in remote monitoring needs	–	–	○	–	Opportunity	Medium term	Medium	Create communications-related businesses, such as ZETA-based solutions, and metaverse-related businesses DX
			Loss of production opportunities and factory assets due to increased risk of flooding and water damage	–	–	○	–	Risk	Medium term	Large	Continue to consider alternative production plans over the long term; periodically gather information on flood-prevention technologies and take steps to introduce them
			Outflow of chemical substances due to increased risk of flooding and water damage	Impact	Soil/Water pollution	○	○	Risk	Medium term	Small	Examine the possibility of chemical leakage and formulate and implement countermeasures
		Changes in forest ecosystems	Increase in cost of procuring paper due to reduced paper supply as a result of the rising number of forest fires and pest infestations, etc.	Dependency	Wood	–	○	Risk	–	–	–
	Chronic	Changes in rainfall and weather patterns	Increase in costs due to water procurement risks and usage restrictions	Dependency	Water	○	○	Risk	Long term	Small	Consider alternative production plans to address water usage restrictions; assess water usage and water stress by region from a long-term viewpoint
		Temperature rise	Growth in sales of relevant products due to growing needs associated with food loss and hygiene	–	–	○	–	Opportunity	Long term	Small to medium	Strengthen the development and sales of functional barrier packaging; strengthen the development of food-loss solutions SX DX
		Decrease in yield of edible biomass feedstock (corn, etc.)	Expanded demand for bioethanol derived from waste, such as scrap wood and used paper that are difficult to recycle	Impact	Waste	○	○	Opportunity	–	–	Commercialize bioethanol derived from used paper and expand production capacity SX DX

SX DX Products and services related to “Digital & Sustainable Transformation” (DX and SX), the key concept under the Medium Term Plan

*Transition risks and opportunities: Assessed in the 1.5°C and 4°C scenarios based on the Net Zero Emissions by 2050 (NZE) scenario, the Announced Pledges Scenario (APS), and the Stated Policies Scenario (STEPS) presented in the World Energy Outlook 2023 (WEO 2023) from the International Energy Agency (IEA).
*Physical risks and opportunities: Assessed in the 1.5°C and 4°C scenarios based on the Representative Concentration Pathways (RCPs), greenhouse gas concentration trajectories adopted by the Intergovernmental Panel on Climate Change (IPCC) (RCP 1.9 and RCP 2.6 for the 1.5°C scenario, RCP 7.0 and RCP 8.5 for the 4°C scenario).
*Based on time frames of one year or less for the short term, two to three years for the medium term, and four to 30 years or more for the long term, the risks and opportunities in climate- and nature-related issues are examined by the relevant departments to ensure consistency with the TOPPAN Group's business plans for each fiscal year, medium-term plans, and long-term vision.
*Financial impact: Small, less than 1 billion yen; medium, 1 billion yen to 10 billion yen; large, more than 10 billion yen

C. Assessing the Impact of Climate Change on Our Business, Strategy, and Financial Planning through Scenario Analysis

1) Climate-related risks and opportunities the organization has identified over the short, medium, and long term

(1) Processes used to determine which risks and opportunities could have a material financial impact on the organization

The Global Environment Working Group set up under the Sustainability Promotion Committee is tasked with implementing the scenario analysis. Personnel from related divisions and Group companies participate in the working group to identify significant risks and opportunities related to climate change, assess the financial impacts, and consider measures based on those assessments. Business strategy personnel from related divisions and Group companies gathered in fiscal 2023 to formulate a scenario analysis coordinated with the medium-term plans of individual Group companies. We have assessed financial impacts and considered countermeasures with a focus on concrete businesses. Two pathways were examined in the scenario analysis: 1.5°C and 4°C scenarios with long-term forecasts up to 2050. Operations in Japanese and overseas sites have been considered throughout the value chain, from R&D to procurement, production, and product supply.

(2) Climate-related issues with a large financial impact

In the 1.5°C scenario, we reconfirmed that there are risks of increased costs accompanying the introduction of a carbon tax and higher prices for purchased energy. Given the expected shifts in consumer preferences, moreover, there are opportunities for increased sales of low-carbon-emission products and services and for gains in corporate value.

In the 4°C scenario, we confirmed that increased wind and flood damage resulting from higher atmospheric temperatures could lead to such risks as stoppages at major Group plants. We

continue to consider alternative production plans to manage these risks over the long term while periodically gathering information on flood-prevention technologies and taking steps to introduce them.

2) Impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning

(1) The organization's consideration of impact on business and strategy

To contribute further to the Net Zero society targeted by the TOPPAN Group Environmental Vision 2050, we are advancing a business portfolio transformation centered on digital and sustainable transformation under the Medium Term Plan. Between fiscal 2023 and 2025, we will invest approximately 300 billion yen in DX and SX businesses, including M&A and business investments in growth areas as well as capital investments in growth businesses and businesses in their initial phases.

(2) Resilience of the organization's strategy in consideration of different climate-related scenarios

Qualitative and quantitative analyses were conducted under multiple scenarios. These included the Net Zero Emissions by 2050 (NZE) scenario and the Stated Policies Scenario (STEPS) presented in the World Energy Outlook 2023 (WEO 2023) issued by the International Energy Agency (IEA) and the SSP 1-1.9, SSP 1-2.6 and SSP 5-8.5 scenarios combining radiative forcing with the Shared Socioeconomic Pathways (SSPs) scenarios presented in the Sixth Assessment Report from the Intergovernmental Panel on Climate Change (IPCC). The period covered is 2030 to 2050.

Scenarios

	1.5°C	4°C
Transition scenario	IEA NZE 2050	IEA STEPS or APS
Physical scenarios	RCP 1.9 RCP 2.6	RCP 7.0 RCP 8.5

(3) Adaption plan for transition risks and physical risks


Scenario analyses have identified transition risks that the TOPPAN Group faces, including the expanded adoption of carbon pricing systems worldwide that increases operational costs for carbon neutrality. Physical risks include halts in production due to water damage from flooding at production sites and higher expenses for restoration. We are addressing these risks by reinforcing disaster-preparedness measures and reducing Scope 1 & 2 and Scope 3 greenhouse gas (GHG) emissions through the stepwise introduction of renewable energy. A new transition plan in place will neutralize Scope 1 & 2 and Scope 3 GHG emissions by 2050. Energy-efficient activities and facilities will be intensified under an internal carbon pricing (ICP) system that steps up our low-carbon investments and long-term carbon neutrality measures.

We will also be expanding business opportunities by linking forecasted shifts with the “Digital & Sustainable Transformation” of our business portfolio. We will develop more DX solutions to reduce GHG emissions across the supply chain and create new forms of sustainable packaging that improve recyclability and mitigate food loss.

Our ongoing scenario analyses will enhance our forecasting accuracy. We will stay resilient to an uncertain future by further integrating analysis results into management strategies.

ICP System Overview

Internal carbon price	130 U.S. dollars/t-CO ₂ (at the time of introduction)
Scope and method	We will apply an internal carbon price to CO ₂ emission increases or decreases brought about by capital investments and will preferentially invest in measures with higher CO ₂ -reduction effects.
Pricing covered	Capital investments that increase or decrease CO ₂ emissions

 Transition Plan for Carbon Neutrality by 2050 >

https://www.holdings.toppan.com/en/sustainability/environment/#anchor_04

D. Analysis of Dependencies and Impacts on Natural Capital and Biodiversity

1) Defining the scope of analysis

Based on the relationship (dependencies and impacts) between the TOPPAN Group's businesses and the natural environment, we carried out the "L" (Locate) and "E" (Evaluate) phases of our LEAP approach*, focusing on direct operations and the upstream supply chain (procurement of lumber). For our direct operations, in order to comprehensively examine the TOPPAN Group's wide range of business domains, we used Think Nature Inc.'s big data on biodiversity and natural capital to carry out the Locate and Evaluate phases of the LEAP approach to analyze the degree of dependence and impact on the ecosystem for a total of 175 locations (124 in Japan and 51 overseas). In terms of our supply chain, we determined that priority needs to be given to the procurement of wood, which at over one million tons per year is the largest raw material procured in our business and is the raw material used in paper. The Locate and Evaluate phases were carried out on 21 countries regarding which we received responses from paper companies.

ENCORE, a biodiversity risk management tool, and Think Nature's big data on biodiversity and natural capital were used to conduct assessments of direct operations and supply chains. For direct operations, we categorized the operations of sites into 16 types, defined the production process for each operation, assessed the degree of dependence and impact of operations on the natural environment using ENCORE, and visualized the degree of risk at each site according to location. For the supply chain, due to the direct relationship between the procurement and production of lumber, we defined the production process as either large-scale or small-scale forestry operations, assessed the degree of dependence and impact on the natural environment using ENCORE, and visualized the degree of risk at each site according to location.

*LEAP approach: An integrated approach developed by the TNFD to assess nature-related issues, such as interfaces with nature, dependencies and impacts on nature, risks, and opportunities. LEAP is an acronym for the following process:
L: locate the interface with nature; E: evaluate dependencies and impacts; A: assess risks and opportunities; P: prepare to respond and report.

Scope of Analysis

	Supply chain (lumber procurement)	Direct operations	Downstream
Locate	Analyzed biodiversity importance, ecosystem integrity, and water stress in 21 countries	Analyzed biodiversity importance, ecosystem integrity, and water stress at all 175 TOPPAN Group business sites worldwide	Began considering opportunities
Evaluate	Used ENCORE for forestry operations	Used ENCORE for all businesses Scope of verification	
Assess	Partially conducted	Partially conducted	
Prepare	Make a list of targets (partially conducted)		

2) Analysis

(1) Analysis of direct operations

	Objectives	Analysis	Results	Issues and Response
Locate	We assessed the biodiversity and condition of ecosystems in the vicinities of 175 business sites in Japan and overseas and investigated the impact of business activities on biodiversity to identify sites in sensitive locations.	<p>Identification of location: We mapped sites of direct operations to enable location assessment at the 15-km grid level.</p> <p>Selection of key metrics: Based on the TNFD guidance, we adopted seven metrics for assessment of ecosystem condition and conducted analysis with a particular focus on "biodiversity importance" and "ecosystem integrity" as indicators that underpin other metrics.</p> <p>Details of analysis: We assessed biodiversity importance and ecosystem integrity for each business site and each type of operation.</p>	<p>Identification of sensitive locations: Among the regions in which the TOPPAN Group operates, the United States, Southeast Asia, the United Arab Emirates, and South America overseas and Hokkaido, Okinawa, Hyogo, and Hiroshima prefectures in Japan were found to be high in both biodiversity importance and ecosystem integrity.</p>	<p>Relationship to the TOPPAN Group's material issues: It was confirmed that our business operations have a high dependence on water-related ecosystem services and our water use has a high impact on ecosystems. We also confirmed that most of our operations have a high impact on water and soil pollution. We will strengthen our efforts in these areas, in keeping with the "optimal water use" and "hazardous substance control" advocated by the TOPPAN Group Environmental Policy.</p>
Evaluate	We identified the ways in which the business activities of all of our sites depend upon ecosystem services and what impact drivers are changing natural environments. By combining results with the results of the identification of sensitive locations in the Locate assessment, we evaluated dependencies and impacts to enable identification of important environmental issues.	<p>Grouping of operation types: While the grouping is based on the TOPPAN Group's business segments of Information & Communication, Living & Industry, and Electronics, we classified the Living & Industry segment's "beverage filling" operations into a separate group due to the large volume of water consumption assumed.</p> <p>Identification of highly relevant dependency drivers (ecosystem services) and impact drivers: Using ENCORE, we identified 14 ecosystem services and seven impact drivers relevant to production processes corresponding to business site operations.</p> <p>Method for evaluating dependencies and impacts: From the dependencies and impacts identified using ENCORE, we identified items with an impact level of M (medium) or higher and pinpointed sites requiring particular attention by cross-referencing with global map data linked to the respective items.</p>	<p>Identification of dependencies (ecosystem services): Among the ecosystem services identified, ground water and surface water supplies in the Information & Communication segment and the Living & Industry segment were found to be highly relevant to the operations of business sites, requiring attention.</p> <p>Identification of impact drivers: Among the impact drivers identified, the ecological impact of water use in the Information & Communication segment and certain parts of the Living & Industry segment was found to be highly relevant to the operations of business sites, requiring attention. Most of the businesses were also found to have a high impact on water and soil pollution.</p>	<p>Response going forward: For each business site identified as requiring detailed analysis from the perspective of its geographical location, we will identify risks and opportunities and establish and implement countermeasures by closely examining the interfaces between our business activities and the natural environment, engaging with local residents, monitoring the dependence of local communities on the ecosystem, and ensuring traceability with greater precision. With regard to water resources in particular, having reconfirmed their importance, we will make optimal use of water through water conservation and wastewater use at our business sites with high water risk.</p>

(2) Analysis of supply chain

	Objectives	Analysis	Results	Issues and Response
Locate	We assessed the current status of biodiversity and ecosystems in 21 countries from which lumber is sourced and identified interfaces with sensitive locations in the supply chain.	<p>Identification of location: We organized the data for regions from which lumber is sourced, by cross-referencing regions in which forestry is conducted with the geographical regions of the 21 countries from which lumber (pulp and chips) is procured (including some at state or prefectural level).</p> <p>Dependency and impact screening for relevant businesses: Due to the direct relationship between the procurement and production of lumber, we defined the production process as either large-scale or small-scale forestry operations and confirmed dependencies and impacts on the natural environment using ENCORE.</p> <p>Assessment of ecosystem condition in locations from which lumber is sourced: We calculated a summary value (average) by cross-referencing the geographical regions from which lumber is sourced against big data for biodiversity worldwide and extracting a score for seven metrics related to ecological sensitivity.</p> <p>Details of analysis: From the seven metrics calculated for each site, our analysis focused on biodiversity importance and ecosystem integrity as metrics of particular importance for identifying interfaces with sensitive locations.</p>	<p>Identification of sensitive locations: South Africa, Fiji, Malaysia, Vietnam, and Australia were found to be high in both biodiversity importance and ecosystem integrity, requiring particular attention.</p>	<p>Relationship to the TOPPAN Group's material issues: Pest control functions were found to be highly relevant as an ecosystem service, and it was confirmed that the use of terrestrial ecosystems has a significant impact on the ecosystem. We will strengthen our efforts in these areas in keeping with the theme of "preserving biodiversity" advocated by the TOPPAN Group Environmental Policy.</p> <p>Response going forward: We will assess the actual state of pest problems and forest degradation caused by forestry to identify drivers, determine the issues to address, and clarify the methods to resolve them. A detailed inspection will be conducted to measure the actual impact of lumber procurement on terrestrial ecosystems in relevant regions.</p>
Evaluate	We assessed dependencies and impacts to identify important environmental issues in sensitive locations in the 21 countries from which lumber is sourced.	<p>Identification of relevant dependency drivers (ecosystem services) and impact drivers: Using ENCORE, we identified 14 dependency drivers (ecosystem services) and four impact drivers that are related to production processes (large-scale or small-scale forestry) corresponding to lumber procurement.</p> <p>Method for evaluating dependencies and impacts: For the items above, among the dependencies and impacts identified using ENCORE, we selected items with an impact level of M (medium) or higher. By cross-referencing the regions in which there are planted forests or from which lumber is sourced against global map data corresponding to the 14 dependencies and four impacts, we assessed the current situation for relevant dependencies and impacts in the procurement regions.</p>	<p>Identification of dependencies (ecosystem services): Among the ecosystem services identified, pest control functions were found to be particularly relevant to the procurement of lumber, requiring attention. This was followed by ground water supply functions.</p> <p>Identification of impact drivers: Among the impact factors identified, the ecological impact from the use of terrestrial ecosystems was found to be highly relevant to the procurement of lumber.</p>	

Direct Operations: Identification of Dependencies and Impact Drivers

		Dependencies: ENCORE result													
		Ground water supply	Surface water supply	Fibres and other materials	Flood and storm protection	Mediation of sensory impacts	Water flow maintenance	Water quality	Bio-remediation	Dilution by atmosphere and ecosystems	Filtration	Mass stabilisation and erosion control	Climate regulation	Soil quality	Ventilation
Business category	Information & Communication	VH	VH	M			M						VL		
	Living & Industry (excluding beverage filling)	VH	VH	M	M	M	M	L	L	L	VL	VL	VL		VL
	Living & Industry (beverage filling)	VH	VH		M		M	M	L	L	L	L		VL	
	Electronics	M	M							L					

		Impacts: ENCORE result						
		Water use	GHG emissions	Non-GHG air pollutants	Water pollutants	Soil pollutants	Solid waste	Disturbances
Business category	Information & Communication	VH		M	H	H		
	Living & Industry (excluding beverage filling)	VH	H	H	H	H	M	M
	Living & Industry (beverage filling)	H	H		M	M	H	
	Electronics				H	H	M	M

Five-level ENCORE materiality rating: VH = Very High; H = High; M = Medium; L = Low; VL = Very Low

Ecosystem condition assessment: (Dependencies) Score at or under a certain threshold is considered to indicate potential risk. S = lowest score; A = second lowest score; B = third lowest score (Impacts) Score at or above a certain threshold is considered to indicate a potential significant impact. S = highest score

Supply Chain (lumber procurement): Identification of Dependencies and Impact Drivers

		ENCORE result	Ecosystem Condition Assessment																				
			Vietnam	China	Thailand	U.K.	U.S.A.	Uruguay	South Africa	Korea	Brazil	Malaysia	Japan	Chile	Fiji	Indonesia	Germany	Australia	Russia	New Zealand	Canada	Sweden	Finland
Dependencies	Animal-based energy																			A	A		
	Climate regulation																						
	Disease control																	A					
	Fibres and other materials																			B		A	
	Flood and storm protection				A											A							
	Ground water		A					S					A				A		A				
	Mass stabilization and erosion control																						
	Pest control		S	S	S	S	S	S	A	S	S	S	S	S	S	S	S	S	S	S	S	S	S
	Surface water																						
	Water flow maintenance																	B					
Impacts	Terrestrial ecosystem use	VH			S			S	S		S												
	GHG emissions	H			S	S			S			S				S							
	Water pollutants	H	S		S			S								S							
	Soil pollutants	M	S		S			S								S							

*A more detailed analysis including an Integrated Locate and Evaluate Analysis for Lumber Procurement can be found on our website.

[Disclosure in Accordance with the TCFD and TNFD Recommendations](#)
<https://www.holdings.toppan.com/en/sustainability/environment/tcfdtnfd.html#anc2>

3) Approach to opportunities

a) Biodiversity as a business opportunity

The World Economic Forum estimates that the transition to a nature-positive economy will create 10 trillion dollars in business opportunities by 2030¹.

According to calculations by Nature4Climate, a U.S. climate change initiative, investments in pre-seed, seed, and early stage startups specializing in the development of nature-related technologies more than doubled between 2020 and 2022².

*1 Source: *The Future of Nature and Business*, World Economic Forum

*2 Source: *The state of nature tech: Building confidence in a growing market*, Nature4Climate

b) Potential for the TOPPAN Group to contribute

The TOPPAN Group's vision of "becoming a leading provider of solutions to social issues worldwide through DX and SX" is highly congruent with efforts to resolve nature-related issues. There is no shortage of opportunities to contribute to natural capital and biodiversity by utilizing DX technology to provide solutions that address nature-related challenges faced by customers, and therefore we will strengthen discussions on how we can utilize these opportunities going forward.

Use Cases and Examples of Business Opportunities for the TOPPAN Group

(1) Sustainable packaging (recyclable plastic products, etc.)

The TOPPAN Group provides eco-friendly packaging that reduces products' environmental impact and supports growth of our customers' businesses. We achieve this by employing sustainable materials and packaging designs that are optimized for each stage of the life cycle of our customers' products. We are working to improve recyclability by switching from packages consisting of composite materials to mono-material barrier packaging. By offering products that utilize recycled materials (such as mechanically recycled PET film) sourced as raw materials, we drive the effective use of resources. We also consider recycling schemes to reduce impact on biodiversity caused by the discharge of used plastic packaging materials into rivers, oceans, and other natural environments.



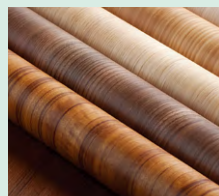
Mono-material barrier packaging



Packaging using mechanically recycled PET film

(2) Décor materials and sheets as an alternative to wood

Since the launch of our décor materials business in 1956, for more than 60 years we have provided décor materials that bring color to people's lives, such as décor sheets used for furniture, fittings, floors, and more. By leveraging our capabilities in both design and technology, we develop attractive décor materials and spaces with enhanced design quality, functionality, and durability. As an alternative to wood, these décor material products can help lower dependence on forest resources (lumber) and contribute to preservation of biodiversity.



Décor sheets for interiors



Décor sheets as part of spatial design

Sustainable flexible packaging >

https://www.toppan.com/en/living-industry/packaging/products/sustainable_flexible_packaging/

TOPPAN Inc. Environmental Design Subdivision >

<https://forest.toppan.com/english/>

Risk Management

A. The Organization's Processes for Identifying and Assessing Climate- and Nature-related Risks

The Global Environment Working Group is responsible for identifying and assessing climate-related risks. The risks identified are categorized into the following types in relation to the Group businesses we operate and the products and services we provide: technology risk, market risk, reputation risk, legal risk, risks related to existing and new regulations, and risks related to rapid or gradual physical changes. The working group then identifies potential risks and opportunities associated with each risk type, both upstream and downstream, throughout the entire value chain from R&D to procurement, production, and product supply. The impacts are assessed over the short term (within one year), medium term (two to three years), and long term (four to more than 30 years).

The TNFD Sub-Working Group, established under the Global Environment Working Group in October 2023, is responsible for identifying and assessing nature-related dependencies, impacts, risks, and opportunities. Going forward, it will follow a process similar to the one used for climate-related risks and examine financial impacts and countermeasures in detail.

B. The Organization's Processes for Managing Climate- and Nature-related Risks

The Global Environment Working Group is responsible for formulating and advancing plans to address climate-related risks based on the results of impact assessments factoring in financial impacts. The assessment results and plans are reported to the Sustainability Promotion Committee and evaluated in a committee review. Based on reports from the committee, the Board of Directors manages climate change risks and supervises the risk

management process.

In a similar manner, the TNFD Sub-Working Group will assess the dependencies, impacts, risks, and opportunities of nature-related issues going forward.

C. How Processes for Identifying, Assessing, and Managing Climate- and Nature-related Risks Are Integrated into the Organization’s Overall Risk Management

We have established a comprehensive risk management framework that covers risks related to climate change and other ESG issues. Relevant departments and the Risk Management Working Group (led by the director in charge of risk management, attended by persons in charge of risk management at the responsible divisions, and administered by the Compliance Department in the Legal Division) work together to control individual risks under the supervision of the Board of Directors. The Risk Management Working Group performs risk assessments once yearly and identifies the risks that can exert severe adverse impacts on Group management as “significant risks.” Once identified, the significant risks are reported to the Sustainability Promotion Committee and evaluated in a committee review. The Board of Directors receives reports from the committee and supervises the finalization of the annual risk review.

When designating the significant risks, the working group considers the results of Groupwide risk assessments, the likelihood that risks will arise over the medium to long term, and the frequency and severity of the risks if they do. The working group also carefully reviews the social and environmental shifts in the regions where we do business overseas and the matters pertinent to our sustainability management, such as environmental issues associated with climate change. “Risks related to climate change and loss of biodiversity” and “risks related to environmental pollution (leakage of harmful substances, illegal dumping of waste, etc.)” have been designated as significant

risks for the TOPPAN Group for fiscal 2024.

For the significant risk associated with loss of biodiversity, we have established a risk management process similar to that followed for climate-related issues.

📄 See the Significant Risks for Fiscal 2024 on page 143 >

Metrics and Targets

A. Climate Change Metrics and Targets

1) Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

Our metrics for climate-related risks are Scope 1 & 2 and Scope 3 GHG emissions and the ratio of renewable energy out of total power consumption. Our metrics for climate-related

opportunities, meanwhile, assess how far a business mitigates climate change and helps solve social issues: percentage of operating profit contributed by growth businesses (including DX and SX) under the Medium Term Plan and number of services contributing to GHG-emission reduction under the TOPPAN Business Action for SDGs. Apart from financial metrics, we look at progress towards GHG-emission reduction targets to determine performance-linked bonuses for directors. This additional metric defines the responsibilities of management in addressing climate-related considerations.

2) The organization’s targets for management of climate-related risks and opportunities and progress against targets

We demonstrated our commitment to working with local communities and the entire supply chain to address environmental issues by expanding the TOPPAN Group Environmental Vision 2050 in 2023 and establishing a new theme of targeting net zero for Scope 3 GHG emissions. In addition to

Climate-related Issues: The TOPPAN Group’s Metrics, Targets, and Fiscal 2023 Results

Metrics	Targets		Fiscal 2023 Results
	Target Years	Target Values	
Scope 1 & 2 GHG emissions	Fiscal 2030	Reduce by 54.6% compared to the fiscal 2017 level (1,552 kt-CO ₂ e)(Renewable energy ratio of 25%)	Reduced by 32.7% compared to the fiscal 2017 level (1,552 kt-CO ₂ e) (Renewable energy ratio of 2.5%)
	Fiscal 2050	Net-zero emissions	
Scope 3 GHG emissions	Fiscal 2030	Reduce by 54.6% compared to the fiscal 2017 level (6,904 kt-CO ₂ e)	Reduced by 17.3% compared to the fiscal 2017 level (6,904 kt-CO ₂ e)
	Fiscal 2050	Net-zero emissions	
Percentage of operating profit contributed by growth businesses	Fiscal 2025	60%	43%
Number of services contributing to GHG-emission reduction	Fiscal 2025	40	36
	Fiscal 2030	50	

🌐 Contributing to Decarbonization >

<https://www.holdings.toppan.com/en/sustainability/environment/globalwarming.html>

🌐 Medium Term Plan >

<https://www.holdings.toppan.com/en/ir/management/policy.html>

🌐 Initiatives and Accomplishments Related to Materiality >

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

updating the Vision, in the TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030, which are aligned with the target year of the SDGs, we have revised the reduction

targets for Scope 1 & 2 and Scope 3 GHG emissions in line with the globally targeted 1.5°C threshold.

B. Nature-related Metrics and Targets

We are addressing a variety of nature-related issues to achieve the targets of the TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030.

Nature-related Issues: The TOPPAN Group's Metrics, Targets, and Fiscal 2023 Results

Environmental Issues for the TOPPAN Group	Related Core Global Disclosure Metrics		Targets	Status of Response	
				Relevant Data	Response Going Forward
Preserving biodiversity	Land/ freshwater/ ocean-use change	1) Total surface area controlled/managed 2) Total disturbed area (land / freshwater / ocean) 3) Total rehabilitated/restored area (land / freshwater / ocean)	(Medium-and-Long-Term Environmental Targets for Fiscal 2030) ・Contribute to the conservation of regions in which humans coexist with nature both inside and outside the Group, covering an area equivalent to 10% of the area of manufacturing sites	1) Area of TOPPAN Inc.'s manufacturing sites: 2,302,000 m ² 2) No data (to be compiled and surveyed in the future) 3) Total area rehabilitated/restored (voluntarily): 96,000 m ²	1) Collect data on Group sites, including those overseas 2) Collect and organize land records 3) Expand collaboration with NPOs
	Resource use/ replenishment	Quantity of high-risk natural commodities sourced (wood)	Confirm 100% legality in procurement of raw materials of paper by fiscal 2025	・100% confirmation of legal compliance in TOPPAN Inc.'s procurement of raw materials of paper Volume of paper procured: 474,962 tons	・Ascertain procurement volume by country ・Ascertain volume procured based on sustainable management plan and certification programs
Contributing to resource circulation	Pollution / pollution removal	1) Volume of pollutants released to soil 2) Volume of wastewater discharged and volume of pollutants in wastewater 3) Weight of hazardous and nonhazardous waste generated and weight disposed of 4) Non-GHG air pollutant emission volume	3) Reduce final landfill waste disposal by 60% (5,296 tons) compared to the fiscal 2017 level (8,739 tons) Increase waste plastic material recycling rate by 9%pt. (to 65%) compared to the fiscal 2017 level (56%)	1) No data (to be compiled and surveyed in the future) 2) Total wastewater discharge: 8.616 million m ³ ; BOD load: 32,799 kg; COD load: 1,344 kg; nitrogen discharge: 24,793 kg; phosphorus discharge: 8,626 kg 3) Hazardous waste discharge: 22,295 tons (of which, material recycling: 16,145 tons; thermal recovery: 3,825 tons; simple incineration: 1,192 tons; landfill disposal: 1,134 tons; and other: 0 tons) Non-hazardous waste discharge: 266,666 tons (of which, material recycling: 222,302 tons; thermal recovery: 37,490 tons; simple incineration: 3,057 tons; landfill disposal: 3,816 tons; and other: 2 tons) 4) VOC emissions into the atmosphere: 3,616 tons	1) Identify soil pollutants to assess 2) – 3) – 4) –
		・Amount of reusable plastics used (and sold)	・No target set	・No data (to be compiled and surveyed in the future)	・Survey amount procured by the Group and cases where it is contained in materials supplied by customers
Optimal water use	Resource use/ replenishment	1) Volume of water withdrawal and consumption 2) Volume of water withdrawal and consumption from areas of water scarcity 3) Volume of water contributed to reduction, reuse, and replenishment	2) Achieve water withdrawal reduction targets for at least 50% of sites (four out of seven sites) with high water risk (water stress exceeding 40%)	Total water withdrawal: 11.316 million tons; total water consumption: 2.700 million m ³ 1) Breakdown of water withdrawal: Industrial water: 581 thousand m ³ (of which, 3,761 m ³ from sea water) Municipal water: 4.760 million m ³ Groundwater: 5.952 million m ³ Rainwater used: 22 thousand m ³ 2) Total water withdrawal: 661 thousand m ³ ; total water consumption: 31 thousand m ³ *Results of business sites in areas with 40% or more water stress under the Aqueduct 4.0 framework 3) Use of water circulated on premises: 2.301 million m ³	1) – 2) Identify regions with water risk 3) –

*We will also consider other core global and additional metrics.

Environmental Management

Promotion Framework

Approach Framework

Promotion Framework

The Board of Directors is the highest-level body responsible for environmental management in the TOPPAN Group. The Board appoints an officer to head the Ecology Center, an organization that oversees our environmental conservation initiatives by supervising, evaluating, and verifying environmental activities undertaken throughout the Group and reporting the verification results to the Board of Directors.

We have established an environmental conservation framework in which the heads of the business divisions, Group companies, and operational sites are responsible for the environmental efforts of their organizations. These heads appoint environmental management personnel to steer the actual implementation of conservation activities carried out at their sites and collaborate with them to propel environmental initiatives throughout the business divisions.

To accelerate the initiatives, environmental management personnel have set up Eco-protection Promotion Committees, bodies composed of persons relevant to the environment across the departments. The committees promote environmental conservation activities and manage their 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 contribute to decarbonization.

Addressing Climate Change Risks

TOPPAN has set up a Global Environment Working Group under the Sustainability Promotion Committee. Composed of departments relevant to the environment, the working group employs scenario analyses to identify significant risks and opportunities brought by climate change and to evaluate mainly the financial impacts on the Group.

We will also further advance global-warming mitigation initiatives focused on climate change and decarbonization in cooperation with various industry groups that are working towards the Paris Agreement goals.

TOPPAN's Environmental Management Structure



Environmental Management Systems

Framework System Training, education

TOPPAN 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 continual improvement in environmental management.

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

- ISO 14001 certification: 94 sites (out of 166 Group sites)

*The Ecology Center supervises and assesses environmental conservation activities implemented at the remaining 72 sites.

The Ecology Center aggregates environmental performance data as the organization responsible for overseeing environmental conservation activities across the Group. The aggregation results are assured by KPMG AZSA Sustainability Co., Ltd. (an independent assurance provider) and reported to the Board of Directors (for details, see “Scope of Data Coverage and List of Indicators Assured by an Independent Assurance Provider” on pages 164-165). 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 Groupwide 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.

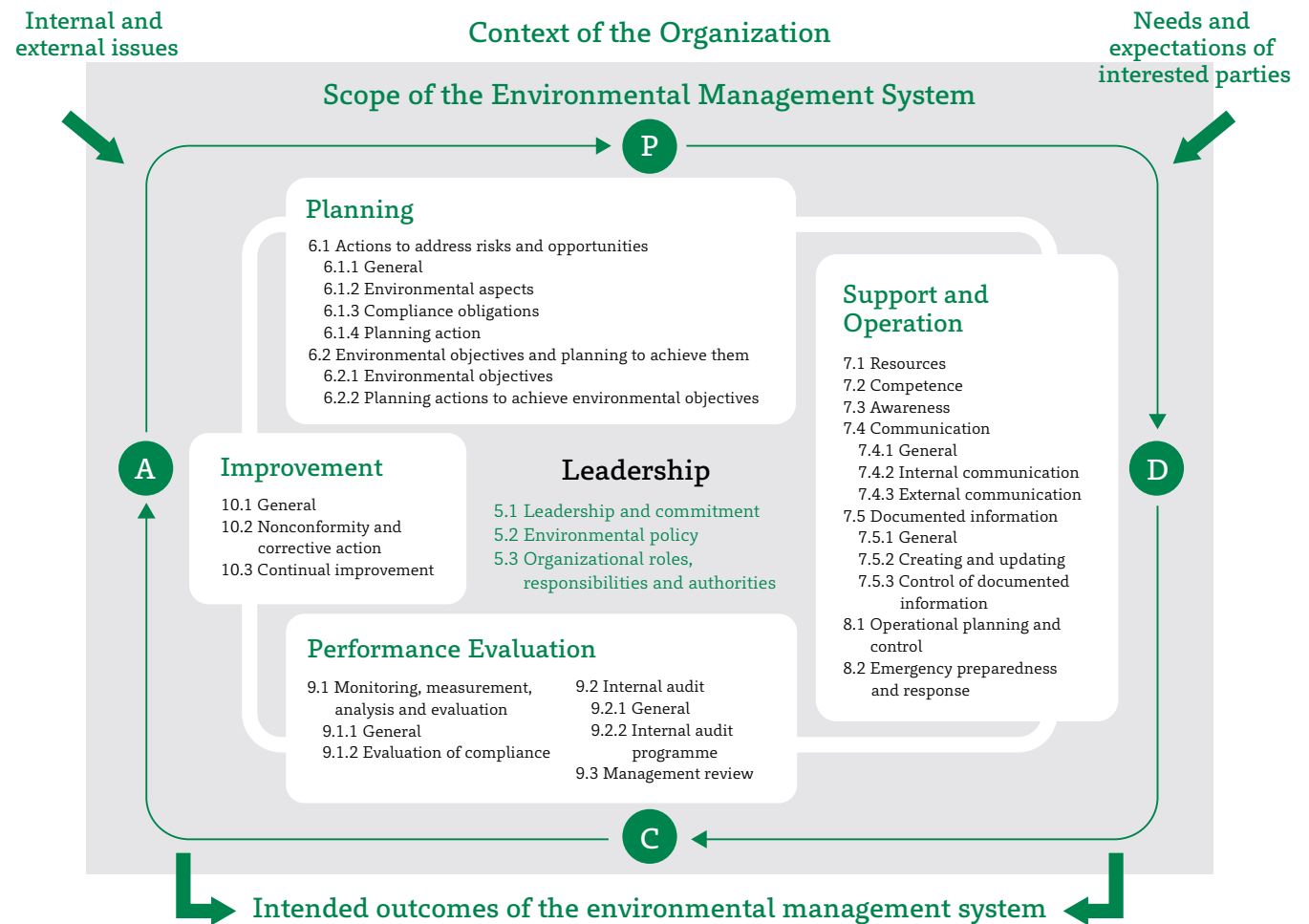
[More details on our ISO 14001 EMS certification >](https://www.holdings.toppan.com/en/about-us/our-corporate-approach/iso/iso14001.html)

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/iso/iso14001.html>

[More details on the Independent Assurance Report \(see page 166\) >](#)

[More details on the Remedying Soil and Groundwater Pollution \(see page 128\) >](#)

Management Cycle under ISO 14001:2015



Environmental Education

Various measures are implemented to improve the environmental literacy of employees based on recent social concerns on the environment, priority topics for year-by-year environmental activities, and other environment-related issues.

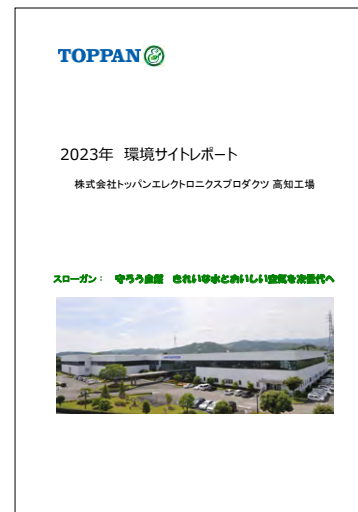
We have been holding sessions for rank-based training, optional training, and internal auditor training. E-learning programs are also provided online for all Group employees. The rank-based training includes both group-style sessions and e-learning courses.

Results of Environmental Education (Fiscal 2023)

Training	No. of Trainees
New employee training: General environmental education	499
E-learning course on the TOPPAN Group's sustainability initiatives	21,749
E-learning course for personnel in charge of the environment in fiscal 2023	590
TOPPAN Challenge School (15 courses)	51
TOPPAN Business School (7 courses)	257
Internal environmental auditor training program	135

Environmental Communication

TOPPAN develops Environmental Communication Activities to share environmental conservation awareness with stakeholders through community involvement initiatives and environmental education for Group employees and individuals outside of the Group. Among the diverse activities organized, we have been engaging in projects with entities from industry, government, academia, and civil society, disclosing environmental performance data on our corporate website, publishing *Site Eco Reports* for surrounding communities and local governments, holding neighborhood meetings to report our environmental efforts, and participating in eco exhibitions and consortiums.



A Site Eco Report (in Japanese)

Environmental Incentives for Employees

TOPPAN's Eco-protection Awards System incentivizes Group employees to engage in activities that address climate change. The system provides financial incentives for actions that bring us closer to meeting our reduction targets for greenhouse gas emissions and other environmental impacts.

ISO 14001 Certification (55 systems at 94 sites, as of March 31, 2024)

ISO 14001 Certification Obtained at the TOPPAN Group

Division, Company, or Site	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, Sekijuku Site (Toppan Logistics Co., Ltd.)	GCC	October 2002
Gunma Central Plant (Toppan Packaging Products Co., Ltd.)	JQA	July 2003
Mito Plant (Toppan Packaging Products Co., Ltd.)	GCC	January 2004
Fukuyama Plant (Toppan Communication Products Co., Ltd.)	GCC	October 2004
Higashinihon 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 (Nishinihon Division)	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
Head office, Saitama Plant (Livrettech Co., Ltd.)	JCQA	July 2001
Fukushima Plant [including Takino Plant, Sagamihara Plant] (Toppan Infomedia Co., Ltd.)	JUSE	November 2001
Hachioji R&D Center (TOPPAN Edge Inc.)	JQA	March 2004
Toppan Forms Tokai Co., Ltd.	JQA	August 2004
Toppan Forms Kansai Co., Ltd.	JQA	April 2007
Toppan Forms Nishinihon Co., Ltd.	JQA	January 2005
Toppan Forms Central Products Co., Ltd.	JQA	September 2011
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 (Operational Site)	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 Sensing Electronics (Shanghai) Co., Ltd.	SGS	February 2007
Toppan Leefung Packaging (Shanghai) Co., Ltd.	NQA	July 2008
TOPPAN Leefung Printing (Beijing) Co., Ltd.	ZDHY	November 2009
TOPPAN Leefung Specialty Printing (Dongguan) Co., Ltd.	ZYC	May 2009
TOPPAN Leefung Packaging (Dongguan) Co., Ltd.	Intertek	May 2016
TOPPAN Leefung Label Printing (Dongguan) Co, Ltd.	CQC	November 2012
TOPPAN Leefung Printing (Dongguan) Co., Ltd.	HKQAA	March 2009
PT. Indonesia Toppan Printing	LRQA	November 2004
Toppan Photomasks Korea Ltd.	LRQA	February 2005
Toppan Photomasks Co., Ltd.(Shanghai)	LRQA	February 2005
Ortustech (Malaysia) Sdn. Bhd.	BUREAU VERITAS	September 2014
Toppan Security Systems Pte. Ltd.	TUV	August 2010
Giantplus Technology Co., Ltd. (Bade Plant [T1])	SGS	January 2008
Giantplus Technology Co., Ltd. (Bade Plant [T2])	SGS	May 2018
Giantplus Technology Co., Ltd. (Hsinchu Plant)	SGS	March 2013
Kunshan Giantplus Optronics Display Technology Co., Ltd.	SGS	June 2012
Siam Toppan Packaging Co., Ltd.	TUV	April 2002
Gravity Group IND. LLC	URS	February 2015
Toppan Speciality Films Private Ltd.	BSI	May 2009
Interflex Scotland Ltd.	BSI	December 2004

Contributing to Decarbonization

Basic Approach

Approach Policy

TOPPAN has formulated the following basic policies to contribute to decarbonization.

Global climate change has huge impacts on corporate activities and the lives of people around the world. Recognizing this burden, we position contributions to decarbonization as a critical challenge for management. Based on the TOPPAN Group Declaration on the Global Environment, every person in the Group is firmly committed to the creation of a sustainable society and strives to address climate change as a responsible member of the international community.

Energy control and the rational use of energy are our prime approaches to achieving a decarbonized economy. We will also continue to adopt renewable energy sources on a preferential basis and encourage the broad use of renewables across society.

 More details on our SBTi Approved GHG Emission Reduction Targets >
https://www.holdings.toppan.com/en/sustainability/environment/#anchor_07

Activities

Activity results, performance data

Reducing Greenhouse Gas Emissions

The TOPPAN Group has been reducing the total emissions of carbon dioxide (CO₂) and other greenhouse gases (GHGs) to help decarbonize society. To reduce Scope 1 GHG emissions (direct emissions from industrial processes or fuels consumed at the Group), we are systematically replacing utility facilities operated for extended periods with high-efficiency alternatives. Systems are also installed to abate high-global-warming-potential (GWP) gases emitted from semiconductor production

processes, and high-GWP gases are switched to lower-GWP alternatives.

To reduce Scope 2 GHG emissions (indirect emissions associated with the consumption of electricity, heating, or cooling purchased or acquired by the Group), we are scaling down power consumption by adopting energy-efficiency measures and renewables such as solar panels. A switch to electricity contracts with lower CO₂ emission factors is now being considered.

We are also scaling up the installation of energy-efficient, renewable-energy-driven facilities using carbon prices set under the internal carbon pricing (ICP) system introduced across the Group in fiscal 2023.

Meanwhile, Toppan Logistics Co., Ltd., the logistics specialist for the Group, is working with Group company shippers to optimize transportation conditions and further enhance transportation efficiency. These companies are pooling their efforts 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 Holdings Inc. has driven industry-wide efforts to spawn decarbonization measures, chiefly through its involvement in JFPI activities to address climate change and promote low carbonization. The JFPI's Working Group for Voluntary Action Plans on the Environment (under the Environmental Management Task Force of the Global Environment Committee) has supported decarbonization efforts across the printing industry by implementing volatile organic compound (VOC)-emission reduction measures and various other measures targeting the realization of a low-carbon, circular economy.

In May 2023, TOPPAN Holdings became a member of the GX League, an industry-government-academia forum established by the Ministry of Economy, Trade and Industry of Japan. This forum advocates for social structural change to achieve Japan's goal of carbon neutrality by 2050. TOPPAN will drive green transformation (GX) towards the transformation of Japan's socio-economy in cooperation with other companies, financial institutions, universities, public research institutions, and government bodies. The discussions and knowledge gained at the GX League rule-making working groups reinforce our Groupwide endeavors to address global environmental issues, especially climate change.


Energy Management Programs

The energy management programs (EMPs) we are pursuing towards a decarbonized society follow a cycle of monitoring, target-setting, and continual improvement in energy efficiency within the ISO 14001 framework.

The Ecology Center receives monthly energy performance data from Group sites collected under their environmental management systems and compares the monthly values with past data and progress towards quantified targets. Constant energy-use assessments allow the center to efficiently control energy consumption by promptly detecting wasteful energy usage across plant facilities. The center regularly reports performance data to senior management, who in turn provide oversight and feedback on progress towards the targets. Energy audits, meanwhile, identify opportunities for improving energy performance. Based on the requirements of the Act on Rationalization of Energy Use and Shift to Non-fossil Energy of Japan, auditors review site-based energy summary tables and

flow charts once a year to evaluate how increases and decreases in plant facilities affect the energy performances of individual sites.

By implementing these organizational EMPs in conformance with the ISO 14001 requirements, TOPPAN is enhancing energy efficiency to contribute to a decarbonized society. ISO 14001 provides us with a clear framework for achieving continual improvement in the effectiveness of our energy management.

 More details on our EMPs towards a decarbonized society >

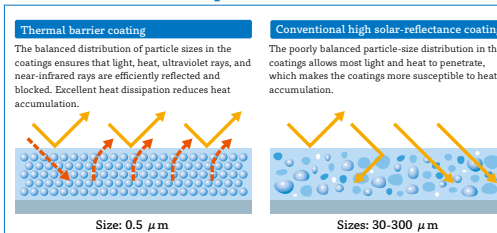
<https://www.holdings.toppan.com/en/sustainability/environment/globalwarming.html#anc2>

TOPIC Achieving the Fiscal 2030 Goals

Thermal Barrier Coating at the TPP Fukusaki Plant

The Fukusaki Plant of Toppan Packaging Products Co., Ltd. is a specialist in flexible packaging printing based in Hyogo Prefecture, Japan. In August 2023, the plant utilized its ICP system to apply a thermal barrier coating handled by TOPPAN onto the 870 m² segmented roof of the main plant building. The coated roof effectively reflects sunlight and lowers indoor air-conditioning load in the summer, reducing CO₂ emissions by 6 t-CO₂ a year (estimation).

Difference in particle-size distribution



Segmented roof with a thermal barrier coating

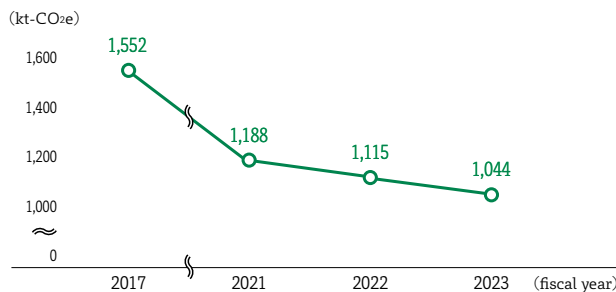
Data on Greenhouse Gas Emissions

Activity results, performance data

Greenhouse Gas Emissions

Scope 1 & 2 Greenhouse Gas Emissions

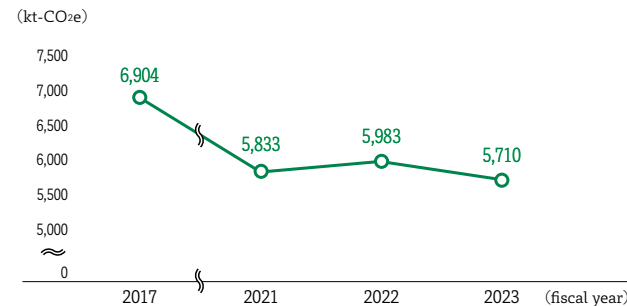
(subject to the Group medium-and-long-term environmental targets) 



*For Scope 1 & 2 emissions, greenhouse gas (GHG) emissions associated with electricity consumption at domestic sites are calculated using the adjusted emission factors according to the method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from the Business Activities of Specified Dischargers issued by the Ministry of the Environment (MOE) of Japan. The conversion factors used to calculate GHG emissions associated with electricity consumption at overseas sites are prioritized in the following order: 1) the factors independently set by the electric utilities from which Group sites purchase electricity, 2) the factors published by central and local governments, and 3) the latest 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 the Business Activities of Specified Dischargers.

Scope 3 Greenhouse Gas Emissions

(subject to the Group medium-and-long-term environmental targets) 



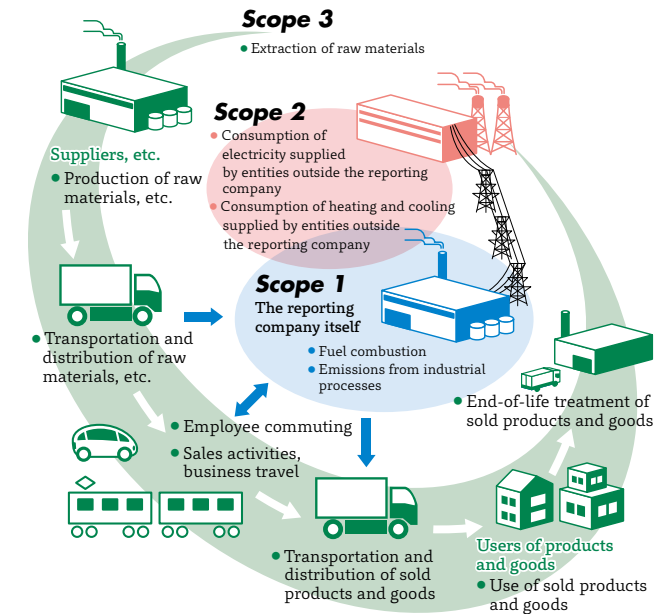
*The methods for calculating Scope 3 GHG emissions are presented on page 114.

*The results for fiscal 2017 and 2022 are adjusted based on the calculation methods applied to the fiscal 2023 results. (The results before the revision were 7,365 kt-CO₂e and 5,929 kt-CO₂e, respectively.)

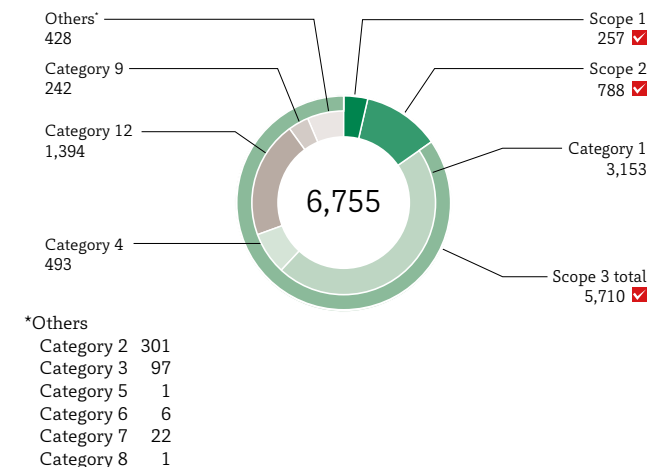
Scope 1, 2, 3 Greenhouse Gas Emissions

Based on the fiscal 2023 results, TOPPAN calculated Groupwide 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 emitted more GHGs and to establish priority targets in the Group's GHG-emission reduction strategy. This calculation showed that several categories related to raw material consumption collectively accounted for the largest share of our GHG emissions, primarily: category 1 (manufacturing of products purchased by the Group), categories 4 and 9 (transportation and distribution of products purchased and sold by the Group), and category 12 (end-of-life treatment of products sold by the Group).

Calculating Scope 3 Greenhouse Gas Emissions



Scope 1, 2, 3 Greenhouse Gas Emissions (kt-CO₂e)



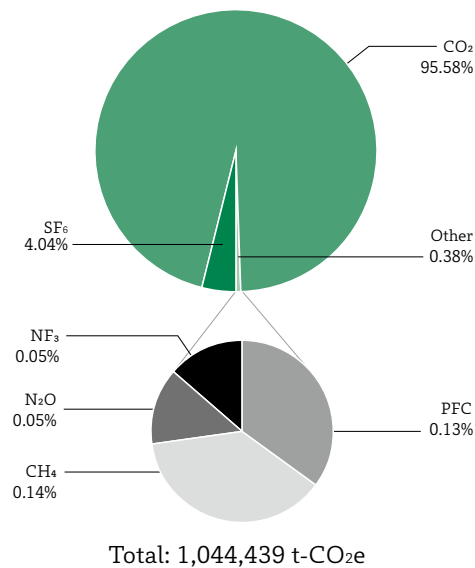

Details of the Scope 1, 2, and 3 Categories

Emissions Types			For Scope 1 & 2 emissions, greenhouse gas (GHG) emissions associated with electricity consumption at domestic sites are calculated using the adjusted emission factors according to the method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from the Business Activities of Specified Dischargers issued by the Ministry of the Environment (MOE) of Japan. The conversion factors used to calculate GHG emissions associated with electricity consumption at overseas sites are prioritized in the following order: 1) the factors independently set by the electric utilities from which Group sites purchase electricity, 2) the factors published by central and local governments, and 3) the latest 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 the Business Activities of Specified Dischargers.	
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			
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. Act on Rationalization of Energy Use and Shift to Non-fossil Energy (Energy Saving Act) of Japan 2. IDEA ³
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, excluding emissions associated with accommodation for business travelers	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	IDEA ³
Category 10	Processing of sold products	Emissions associated with the processing of sold intermediate products by downstream companies	Excluded	
Category 11	Use of sold products	Emissions associated with the end use of sold products by users (consumers, downstream companies)	Excluded	
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	
Other	Upstream	Other upstream emissions	Not applicable	
Other	Downstream	Other downstream emissions	Not applicable	

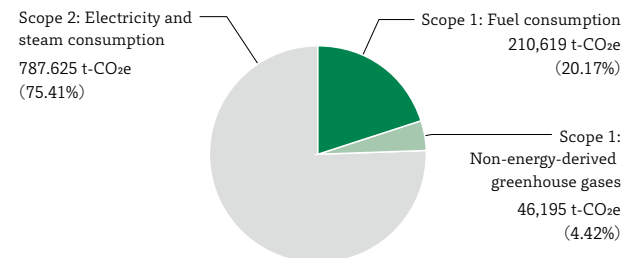

Notes

- TOPPAN calculates the Group's Scope 3 GHG emissions for categories 1-9 and 12.
- The calculation boundary covers Groupwide GHG emissions associated with TOPPAN Holdings Inc. and Group entities consolidated for accounting purposes.
- For "1. 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, we have 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
- *3 IDEA: Inventory Database for Environmental Analysis (IDEA) version 2.3, a life cycle inventory (LCI) database from the National Institute of Advanced Industrial Science and Technology of Japan

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

- For Scope 1 & 2 emissions, greenhouse gas (GHG) emissions associated with electricity consumption at domestic sites are calculated using the adjusted emission factors according to the method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from the Business Activities of Specified Dischargers issued by the Ministry of the Environment (MOE) of Japan. The conversion factors used to calculate GHG emissions associated with electricity consumption at overseas sites are prioritized in the following order: 1) the factors independently set by the electric utilities from which Group sites purchase electricity, 2) the factors published by central and local governments, and 3) the latest 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 the Business Activities of Specified Dischargers.
- Fiscal 2023 GHG emissions from domestic sites (including Group company sites) and overseas 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, 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 2023)

Domestic Sites	1,411 t-CO ₂ e
Overseas Sites	1,851 t-CO ₂ e

Notes

- The value shown for domestic sites is 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 is calculated by a method aligned with that prescribed under the Japanese act.

Values, Results, and Evaluation of Environmental Targets for Fiscal 2023

	Performance Target	Performance Indicator	Fiscal 2023			
			Target Value	Result	Achievement Rate	Evaluation
Contributing to decarbonization	Reduce CO ₂ emissions	Scope 1 & 2 greenhouse gas emissions	1,109 kt-CO ₂ e	1,044 kt-CO ₂ e 	105.9%	S
		Scope 3 greenhouse gas emissions	6,041 kt-CO ₂ e	5,710 kt-CO ₂ e 	105.5%	S

Evaluation criteria

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

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

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

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

Achievement rate: 200 - (values actually achieved / target values) x 100 [%]

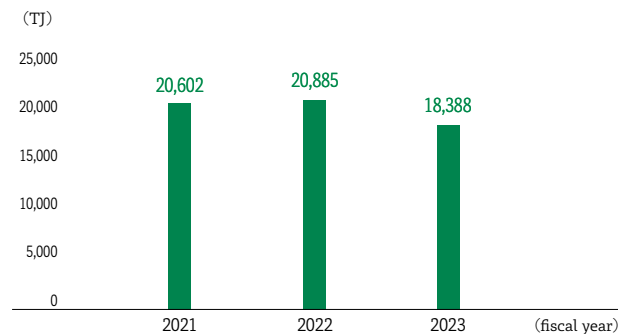
Associated Data

Activity results, performance data

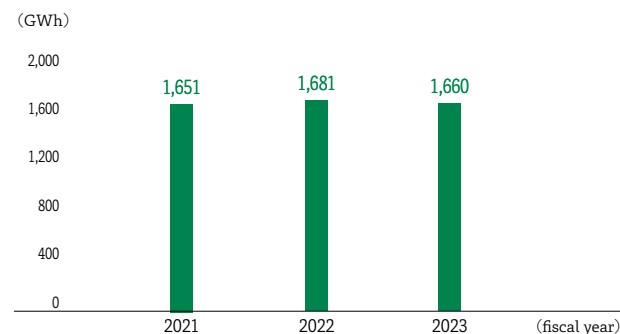
Energy Consumption

TOPPAN evaluates and discloses Groupwide performance data, including that from overseas Group subsidiaries.

Energy Consumption

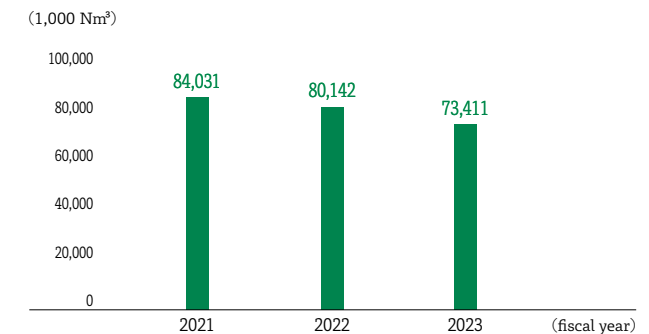


Electricity Consumption

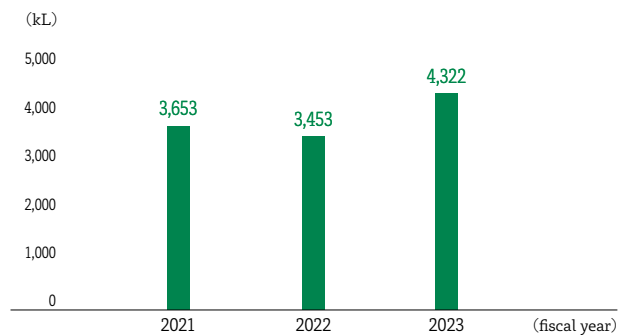


*The fiscal 2023 result includes electricity derived from renewable energy sources.

Natural Gas Consumption



Kerosene Consumption



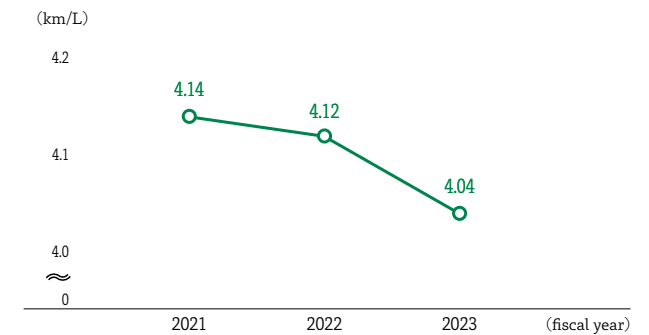
Renewable-derived Energy: Amount and Ratio

Fiscal Year	Renewable-derived Energy (GWh/year)	Ratio (%)
2021	11.10	0.67
2022	20.22	1.19
2023	41.81	2.52

*Renewable-derived energy (electricity derived from renewable energy sources) is the renewable energy procured from PPA providers and electricity retailers plus the total energy generated at renewable energy power facilities (for solar power and hydro power) installed at Group sites.

*The ratio of renewable-derived energy is the percentage of electricity derived from renewable energy sources out of our overall power consumption.

Fuel Efficiency of Outsourced Cargo Vehicles



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, a Basic Policy on Biodiversity was established in April 2010. A year later, in September 2011, a set of Paper Procurement Guidelines for the Sustainable Use of Forest Resources was formulated to avoid or minimize the impacts on biodiversity during raw material procurement operations. We have identified our impacts and dependencies on biodiversity and ecosystem services and assessed associated risks. In areas where intensified biodiversity efforts are needed, TOPPAN takes assertive approaches to conserving local environments based on preventative and adaptive strategies formulated from a long-term perspective. Our conservation 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 us enhance environmental security and decarbonize society.

TOPPAN is intensifying supply chain management, environmental initiatives, and cooperation with local communities throughout Group operations. These activities will enable us to achieve our commitment to restoring natural ecosystems over the 20-year period from 2030 to 2050. We will take urgent steps to halt and reverse biodiversity loss in order to put nature on a recovery track by 2030 and beyond, as called for under the Kunming-Montreal Global Biodiversity Framework (GBF).

Required Actions

Policy

The actions required for biodiversity conservation throughout the Group are shown below.

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 67).

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 Purchasing

	No. of Cases
Fiscal 2023	2,091

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 2023	73.5%

Consideration of Land-use

1) Use of site green space

Our land-use practices support biodiversity in green spaces at Group sites across Japan. To bolster biodiversity efforts, TOPPAN has received third-party certification from the Association for Business Innovation in harmony with Nature and Community (ABINC)* for two sites (as of March 31, 2024) and applied land-use self-assessments using the ABINC's Land Use Score Card. The Fukaya Plant (an ABINC-certified site in Saitama Prefecture) has installed nest boxes for wild birds and eco stacks, habitats for living creatures built up from fallen leaves and branches collected in green spaces on the site premises. In a biodiversity conservation event held in January 2024, site members and their families came to observe beetle larvae grown in the eco stacks.

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).

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 abatement of COVID-19 in fiscal 2023, Group sites across Japan resumed in-person gatherings where kids could experience and learn about nature and biodiversity.

Since fiscal 2022 we have joined a project to plant flowers along the Arakawa River in the Kanto Plain, with support from the Arakawa-Joryu River Office of the Ministry of Land, Infrastructure and Transport of Japan. In a May 2024 activity conducted at the Sakado Plant in Saitama Prefecture, the seedlings of agrimony and motherwort preserved and grown onsite were replanted in their original habitat, the Mitsumata-numa Biotope adjoining the Arakawa basin extending from Kawajima town to Ageo and Kawagoe cities. The Sakado Plant also donated the seeds obtained from the activity to elementary schools collaborating in the project to conserve more of the plants native to Saitama. The Asaka Site, also located in Saitama, engages in similar activities to conserve native plants and fish. Indigenous species of kinbuna crucian carp and Japanese eight-barbel loach swim around in its biotope. The site members drained the biotope in July 2023 to conduct a habitat survey and nurture a better environment for protected species.

In November 2023, TOPPAN Holdings Inc. operated an online biodiversity observation program piloted by the Biome creature-collection app from Biome Inc. The program was developed as part of the “Life is Connected! Myaku-Myaku Creature Quest,” a corporate joint web-event held under a pavilion project produced by the ‘mecha designer’ Shoji Kawamori for Expo 2025 Osaka, Kansai, Japan.

Among the various pollutants stressing the global environment, marine plastics are known to have a tremendous impact on marine ecosystems. Communities around the world have been active in campaigns to reduce the release of plastics into the environment. In a cleanup activity conducted at Kuzika beach on Tsushima Island, Nagasaki Prefecture in May 2024, TOPPAN employees learned about plastic pollution and helped reduce it in the marine environment.



Replanting seedlings in the Mitsumata-numa Biotope in Saitama



Briefing by TOPPAN personnel on the seeds donated to local elementary schools



Native plant seeds sorted and packed at welfare facilities



A kinbuna carp and eight-barbel loach found in the Asaka Site, Saitama



Life is Connected! Myaku-Myaku Creature Quest



Cleaning up Kuzika beach in Nagasaki

TOPIC Biodiversity Conservation

Participating in Tokyo Greenship Action for *Satoyama* Lands

TOPPAN Edge Inc. has been conserving neighborhoods as a participant in the Tokyo Greenship Action project since 2009. Project organizers such as NPOs and the Tokyo Metropolitan Government Bureau of Environment give the public opportunities to experience the landscapes of Tokyo's *satoyama*, verdant areas traditionally nurtured by farmers and foresters. TOPPAN Edge engages in conservation activities in the Hachioji Tobuki-kita Green Tracks, a network of diverse ecosystems inhabiting wooded areas and small valleys primarily composed of Japanese oak and chestnut groves. Located about 20-minutes by foot from the Takiyama Plant of Toppan Communication Products Co., Ltd.* in Hachioji, the green tracks are protected under a Tokyo Metropolitan Government program. In fiscal 2023, eleven employees from TOPPAN Edge and TCP Takiyama Plant supported tree growth in the area by thinning the trees and clearing the underbrush under the guidance of NPO members.

*Former Toppan Forms Central Products Co., Ltd.



Clearing underbrush in a *satoyama* field in Tokyo

Pro-biodiversity Products and Services

The TOPPAN Group combines various printing technologies to develop products and services geared to achieve nature-positive outcomes across the value chain.

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) Metaverse-based content for kids

Metaverse Zoo is a virtual intellectual training package produced in collaboration with TBS Holdings, Inc. to broaden children's interest in the natural environment. At “AKASAKA Asobi! Manabi! (learn & play) Festa” hosted by TBS Holdings in March 2024, visitors enjoyed *Metapa Satoyama World: Honeybee Edition*, a metaverse environment built by TOPPAN to spread knowledge on the ecology of honeybees.



Metapa Satoyama World: Honeybee Edition

Associated Data

Activity results, performance data

Forest Management Certification

FSC® and PEFC Certification (as of June 7, 2024)

FSC: Forest Stewardship Council

PEFC: Programme for the Endorsement of Forest Certification Schemes

Division, Company, or Site	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 Communication Products Co., Ltd.)	Japan	✓	
Fussa Plant [including CP Production Department] (Toppan Communication Products Co., Ltd.)	Japan	✓	
Takino Plant (Toppan Communication Products Co., Ltd.)	Japan	✓	
Joto Center (Toppan Communication Products Co., Ltd.)	Japan	✓	
Asaka Securities Plant (Toppan Communication Products Co., Ltd.)	Japan	✓	
Nagoya Center (Toppan Communication Products Co., Ltd.)	Japan	✓	
Fukuroi Plant (Toppan Communication Products Co., Ltd.)	Japan	✓	
Osaka Sakurai Plant (Toppan Communication Products Co., Ltd.)	Japan	✓	
Hiroshima Plant (Toppan Communication Products Co., Ltd.)	Japan	✓	
Tamana Plant (Toppan Communication Products 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	✓	✓
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	✓	✓
Livrettech Co., Ltd.	Japan	✓	

Company or 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	✓	
INTERPRINT (China) Decorative Materials Co., Ltd.	PRC	✓	
IP Decor Spain, S.A.U.	Spain	✓	✓
Barcelona Office (Toppan Europe GmbH)	Spain	✓	
London Office (Toppan Europe GmbH)	UK	✓	
Toppan Leefung Printing (Dongguan) Co., Ltd.	PRC	✓	✓
TOPPAN Leefung Printing Limited	PRC	✓	✓
TOPPAN Leefung Printing (Beijing) Co., Ltd.	PRC	✓	
TOPPAN Leefung Label Printing (Dongguan) Co., Ltd.	PRC	✓	
TOPPAN Leefung Label Printing Limited	Hong Kong	✓	
TOPPAN Leefung Packaging (Dongguan) Co., Ltd.	PRC	✓	
TOPPAN Excel (Dongguan) Printing Company Limited	PRC	✓	
TOPPAN Excel Printing Limited	Hong Kong	✓	
TOPPAN Leefung Paper Products Limited	Hong Kong	✓	
TOPPAN Edge (Hong Kong) Limited	PRC	✓	
Toppan Nexus Limited	Hong Kong	✓	
TOPPAN Merrill LLC	USA	✓	
INTERPRINT Decor (Malaysia) Sdn. Bhd.	Malaysia	✓	
Toppan Security Printing Pte. Ltd.	Singapore	✓	
Siam Toppan Packaging Co., Ltd.	Thailand	✓	
InterFlex Group	UK	✓	

Building of a Recycling-oriented Society

Basic Approach

Approach

The TOPPAN Group has formulated a set of priority policies towards the building of a recycling-oriented society as a critical challenge for management. We process 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; and 3) Third priority is given to the application of appropriate treatment methods to industrial waste and waste materials not reused or recycled. The order of priority may not be applied when another ordering is deemed to more effectively reduce environmental burden.

We strive, in the course of our business activities, to prevent pollution of the atmosphere and water and soil environments, reduce water consumption, and protect the environment in ways that secure sanitary water supplies for employees, local residents, and other stakeholders.

Please note that while the forms of recycling are generally classified into material, chemical, and thermal (heat recovery), chemical recycling is classified within the “material recycling” category in our list.

Activities

Activity results, performance data

In a drive to use limited resources more effectively, we work 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 (61%) of the total waste discharged at Group sites. The next largest portions are waste plastics derived from plants in the Living & Industry field (20%) and waste acid from the Electronics field. We have striven to increase our material recycling rates by converting waste paper into recycled paper, segregating waste plastics and processing composite plastics into pellets, and applying recycling techniques for other materials. Waste acid, meanwhile, has been treated in-house to lower volumes for disposal. For the hazardous waste regulated under Annex VIII (List A) of the Basel Convention, the total discharge has been confirmed and

intensive efforts have been made to reduce discharge and appropriately manage and treat the waste. The list on page 123 shows the results and targets for the discharge, discharge-reduction, and recycling of plastic industrial waste, including waste from plastics used in products. These are the primary measures we have taken to promote plastic circulation in compliance with the Plastic Resource Circulation Act enforced in Japan in April 2022. For the sustainable use of water, a limited resource, individual Group sites assess water risks, reduce water consumption, and control the quality of effluents discharged into water systems.

TOPPAN will continue to pursue the effective use of limited resources by reducing overall waste discharge and intensifying material recycling.

Discharge and Treatment of Hazardous and Non-hazardous Waste

Fiscal Year		2021	2022	2023
Total waste discharge (t)		315,512	297,211	288,961
Hazardous waste (t)	Discharge	29,699	25,953	22,295
	Material recycling	25,078	19,954	16,145
	Thermal recovery	3,349	3,370	3,825
	Simple incineration	305	1,106	1,192
	Landfill disposal	917	1,522	1,134
	Other	50	0	0
Non-hazardous waste (t)	Discharge	285,813	271,258	266,666
	Material recycling	235,924	227,834	222,302
	Thermal recovery	42,799	35,782	37,490
	Simple incineration	1,072	1,785	3,057
	Landfill disposal	5,710	5,857	3,816
	Other	309	0	2

*Data on material recycling, thermal recovery, and landfill disposal of non-hazardous waste for fiscal 2022 and earlier are adjusted based on the updated calculation methods.


Waste Management Programs

In pursuit of a circular economy, TOPPAN controls waste through a cycle of monitoring, target-setting, and continual improvement in resource efficiency within the ISO 14001 framework. We conduct waste management audits across Group sites to identify opportunities for enhancing waste performance by tracking organizational waste generation and evaluating potential impacts of waste on the environment and associated risks to our businesses. We work to minimize waste discharge and maximize material recycling by pinpointing waste sources in production processes, reducing waste through production process reviews, upgrading equipment and facilities to improve production processes, refining product designs, proactively adopting recycling technologies, and ensuring the proper disposal of hazardous waste.

The quantified reduction targets established under the fiscal 2030 goals have prompted us to develop concrete measures to minimize the discharge of waste. Every operational site has set individual targets in line with the Groupwide goals of a 60% reduction (by 5,296 tons) in the final landfill waste disposal from the fiscal 2017 level (8,739 tons) and a 9%pt increase (to 65%) in the waste plastic material recycling rate from the fiscal 2017 level (56%). Our comprehensive recycling programs have been tailored to specific types of waste in order to increase material recycling rates. We are converting waste paper into recycled paper, segregating waste plastics and processing composite plastics into pellets, and applying recycling techniques for other materials. Driven by investments in R&D and technological innovations, our digital and sustainable transformation initiatives have reduced waste discharge from production processes. Employee awareness of waste reduction has also been enhanced through group-style training and Groupwide e-learning programs.

By implementing these organizational waste management

programs (WMPs) in conformance with the ISO 14001 requirements, TOPPAN continues to enhance resource efficiency towards a circular economy. ISO 14001 provides us with a clear framework for achieving continual improvement in the effectiveness of our waste management.


 More details on our WMPs towards a circular economy >

<https://www.holdings.toppan.com/en/sustainability/environment/recycling.html#anc1>

Water Efficiency Management Programs

TOPPAN manages water efficiency in Groupwide endeavors to prevent pollution and realize a circular economy. We operate water efficiency management programs to achieve optimal water use through a cycle of monitoring, target-setting, and continual improvement in the quality and resource efficiency of water within the ISO 14001 framework. Every Group site evaluates water risks, reduces water consumption, controls effluent quality, and implements water efficiency enhancement measures.

The sites also assess their impacts on the environment as a basis for deciding specific targets for enhancing the quality and resource efficiency of water. Progress towards the targets has been regularly reviewed and managed throughout the Group.

 More details on our water efficiency management programs towards a circular economy >

<https://www.holdings.toppan.com/en/sustainability/environment/recycling.html#anc2>


Plastic Circulation Targets based on Japanese Legislation^{*1}

Reduction/recycling targets
Fiscal 2023: Increase the material recycling (MR) rate by 2.3%pt year over year
Fiscal 2024: Increase the material recycling (MR) rate by 1.4%pt year over year


	Company	Fiscal 2023		Result
		Discharge (t)	MR Rate Increase/ Decrease from Fiscal 2022	Evaluation (Unachieved: × , Achieved: ○)
High-volume waste dischargers	Toppan Packaging Products Co., Ltd.	16,748	- 29.4%pt	×
	Toppan Decor Products Inc.	1,388	21.9%pt	○
	Tamapoly Co., Ltd.	1,208	7.1%pt	○
	TOPPAN Inc.	897	4.8%pt	○
	Toppan Communication Products Co., Ltd.	831	- 0.7%pt	×
	Toppan Plastic Co., Ltd.	560	33.2%pt	○
	Toppan Infomedia Co., Ltd.	537	- 0.2%pt	×
	Toppan TOMOEGAWA Optical Films Co., Ltd.	421	- 1.2%pt	×
Waste dischargers	Toppan Packaging Service Co., Ltd.	245	1.8%pt	×
	Toppan Techno Co., Ltd.	152	0.0%pt	×
	Toppan Electronics Products Co., Ltd.	106	- 21.7%pt	×

*Listed companies discharging waste of 100 tons or more a year.
*1 Targets for the discharge, discharge-reduction, recycling of plastic industrial waste (including plastics used in products), and other plastic circulation measures based on the Plastic Resource Circulation Act of Japan

Values, Results, and Evaluation of Environmental Targets for Fiscal 2023

	Performance Target	Performance Indicator	Fiscal 2023			
			Target Value	Result	Achievement Rate	Evaluation
Contributing to resource circulation	Reduce final landfill waste disposal	Final landfill waste disposal	7,704 t	4,949 t 	135.8%	S
	Circulate resources	Waste plastic material recycling rate	57.3%	49.6%	84.4%	B
Optimal water use	Prevent water pollution	No. of actions taken by authorities in response to exceeded regulatory standards	0	0	100%	A
	Reduce water withdrawal in regions with higher water risk	No. of sites in high-water-risk regions that implement water-saving measures	4 sites	0 sites (risk assessment method to be updated)		

Evaluation criteria: S) Results achieved far surpass the targets (achievement rate [%] ≧ 105); A) Targets achieved (100 ≦ achievement rate [%] < 105); B) Activities fully carried out, but targets unachieved (70 ≦ achievement rate [%] < 100); C) Activities insufficient (achievement rate [%] < 70)
Achievement rate: 200 – (values actually achieved / target values) x 100 [%]

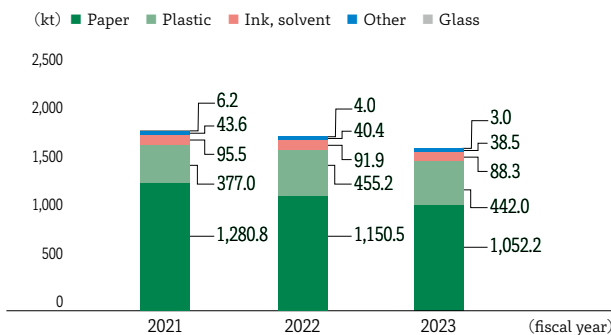
*Every indicator assured by an independent assurance provider is marked with an assurance stamp .

Associated Data

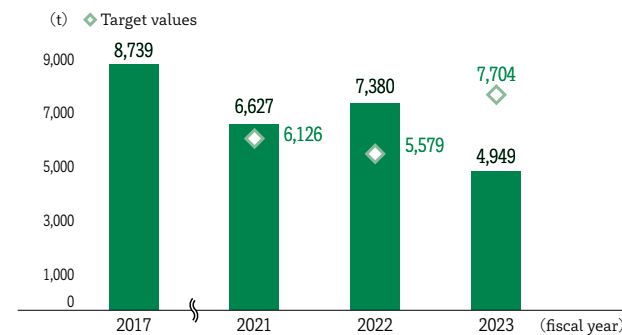
Activity results, performance data

We evaluate and disclose Groupwide performance data, including that from overseas Group subsidiaries.

Material Input

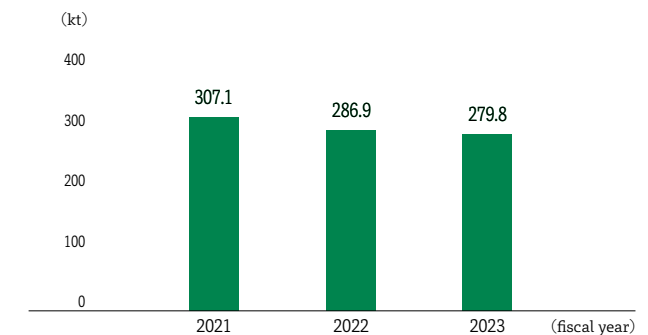


Final Landfill Waste Disposal



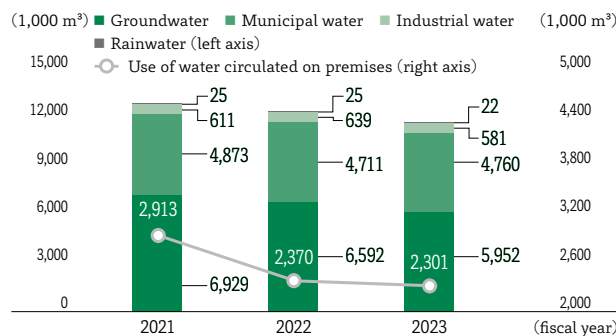
*The data for fiscal 2022 and earlier are adjusted based on revised calculation methods.

Waste Recycling

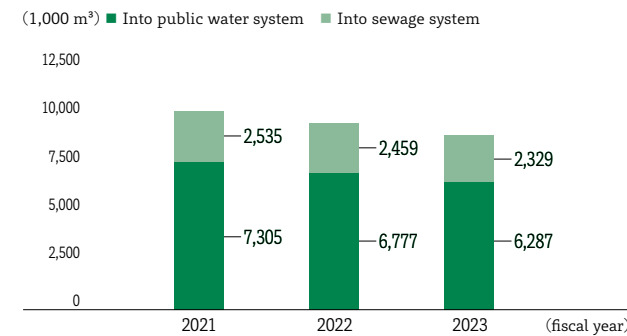


*The data for fiscal 2022 and earlier are adjusted based on revised calculation methods.

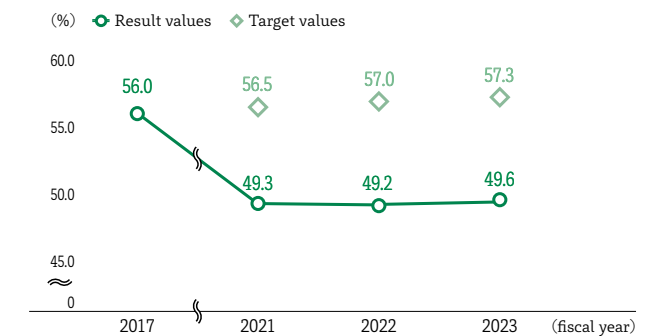
Water Withdrawal



Effluent Discharge



Waste Plastic Material Recycling Rate



*The data for fiscal 2022 and earlier are adjusted based on revised calculation methods.

Control of Chemical Substances

Basic Approach

Approach

The TOPPAN Group has formulated the following basic policies on chemical substance control.

We refrain from the use of hazardous chemical substances as a basic rule. We 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, we properly control the substances and take steps to reduce their usage or replace them with substitutes.

Every chemical substance used within our business operations is monitored. We seek to eliminate obstacles to environmental conservation in advance by voluntarily improving our methods for substance control as a business operator.

Activities

Activity results, performance data

TOPPAN strives to reduce the use of chemical substances in order to mitigate their impacts on the environment. By determining substances and applications for reduction on a priority basis, we have been reducing their use and replacing them with safer substitutes. A set of Standards for the Management of Chemical Components of Raw Materials has been established to govern the substances and materials we purchase. These standards list chemical substances whose usage is banned or restricted as raw materials in conformance with international and Japanese laws and regulations on chemicals. The list is regularly reviewed to assure chemical management, and every supplier is asked to control the substances listed.

At TOPPAN Inc., particularly hazardous chemicals have been listed as “high-risk chemicals” extracted from the chemical substances designated under the Pollutant Release and Transfer Register (PRTR) law of Japan. The use of products containing listed chemicals is prohibited as a basic rule, and the list is reviewed every year. Group production sites have been properly controlling chemical substances in parallel, according to their management procedures.

For VOC emissions into the atmosphere, adequate treatment is applied before release to ensure that the emission volumes and concentrations are controlled at proper levels. Increasing efforts are also made to reduce the use of VOCs.

 More details on the TOPPAN Group Standards for the Management of Chemical Components of Raw Materials (ver. 5.1) >

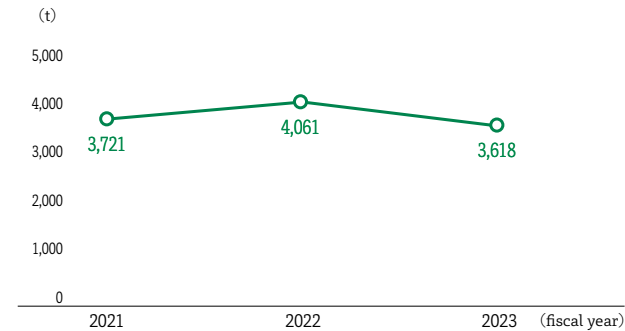
<https://www.holdings.toppan.com/assets/en/pdf/about-us/our-corporate-approach/chemical-components-of-raw-materials-v5.1en.pdf>

Associated Data

Activity results, performance data

VOC Emissions into the Atmosphere

(Domestic Group sites) 



Chemical Substances Designated under the PRTR Law of Japan (Domestic Group sites)

(Unit: kg/year)

PRTR No.	Chemical Substance	Handled	Released (1 + 2 + 3)	1. Atmosphere	2. Water	3. Soil	Total Transferred
20	2-aminoethanol	81,852	563	0	563	0	33,540
53	Ethylbenzene	12,023	1,042	1,042	0	0	490
80	Xylene	52,858	1,232	1,232	0	0	496
87	Chromium and chromium (III) compounds	16,947	7	0	7	0	10,530
88	Chromium (VI) compounds	9,337	0	0	0	0	720
213	N,N-dimethylacetamide	3,186	115	115	0	0	892
245	Thiourea	2,589	2	0	2	0	2,586
272	Copper salts (water-soluble, except complex salts)	297,847	28	0	28	0	68,792
300	Toluene	596,208	41,489	41,489	0	0	58,711
308	Nickel	8,893	0	0	0	0	0
309	Nickel compounds	5,322	3	0	3	0	2,900
374	Hydrogen fluoride and its water-soluble salts	2,981	322	9	313	0	1,258
392	n-Hexane	2,148	22	22	0	0	468
411	Formaldehyde	14,000	66	66	0	0	2,179
412	Manganese and its compounds	2,013	118	0	118	0	1,895
420	Methyl methacrylate	1,650	75	75	0	0	140
438	Methylnaphthalene	14,022	70	70	0	0	0
448	Methylenebis (4,1-phenylene) diisocyanate	31,363	0	0	0	0	563
477	4,4'-Oxybisbenzenesulfonylhydrazide	10,224	333	333	0	0	118
568	Acetylacetone	8,791	184	184	0	0	51
594	Ethylene glycol monobutyl ether	4,008	144	144	0	0	1,122
627	Diethylene glycol monobutyl ether	11,145	51	51	0	0	489
629	Cyclohexane	3,691	3,691	3,691	0	0	0
674	Tetrahydrofuran	16,520	737	737	0	0	4,765
677	Tetramethylammonium hydroxide	1,102	0	0	0	0	0
691	Trimethylbenzene	106,069	5,200	5,200	0	0	7,787
702	Bis(2-ethylhexyl) (Z)-but-2-enedioate	6,276	0	0	0	0	579
720	2-tert-Butoxyethanol	8,178	1,101	1,101	0	0	0
737	Methyl isobutyl ketone	326,907	8,814	8,814	0	0	33,533
	Total	1,658,150	65,410	64,376	1,034	0	234,603

Notes

- Period covered: April 1, 2023–March 31, 2024
- 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

Approach

The TOPPAN Group has formulated the following basic policies on pollution control. We position the control of pollution as a critical challenge for management and place utmost priority on environmental conservation initiatives to attain zero pollution. In the event that we cause environmental pollution of any form, we will immediately publish the incident, disclose information, and work relentlessly to address the case while taking necessary actions to reliably prevent recurrences. Recurrence-prevention measures for similar operations will be implemented throughout the Group. Proactive environmental conservation activities will enable us to detect any signs of pollution and swiftly correct the problem at its source.

We strive, in the course of our business activities, to prevent pollution of the atmosphere and water and soil environments, reduce water consumption, and protect the environment in ways that secure sanitary water supplies for employees, local residents, and other stakeholders.

Approach to Environmental Compliance

System Training, education Activity results, performance data

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. TOPPAN works to reduce environmental impact and prevent pollution by observing

these in-house standards across the Group.

To prevent atmospheric pollution, we control boilers and other plant facilities emitting air pollutants by managing operations under appropriate combustion conditions. The efficiency of effluent gas treatment has been enhanced through the reuse of recovered organic solvents and appropriate control of combustion equipment in plant facilities subject to requirements under the Air Pollution Control Act.

To prevent water pollution, we have installed wastewater treatment facilities designed to correspond to specific water use 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 withdrawal and effluent discharge.


Plant facilities subject to the Water Pollution Control Law are checked in compliance with the regulatory standards for structures. Every facility, including any not subject to the law, is monitored to prevent soil and groundwater pollution caused by the leakage of chemicals or other substances, solid or liquid. Any equipment or component showing signs of undue wear has been replaced.

Water Efficiency Management Programs

TOPPAN manages water efficiency in Groupwide endeavors to prevent pollution and realize a circular economy. We operate water efficiency management programs to achieve optimal water use through a cycle of monitoring, target-setting, and continual improvement in the quality and resource efficiency of water within the ISO 14001 framework. Every Group site evaluates

water risks, reduces water consumption, controls effluent quality, and implements water efficiency enhancement measures.

The sites also assess their impacts on the environment as a basis for deciding specific targets for enhancing the quality and resource efficiency of water. Progress towards the targets has been regularly reviewed and managed throughout the Group.

 More details on our water efficiency management programs towards a circular economy >


<https://www.holdings.toppan.com/en/sustainability/environment/recycling.html#anc2>

Organizing Pollution Control Training

We arrange 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 can cause significant impacts on the environment; and emergency drills to prevent the spread of damage when a potential emergency occurs.

Handling Inquiries and Complaints

We receive 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 our corporate activities >

<https://www.holdings.toppan.com/en/contact-us/privacy-corporate.html>

Fiscal 2023 Results

TOPPAN has been using an in-house environmental database for Group sites across Japan to identify any possibility that the limits stipulated under laws, ordinances, agreements, or other applicable regulations are or will be surpassed. Preventive measures against unduly high risks have been taken to ensure that none of the regulatory limits are breached.

Despite these steps, one case of excessive water contamination of n-Hex was recorded at one site, relative to the standards set under laws, ordinances, agreements, or other applicable regulations, in fiscal 2023. Corrective measures were taken immediately, including steps to inspect the plant facilities and revise the methods for facility control. Actions to reliably prevent recurrences have also been taken since the implementation of these corrective measures, including the establishment of a new set of standardized control procedures. No problems with the levels of water consumption or effluent discharge have been identified.

As a preventive action against environmental pollution, we also review drills for coping with potential emergencies and accidents during production operations, whenever necessary.

One community nearby a TOPPAN plant filed a noise complaint in fiscal 2023. To avoid or minimize inconvenience to residents, we will continue enhancing the quality of our environmental management through earnest dialogue with the members of the surrounding communities.

Fiscal 2023	Excessive Level relative to Applicable Legal Standards	Complaint
Case	1 (1 case involving water contaminants [n-Hex])	1 (1 case involving noise)

No. of Internal Environmental Audits and Issues in Need of Improvement (Fiscal 2023)

Domestic Sites Audited	55
Issues in Need of Improvement Identified at Domestic Sites	28
Domestic Sites Reviewed	2

Remedying Soil and Groundwater Pollution

Activity results, performance data

Purifying 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
Asaka Plant (Niiza, Saitama)	Chromium (VI) compounds	Countermeasures completed

Remedying Soil Pollution for Redevelopment under Regulations

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). The site reconstruction projects TOPPAN undertakes are occasionally subject to these legal demands. We conduct soil investigations in accordance with the act and take necessary countermeasures whenever soil contamination is detected at Group sites.





New remediation work under the act was performed and completed at the Asaka Plant in Saitama Prefecture in fiscal 2023.






Environmental Data

Environmental Performance Data

Activity results, performance data

Major Types of Environmental Burden (Groupwide: covering all Group companies around the world)

Category		Chief Component	Environmental Burden (Groupwide)
INPUT	Material (t) 	Total input	1,623,942
		Paper	1,052,168
		Ink, solvent	88,285
		Plastic	441,981
		Glass	3,019
		Other	38,489
	Energy (TJ) ^{*1} 	Total consumption	18,388
		Fuel	4,135
		Electricity, steam	14,253
	Water (1,000 m ³) 	Total withdrawal	11,316
		Industrial water	581
		Municipal water	4,760
		Groundwater	5,952
		Rainwater used	22
		Use of water circulated on premises	2,301
	Chemical substances (t) ^{*2} 	Handling of chemical substances designated under the PRTR law	1,658

Category		Chief Component	Environmental Burden (Groupwide)
OUTPUT	Atmosphere 	CO ₂ emission (t-CO ₂) ^{*3}	1,044,439
		Scope 1	256,814
		Scope 2	787,625
		Release of chemical substances designated under the PRTR law (t) ^{*2}	64
		VOC emission into the atmosphere (t) ^{*2, *4}	3,618
	Water and soil environments 	Total effluent discharge (1,000 m ³)	8,616
		Into public water system	6,287
		Into sewage system ^{*6}	2,329
		BOD (kg)	32,799
		COD (kg)	1,344
		Nitrogen discharge (kg)	24,793
		Phosphorous discharge (kg)	8,626
		Release of chemical substances designated under the PRTR law (t) ^{*2}	1
	Waste (t)	Total discharge ^{*5} 	288,961
		Recycled 	279,762
		Material recycling	238,446
		Thermal recovery	41,315
		Simple incineration	4,248
		Final landfill disposal 	4,949
		Other treatment	2

*1 Energy consumption associated with fuel and electricity consumption is calculated using the conversion factors specified in the Japanese Act on Rationalization of Energy Use and Shift to Non-fossil Energy.


*2 The PRTR data and VOC emissions only cover domestic sites, including Group sites.

*3 CO₂ emissions are calculated using the adjusted emission factors according to the method specified in the Guidelines for Calculating Greenhouse Gas Emissions from Businesses issued by the Ministry of the Environment (MOE) of Japan. The conversion factors used to calculate CO₂ emissions associated with electricity consumption at overseas Group sites are prioritized in the following order: 1) the factors independently set by the electric utilities from which Group sites purchase electricity, 2) the factors published by central and local governments, and 3) the latest factors published by the International Energy Agency (IEA).

*4 Emissions into the atmosphere are calculated based on the standards established by the Japan Federation of Printing Industries (JPFI) and the VOC emission inventory issued by the MOE of Japan.

*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).

*6 Includes 9,014 m³ of spring water from the premises of the Akihabara Sales Building.

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

Environmental Accounting

Activity results, performance data

Capital Investment for Environmental Conservation

(million yen)

Item		Major Content	Fiscal 2023	Increase/ Decrease from Fiscal 2022	Average for the Last Five Years
1	Investment in equipment to prevent pollution	Investment in equipment to prevent atmospheric and other forms of pollution (Including equipment to prevent water pollution)	1,612 (226)	787 (-33)	1,118 (443)
2	Investment in equipment to conserve the global environment	Investment in equipment to conserve the global environment by mitigating global warming, etc.	2,077	639	1,520
3	Investment in equipment to circulate resources	Investment in equipment to realize the appropriate treatment, recycling, etc. of waste (Including equipment to use rainwater and reduce water consumption)	144 (2)	75 (2)	157 (3)
4	Investment in equipment to carry out environmental management activities	Investment in equipment to monitor and measure environmental burden, plant trees at operational sites, and implement other environmental measures	35	-48	28
Total			3,868	1,453	2,824

Environmental Conservation Benefit

Item	Major Content	Fiscal 2023	Increase/ Decrease from Fiscal 2022
Energy	Total energy consumption (TJ)	18,388	-2,497
Water	Total water withdrawal (1,000 m ³)	11,316	-651
Atmosphere	CO ₂ emission (kt-CO ₂)	1,044	-70
	Emission of dioxins (mg-TEQ)	0	-11
Water and soil environments	Total effluent discharge (1,000 m ³)	8,616	-619
	BOD (t)	33	3
	COD (t)	1	0
Waste	Total discharge (kt)	289	-8

Environmentally Friendly Products (98 products as of May 2024)

Activity results, performance data

Business Field	Product	Standard Categories
Information & Communication	Ecothrough Card	Suitability for disposal
	Bulky Waste Processing Sticker	Resource saving (reduced use of materials)
	Eco Pack (life-size POP display)	Resource saving (reduced use of materials)
	Paper Desk Calendar	Use of recycled materials
	Ecology Calendar	Use of recycled materials
	Non-vinyl Chloride Lenticular Lens	Suitability for disposal
	Eco Pack Multipanel	Reusability
	Eco Floor Sticker	Suitability for disposal
	Eco Pack End Panel	Resource saving
	Eco Pack Stand (round type)	Resource saving
	Disk Tottokun Series	Resource saving, prolonged product life, recyclability, suitability for disposal
	Ultra-thin DM (brochures, etc.)	Resource saving, reduced energy consumption in production, recyclability
	Eco Pack Multipanel Mini	Reusability, prolonged product life, recyclability, easy separation and disassembly
	Multicube POP	Reusability, prolonged product life, recyclability, easy separation and disassembly
	Green Bankbook	Recyclability, suitability for disposal
	KAMICARD®	Biodegradability, use of safe materials, resource saving, recyclability
	KAMI-RFID CARD	Recyclability, use of safe materials, resource saving, easy separation and disassembly
	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 renewable energy, carbon offsetting, labeling with environmental logos
Electronics	Flip chip ball grid array [FC-BGA] substrate (halogen free)	Suitability for disposal
	Color filter (resin black matrix [BM])	Use of safe materials, energy saving, reduced release of chemical substances, suitability for disposal
	Palladium pre-plated leadframe	Use of safe materials, reduced release of chemical substances, suitability for disposal
	Flip chip ball grid array [FC-BGA] substrate (lead free)	Use of safe materials, reduced release of chemical substances, suitability for disposal
Living & Industry	Toppan Ecowall	Reduced release of chemical substances, use of safe materials, suitability for disposal
	TOPPAN ECO SHEET	Reduced release of chemical substances, extension of product life
	GL BARRIER (Exceptional')	Use of sustainable resources, resource-saving efforts
	Stand-up Pouch	Resource-saving efforts
	Bottled Pouch	Resource-saving efforts
	Plastic container made from recycled materials	Use of recycled materials

Business Field	Product	Standard Categories
Living & Industry	TT Paper Can	Use of sustainable resources
	Ecotainer	Recycling, improvement in transport efficiency
	TL-PAK	Recycling, improvement in transport efficiency
	EP-PAK (EP-GL)	Improvement in transport efficiency, recycling
	EP-PAK (Al)	Improvement in transport efficiency
	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
	Cylindrical paper-composite container for refill	Use of sustainable resources
	High-resistance Flexible Pouch	Resource-saving efforts, improvement in transport efficiency
	BIOAXX (label)	Use of sustainable resources
	Aluminum-free Lid Material	Use of sustainable resources
	Multi-layer Blow Tube	Resource-saving efforts
	Steam-release Packaging	Reduced environmental burden during use
	Air Hold Pouch	Resource-saving efforts

Business Field	Product	Standard Categories
Living & Industry	BIOAXX (flexible packaging material)	Use of sustainable resources, resource saving, environmentally friendly disposal, visualization of environmental burden
	Square-bottomed Gazette Pouch	Improvement in transport efficiency, resource saving, environmentally friendly disposal
	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
	Printed Decorative Paper (Coated Paper)	Reduced use of chemical substances, reduced use of hazardous substances
	Printed Decorative Paper (Coated Paper, FSC-certified)	Use of sustainable resources, reduced use of chemical substances, reduced use of hazardous substances
	Printed Decor Paper for HPL/LPL (Saturated Grade Paper)	Reduced use of chemical substances, reduced use of hazardous substances, reduced release of chemical substances
	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
	Transfer paper for padded floors	Reduced use of chemical substances, reduced use of hazardous substances, reduced release of chemical substances
	Lower-VOC wallpaper (Exceptional*)	Reduced use of chemical substances, reduced use of hazardous substances, reduced release of chemical substances
	SnapFit	Reduced use of chemical substances, reduced use of hazardous substances, use of sustainable resources, extension of product life
	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
	Sosogi Jozu	Resource saving, improvement in transport efficiency, environmentally friendly disposal
	Preform for PET bottles	Improvement in transport efficiency, visualization of environmental burden
	FORMANO	Reduced use of chemical substances, reduced use of hazardous substances, environmentally friendly disposal, reduced release of chemical substances, extension of product life
	FORTINA	Reduced use of chemical substances, reduced use of hazardous substances, environmentally friendly disposal, reduced release of chemical substances, extension of product life
	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
	Smart Deli Bag	Reduced environmental burden during use
	Plastic UV ink container	Use of recycled materials, use of sustainable resources, improvement in transport efficiency, recycling
	Forest-certified-paper packaging	Use of sustainable resources, labeling with environmental logos
	Biodegradable plastic products	Use of biodegradable materials
	Cardboard with shrink wrap packaging	Resource saving, reduced energy consumption in production, improvement in transport efficiency, recycling
	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

Business Field	Product	Standard Categories
Living & Industry	FINE FEEL (101 Materium)	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, extension of product life, environmentally friendly disposal
	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
	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
	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
	CNF Eco Flat Cup™	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, use of sustainable resources, extension of product life, environmentally friendly disposal
	Itadaki Pouch™	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, environmentally friendly disposal
	Itadaki Pillow	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, environmentally friendly disposal
	KaruTech	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, environmentally friendly disposal
	Pitatto Paper Tray™	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, use of sustainable resources, environmentally friendly disposal
	Mono-Material Barrier Packaging	Reduced use of chemical substances, reduced use of hazardous substances, use of sustainable resources, extension of product life, recycling, environmentally friendly disposal
	Microwavable Paper Tray™	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, use of sustainable resources, extension of product life, environmentally friendly disposal
	MAPKA® packaging**	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, environmentally friendly disposal
	CUBE PAK	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, use of sustainable resources, environmentally friendly disposal
	Tube-Pouch™	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, extension of product life, environmentally friendly disposal, visualization of environmental burden
	ECOLUSTER™ packaging	Reduced use of chemical substances, reduced use of hazardous substances, use of sustainable resources, reduced energy consumption in production, environmentally friendly disposal, visualization of environmental burden

*Exceptional environmentally friendly product

**MAPKA® is a registered trademark of Eco Research Institute Ltd. of Japan.

Green Procurement and Green Purchasing

Activity results, performance data

JFPI Green Procurement Standards for Paper and Level of Fulfillment

Green Principle	Level 1	Level 2	Fiscal 2023 Result*
1. Using recycled paper or paper made with fewer forest resources (excluding covers for brochures)	Paper composed of at least 40% recycled pulp plus forest-certified pulp for the remaining portion, or with an overall rating of more than 70 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	3.0%
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, 2023 revision) 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 2023 Result*
1. Avoiding the use of substances harmful to the human body	Conformance with the NL regulations of the Japan Printing Ink Makers Association		91.1%
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 or “ig” ink (labeling with Ink Green Mark)	
4. Using sustainable resources (for heat-set ink for web press)	Vegetable 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, 2023 revision)

*Level 1 or 2 ink used (kg) / offset ink purchased (kg)

In-house Green Purchasing Standards and Levels of Fulfillment


Product	Standard	Fiscal 2023 Result
Copy machines and printers	Configured to automatically revert to low-power mode or off mode	94.4%
Stationery and office goods	Products listed in eco-friendly product catalogues of manufacturers	73.5%

Participating in the Green Purchasing Network

Activity results, performance data

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 formulation 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 Holdings Inc. provides printing services based on the GPN Ordering Guidelines for Printing Services.

 Green Purchasing Network >

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



CFP and Carbon Offsetting Initiatives

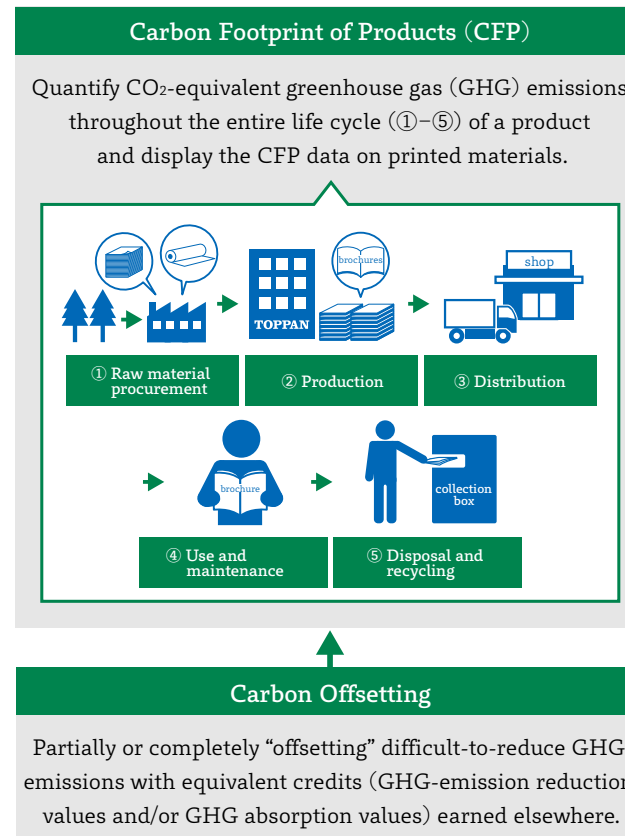
Activity results, performance data

TOPPAN Inc. has been visualizing CO₂ emissions associated with printed materials and events through CFP* and carbon offsetting initiatives. Its one-stop service for client companies covers every step from CFP quantification to carbon-offset certification. This procedure has also been applied to the company's own products and events. In fiscal 2023, TOPPAN Inc. gained certification for its "carbon footprint comprehensive calculation system" under the SuMPO Carbon Footprint Comprehensive Calculation Scheme, a third-party certification framework operated by the Sustainable Management Promotion Organization (SuMPO) of Japan. TOPPAN Inc.'s certified system

calculates CO₂ emissions associated with packaging, décor materials, and publication and commercial printed materials.

**Carbon footprint of products (CFP)," a project advocated by the Japanese Ministry of Economy, Trade and Industry

Framework for CFP and Carbon Offsetting



Governance

P. 136 Corporate Governance

P. 141 Risk Management

P. 145 BCP / BCM

P. 148 Strict Compliance

P. 152 Information Security

P. 158 Tax Governance

Corporate Governance

Basic Approach

Approach

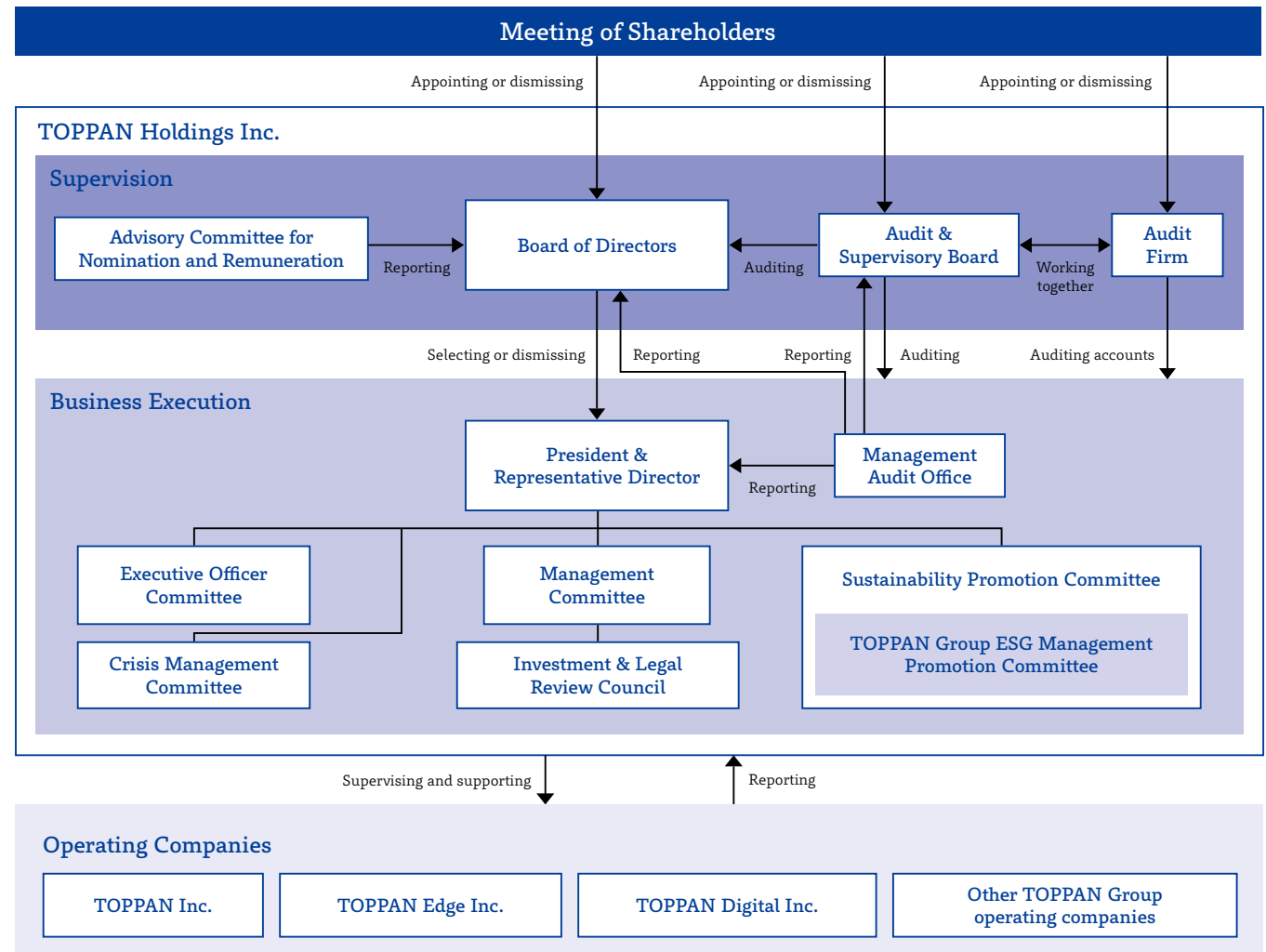
Effective corporate governance serves as an integral foundation for TOPPAN to achieve sustainable growth and medium-to-long-term increases in corporate value. We have formulated a Basic Policy on Corporate Governance to clarify the basic approach and framework for corporate governance based on a full understanding of the principles and aims of the Corporate Governance Code established by the Tokyo Stock Exchange. The basic policy was partially revised in June 2023 to reinforce an efficient style of governance that encompasses diversity & inclusion and SDGs initiatives.

Our management is consolidated under two regulations prescribed for the advancement of fair management throughout the Group: Related Company Administration Regulations and Related Company Administrative Regulations for Overseas. TOPPAN seeks to maximize the value of the entire Group through this governance-focused approach.

More details on the Basic Policy on Corporate Governance >

<https://www.holdings.toppan.com/en/ir/management/governance-policy.html>

Corporate Governance Structure at TOPPAN Holdings Inc. (as of September 30, 2024)



Promotion Framework (as of June 27, 2024)

Framework

The TOPPAN Holdings Inc. governance structure employs an Audit & Supervisory Board. The Board of Directors strives for sustainable growth and medium-to-long-term increases in corporate value while overseeing important managerial decision-making and the execution of directors' duties. An Audit & Supervisory Board composed of a majority of independent external members audits the execution of directors' duties from a position independent of management. The Advisory Committee for the Nomination and Remuneration of Directors enhances the objectivity and transparency of personnel affairs and remuneration of directors.

Management in the holding company structure is consolidated under two regulations for fair Group management: Related Company Administration Regulations and Related Company Administrative Regulations for Overseas. We seek to maximize the value of the Group through this governance-focused approach.

Board of Directors

TOPPAN Holdings' Articles of Incorporation stipulate that directors shall number no more than 15 and resolutions for their appointment shall be adopted by a majority of the votes of attending shareholders holding one-third or more of the voting rights of the shareholders authorized to vote. The Board of Directors comprises six internal and three external directors (as of June 27, 2024). Based on a resolution of the Board of April 27, 2016, TOPPAN Holdings introduced an executive officer system for a flexible management framework that responds rapidly and precisely to shifts in the business environment. This also aims to further clarify the authority and responsibilities of officers. In addition to executive officers concurrently serving as directors,

there are 17 executive officers not serving as directors.

Ordinary Board meetings are held monthly to make decisions in accordance with the Regulations of the Board of Directors, receive reports from directors, and supervise business execution. The Board also holds extraordinary meetings when urgent matters arise. Eighteen Board meetings were held in fiscal 2023. Under the Board's regulations, it discussed various Group management issues, priority issues in core businesses, and matters related to important business execution.

Main Topics in Fiscal 2023

- Group synergies with the transition to a holding company structure
- Progress of the Medium Term Plan

For sustainability, a theme of particular interest to stakeholders, the Sustainability Promotion Committee discusses issues while the Board makes resolutions on key indicators for initiatives. The Board also deliberates resolutions on matters stipulated by laws and regulations and the Articles of Incorporation, receives reports on legislative matters and the execution of important businesses, and strictly supervises the execution of duties. Sufficient time for Q&A has been scheduled for Board meetings. The results of the fiscal 2023 meetings are as follows.

No. of Meetings Held	Average Attendance	Average Duration	Average No. of Agendas
18	99.2%	1 hour and 59 min. / meeting	11.3 bills / meeting

Before each Board meeting, external directors receive a summary and key points of the agendas. Questions and opinions received in advance are raised at meetings to stimulate deliberations.

Especially important matters for the Board are deliberated

beforehand by the Management Committee, a body made up of directors and other officers nominated by the president & representative director. The committee prioritizes managerial efficiency in decision-making. Twenty-one committee meetings were held in fiscal 2023.

Audit & Supervisory Board Meetings

TOPPAN Holdings engages five audit & supervisory board members, three of whom are external. Based on audit standards set by the Audit & Supervisory Board, members also attend all Board of Directors and Management Committee meetings, and other important meetings on risk management. Members systematically audit operational sites and related companies in close cooperation with the audit firm and internal audit departments. Board members audit and advise the Company from a preventive perspective to ensure legality of the operations of directors and departments and smooth and appropriate management in line with in-house policies and rules.

Audit & supervisory board meetings are held monthly and extraordinary meetings are held as necessary. Fifteen meetings were held in fiscal 2023. The average duration was 1 hour and 37 minutes. In fiscal 2023, the board focused on legal procedures and the Group's structure in association with the transition to a holding company structure and audited progress made in reinforcing Group governance and synergies across operating companies.

The priority audit themes in fiscal 2023 are listed below.

- Progress in ESG management through Sustainability Promotion Committee attendance
- Internal control associated with core system updates
- Compliance with the Subcontract Law of Japan
- Onsite inspections of overseas subsidiaries

Advisory Committee for the Nomination and Remuneration of Directors

TOPPAN Holdings has an Advisory Committee for the Nomination and Remuneration of Directors, pursuant to a resolution of the Board of Directors of May 26, 2016. The committee aims to enhance the transparency and objectivity of decision-making on nomination and remuneration. It includes external directors meeting the requirements of our Independence Standards for External Officers, and we ensure that they outnumber the number of internal directors and audit & supervisory board members on the committee. External audit & supervisory board members meeting the independence standards can also be added. As of June 27, 2024, the advisory committee has two internal directors, three independent external directors, and one independent external audit & supervisory board member. It examines proposals from the Company on the nomination and remuneration of directors (including representative directors) and provides recommendations to which the Board of Directors or persons entrusted by the Board refer when deciding on the proposals.

The committee convened twice in fiscal 2023. Members discussed the upcoming composition of the directors and audit & supervisory board members after June 2023, reviewing personal histories and reasons for selection. Remuneration of officers was also reviewed by referring to performance evaluations of relevant businesses.

Internal Audits

TOPPAN Holdings' Management Audit Office is independent from business departments. It audits the management and operations of sites and plants, including consolidated subsidiaries. Twenty-six personnel engage in audits, as of March 31, 2024. Management audits verify and evaluate the

consistency of management processes with targets and confirm necessary-and-sufficient risk control. Operation audits verify and evaluate mechanisms for prevention of misconduct and compliance with relevant laws, regulations, and in-house rules. They also confirm efficient and accurate execution of operations. Based on operation audit results, the office makes recommendations for improvement whenever necessary. The results of management and operation audits are reported directly to representative directors, the Board of Directors, the Audit & Supervisory Board, and relevant directors in Group companies.

Approach to Promotion Framework

Framework Approach

External Officers

External directors and audit & supervisory board members with a high degree of independence are critical for sound governance. Three external directors and three external audit & supervisory board members with sufficient independence are therefore appointed. We have confirmed that none of them are major shareholders or stakeholders of the Company, receive monetary amounts or other assets from the Company apart from their remuneration as officers, or bear any responsibility for the execution of the operations of any of the Company's major business partners.

We clarified our standards for assessing the independence of external officers by establishing Independence Standards for External Officers through a resolution of the Board of Directors passed on November 26, 2015. The Company also assesses independence based on the standards of the Tokyo Stock Exchange (TSE). Details on the independence standards are available on the corporate website (appendix to Basic Policy on

Corporate Governance). TOPPAN Holdings' external directors (Ryoko Toyama, Mieko Nakabayashi, and Aska Takeuchi) and external audit & supervisory board members (Haruo Kasama, Teruhiko Kawato, and Yuka Miyagawa) are independent officers pursuant to the TSE standards.

A support system for external officers has been established. External directors exchange information and opinions with other directors, and the president's office provides them with necessary internal and external information. External audit & supervisory board members receive internal and external information from other members and dedicated personnel, and share information and exchange opinions with each other.

Diversity in the Board of Directors

To enhance the Group's corporate value, TOPPAN Holdings defines the expertise, experience, and insight required for Board membership and selects candidates who meet the criteria and can fulfill fiduciary responsibilities to shareholders. The Board composition also ensures diversity primarily in age, gender, and nationality. The number of directors is necessary and sufficient for a structure making each director responsible for management. A skill matrix of directors is shown on page 139.

Executive Positions in Other Companies

Concurrent executive positions held in other listed companies by directors and audit & supervisory board members are presented in business reports, reference documents for shareholder meetings, etc.

Directors and Audit & Supervisory Board Members at TOPPAN Holdings Inc. (as of June 27, 2024)

Directors: 9 (6 men, 3 women) / Audit & supervisory board members: 5 (4 men, 1 woman)

Directors

Name	Current Position	Tenure in Years	No. of Company Shares Held (as of May 31, 2024)	Main Fields of Expertise and Experience										Member of the Advisory Committee for Nomination and Remuneration	Independent Officer	Attendance at Board of Directors Meetings (fiscal 2023)		Attendance at Audit & Supervisory Board Meetings (fiscal 2023)	
				Corporate Management	Finance / Accounting	Sales / Marketing	Internationality	Personnel / Labor Relations	Environmental / Social	Legal Affairs / Risk Management	Digital / IT	Manufacturing	Knowledge of Other Companies			No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held
Shingo Kaneko	Chairman & representative director	21	129,382	●		●			●		●		●	●		18	18	—	—
Hideharu Maro Chairperson	President & representative director	15	77,398	●		●	●				●	●		●		18	18		
Kazunori Sakai	Executive vice president & representative director	5	33,162	●		●	●	●		●	●					18	18		
Masanori Saito	Director & senior managing executive officer	1	28,608	●		●					●					14 Assumed office on June 29, 2023	14		
Takashi Kurobe	Director & senior managing executive officer	6	19,637	●	●		●			●						18	18		
Hideki Soeda	Director	1	8,318	●		●					●					14 Assumed office on June 29, 2023	14		
Ryoko Toyama	Director (external)	8	0	●		●	●						●	●	●	18	18		
Mieko Nakabayashi	Director (external)	4	0		●		●		●	●				●	●	17	18		
Aska Takeuchi	Director (external)	—	0	●			●		●				●	●	●	— Assumed office on June 27, 2024	—		

Audit & Supervisory Board Members

Name	Current Position	Tenure in Years	No. of Company Shares Held (as of May 31, 2024)	Main Fields of Expertise and Experience										Member of the Advisory Committee for Nomination and Remuneration	Independent Officer	Attendance at Board of Directors Meetings (fiscal 2023)		Attendance at Audit & Supervisory Board Meetings (fiscal 2023)	
				Corporate Management	Finance / Accounting	Sales / Marketing	Internationality	Personnel / Labor Relations	Environmental / Social	Legal Affairs / Risk Management	Digital / IT	Manufacturing	Knowledge of Other Companies			No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held
Masatoshi Hagiwara Chairperson	Senior audit & supervisory board member (full-time)	2	12,178	●				●								18	18	15	15
Itaru Kubozono	Audit & supervisory board member (full-time)	5	6,375	●	●											18		15	
Haruo Kasama	Audit & supervisory board member (external)	6	0						●	●			●		●	18		15	
Teruhiko Kawato	Audit & supervisory board member (external)	2	0		●				●	●				●	●	18		15	
Yuka Miyagawa	Audit & supervisory board member (external)	—	0	●		●	●				●		●		●	— Assumed office on June 27, 2024	—	—	—

	Directors	Total Results for Directors and Audit & Supervisory Board Members
Average tenure in years	6.78	5.42
Percentage of female officers	33.33%	28.57%
Average attendance rate	99.26%	99.51%

Remuneration Paid to Officers

Please see the Corporate Governance section of our *Integrated Report* for details on the remuneration paid to officers, the method used to determine that remuneration, etc.

 More details on the *Integrated Report 2024* >

<https://www.holdings.toppan.com/en/ir/material/annual.html>

Board Administration

Assessing the Effectiveness of the Board of Directors

Assessment Process

To ensure that the Board of Directors executes duties appropriately and effectively, the Basic Policy on Corporate Governance at TOPPAN Holdings Inc. calls for an annual analysis and evaluation of the effectiveness of the Board and the disclosure of a summary of results. The fiscal 2023 results follow below. Starting from fiscal 2022, TOPPAN has been asking an external organization to design, analyze, and evaluate the questionnaire in order to secure objectivity in the analysis and evaluation.

Improvement Initiatives based on Previous Assessment

Based on the results of the fiscal 2022 assessment, the Board strove to improve on the following matters: 1) deliberation on the roles the Board is to play during the transition to a holding company structure and the design of an effective operational method for selecting agendas, etc. and 2) enhanced monitoring of the Groupwide risk management framework as a safeguard to secure globalized operations aiming at the sustainable growth of the Group. In commenting on the outcomes of those efforts, several officers expressed favorable views on the smooth

operations of the Board during and after the transition to a holding company structure. In addition, some officers offered constructive suggestions on how the Board could operate still more effectively. We reiterated the need to continuously confirm how the company structure should ideally function and how management agility should be secured at each operating company.

Achievements and Challenges

The effective functioning of the Board was confirmed. In particular, the officers highly evaluated the constructive discussions the Board achieved by engaging independent external officers with expertise in a diversity of fields, and the Board's involvement in Group initiatives addressing sustainability issues. To activate deliberations for improved effectiveness of the Board, the fiscal 2023 assessment also identified two key improvements that will be required to accommodate the widening scope of TOPPAN's businesses: an upgrade of the meeting materials provided to the Board and further efforts to deepen the independent external officers' understanding of the businesses. Recognizing the importance of these issues, we will implement measures to further improve the effectiveness of the Board functions.

Training for Officers

TOPPAN Holdings Inc. has systematically organized regular training for directors on approaches to be taken in addressing the managerial issues facing TOPPAN. The directors hone their management skills through frank dialogue. New director candidates also receive training focused on managerial issues, financial literacy, the legal responsibilities of directors, and relevant rules and regulations. Audit & supervisory board members, meanwhile, are working to understand the characteristics of the diverse businesses of TOPPAN and to

expand their own auditing functions by gathering information, visiting Group sites, and participating in training courses held by external organizations.

Succession Planning

Based on the management philosophy and strategy, the Board of Directors regards the following to be integral decisions for the sustainable growth of TOPPAN and the medium-to-long term enhancement of the corporate value of the Group: 1) selection of representative directors, the CEO, and other senior managers and 2) strategies to foster their successors. The Board has been implementing a succession plan with the objectives shown below.

Objectives of Succession Planning

- Maintaining and enhancing organizational competitiveness by systematically developing human assets to be assigned to important posts (posts requiring personnel with considerable experience and competency)
- Pooling leadership candidates to swiftly allocate human assets who can address shifts in the business environment
- Promptly appointing successors when important posts are vacated due to unforeseen circumstances
- Enhancing the awareness of senior managers regarding the development of successors
- Formulating a concrete succession plan in alignment with TSE's Corporate Governance Code, and integrating the plan with TOPPAN's initiatives for reinforced governance across the Group

We will work to achieve sustainable corporate growth and management stability through these initiatives.

Risk Management

Basic Approach

Approach

In an age of uncertainty, risks surrounding a business continue to grow more diverse and complex. The most pressing risks include shifts in the world's political and economic landscapes, numerous international conflicts, environmental shifts brought by climate change, the growing sophistication of cyber-attacks with the advance of the digital transformation, and human rights issues such as forced labor.

As a group of companies engaged in manifold businesses around the world, TOPPAN views accurate detection, appropriate management, and steady prevention of high-impact, high-importance risks as one of the Group's principal management challenges. In keeping with this viewpoint, we identify a set of "significant risks" affecting us through annual risk assessments.

When a risk actually arises, we immediately collect the necessary information and take comprehensive and strategic countermeasures under our risk management framework to minimize losses, ensure business continuity, and maintain the trust of society.

Significant Risks Selected for Routine Management

Framework

Operating companies are the first line of defense in the Groupwide risk management framework at TOPPAN. These companies identify risks that could have significant impacts on their business and consider countermeasures. The

administrative divisions at TOPPAN Holdings Inc. ("corporate function divisions," see the next page) are the second line of defense. These divisions assess the frequency and severity of possible risks and examine the adequacy and effectiveness of countermeasures. Midway through each fiscal year, they review the progress of countermeasures formulated at the beginning of the year and revise them as necessary, taking into account the latest risk-related circumstances. The Management Audit Office, the third line of defense, analyzes and evaluates whether the first and second lines are functioning adequately. The results of the analysis and evaluation are reported to the president & representative director, the Board of Directors, and the Audit & Supervisory Board.

Within this process, risks that could exert severe adverse impacts on our management are defined as "significant risks." Working as part of the Corporate ESG Project, the Risk Management Working Group (led by the director in charge of risk management; attended by persons in charge of risk management; and administrated by the Compliance Department in the Legal Division) set under the Sustainability Promotion Committee (chaired by the president & representative director) reviews impending risks and selects significant risks for the current year with authorization from the Sustainability Promotion Committee. When selecting the significant risks, the working group considers social conditions, the possibility of risks actualizing over the medium to long term, the alignment with initiatives focused on the Materiality themes we have chosen, the results of risk assessments performed by operating companies, and various other risk-related circumstances within and around the Group.

The Risk Management Working Group regularly reports activity results to the Sustainability Promotion Committee. The

promotion committee members discuss risk management independently and objectively, in cooperation with the internal and independent external directors on the TOPPAN Group ESG Management Promotion Committee. Under the supervision of the director in charge of risk management, the working group manages risks from a position independent from business divisions.

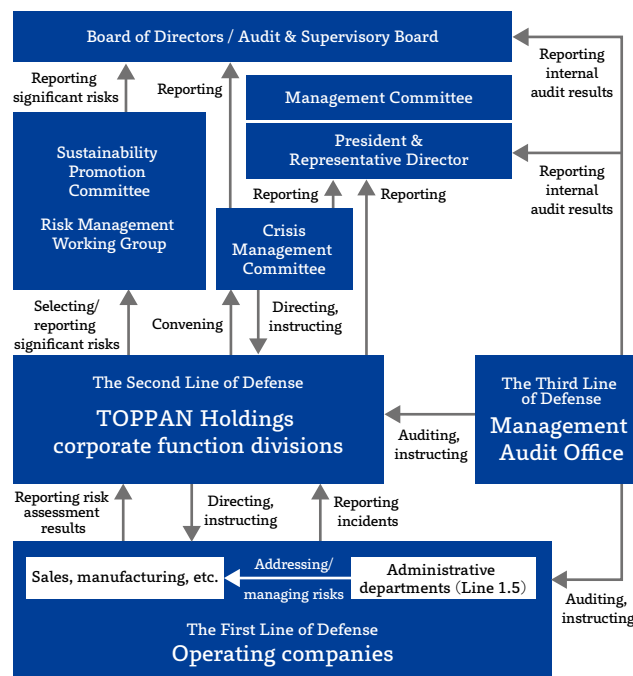
Nineteen significant risks have been designated for fiscal 2024. The responsible corporate function divisions at TOPPAN Holdings lead the Group's efforts to plan countermeasures against these risks and implement comprehensive measures to control them. The director in charge of risk management regularly reports the outcomes of those measures to the Board of Directors.

We have been solidifying our Groupwide risk management framework in the recognition that routine risk control grows in importance when uncertainties increase in the business environment. On April 1, 2024, we appointed a new Chief Risk Officer (CRO) and established a GRC* Division as a risk control body to assist the CRO.

The CRO will spearhead our efforts to consider and review a comprehensive risk management framework throughout the Group, including risk control procedures and the nature of the meeting bodies that discuss risk management. On October 1, 2024, new committees will be established in the Group to deliberate risk management on both the supervisory side (Board of Directors level) and executive side (Management Committee level). The Risk Management Working Group will accordingly become independent from the Sustainability Promotion Committee.

*Governance, risk management, compliance

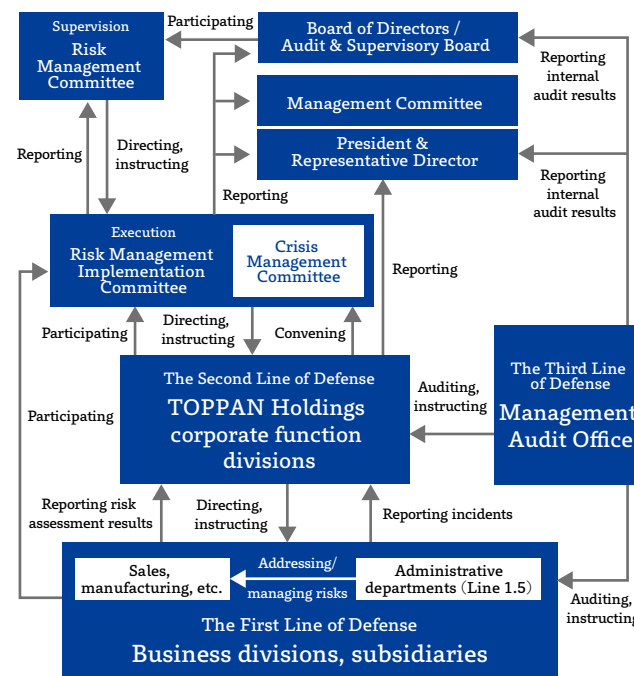
Existing Risk Management Framework



The First Line of Defense: Operating Companies

Our operating companies consist of subsidiaries with business divisions responsible for specific business types and subsidiaries without business divisions. Both types are composed of departments and divisions in direct contact with customers such as manufacturing and sales departments (Line 1), and administrative departments handling functions such as business strategy, accounting, legal affairs, and general affairs (Line 1.5). Each department and division performs operations based on a risk management plan formulated by the divisions in charge at the head office (TOPPAN Holdings corporate function divisions). The responsibility for risk management rests with the

New Risk Management Framework (scheduled for October 1, 2024)



president of each subsidiary or with the heads of business divisions for the subsidiaries that have adopted a business division system. As the administrative departments generally support the work of Line 1, we describe them as Line 1.5 in our risk management framework.

The Second Line of Defense: TOPPAN Holdings Corporate Function Divisions

The “corporate function divisions” are administrative divisions at TOPPAN Holdings Inc. responsible for functions such as corporate planning, finance, legal affairs, and personnel & labor relations. These divisions instruct operating companies to

conduct annual assessments of their routine risk control regimes and verify the control status midway through the fiscal year. The corporate function divisions also select significant risks for the current year, develop management plans, and monitor risk control across the Group. The significant risks and corresponding countermeasures are reported to the Sustainability Promotion Committee and the Board of Directors.

When an operating company reports an incident, the administrative divisions in charge of risk management in the second line (the responsible head office divisions) direct the response or directly handle the issue. The Crisis Management Committee is convened if the impact is significant.

The Third Line of Defense: Management Audit Office

The Management Audit Office, the body in charge of internal audits, analyzes and evaluates whether the first and second lines are functioning adequately. This office conducts operational audits on both lines to check their compliance with relevant laws, regulations, and in-house rules, and to review the mechanisms they employ to prevent misconduct. The office also carries out management audits to verify and evaluate alignment with management objectives and assess whether sufficient and adequate risk control is implemented from a procedural standpoint. The audit results are reported to the president & representative director, the Board of Directors, and the Audit & Supervisory Board.

Significant Risks for Fiscal 2024

Significant risks are reviewed every year, along with emerging risks considered to have the potential to significantly impact our business. The emerging risks identified are examined and controlled from short- and medium-to-long-term perspectives.

Two emerging types of risk are designated as significant

risks for fiscal 2024: “1. Risks related to climate change and loss of biodiversity (specifically, biodiversity risks)” and “19. Risks associated with overseas business (specifically, geopolitical risks).”

With regards to the #1 risks, TOPPAN can potentially impact biodiversity through direct operations at more than 170 production sites (plants, warehouses, etc.) around the world.


We recognize the potential climate-change/biodiversity risks we impose in view of our high dependence on natural capital, especially lumber, as a procurer of more than one million tons of paper a year.

As for the #19 risks, we recognize the potential geopolitical risks our operations impose or the risks that may affect our operations as we embark on business in the Middle East, Africa,

	Significant Risks	Main Initiatives
1	Risks related to climate change and loss of biodiversity	<ul style="list-style-type: none"> ● Setting of SBT-validated targets for the reduction of greenhouse gas emissions ● Establishment of BCP measures, including preparation for the impact of disasters, measures to mitigate damage (windproofing, waterproofing), and maintenance of supply capabilities through the creation of backup structures for manufacturing and procurement ● Confirm legality in the procurement of raw materials of paper and contribute to the conservation of areas in which society lives in harmony with nature, both inside and outside the Group
2	Risks related to environmental pollution (leakage of harmful substances illegal dumping of waste, etc.)	<ul style="list-style-type: none"> ● Management and maintenance of hazardous substance storage tanks that could potentially be the source of accidental pollution and discharge ● Manage manifests stringently, assess appropriate treatment by waste treatment contractors via the Group's assessment sheet, and conduct onsite inspections, as countermeasures to the risk of illegal disposal or improper treatment of waste by contractors
3	Human injury or physical damage caused by earthquakes, storms, flooding, other natural disasters, or infectious diseases	<ul style="list-style-type: none"> ● Formulation of a business continuity plan (BCP) ● Holding of annual supplier BCP workshops conducted by external experts ● Acquisition of ISO 22301 certification in security-related businesses
4	Human rights risks	<ul style="list-style-type: none"> ● Establishment of the Human Rights Policy ● Work to mitigate and rectify human rights risks through surveys and dialogues with the Group's stakeholders ● Under the Sustainability Promotion Committee, chaired by the president & representative director, the Human Capital Working Group advances efforts to promote human rights across the Group.
5	Risks associated with control of the Group	<ul style="list-style-type: none"> ● Operation of the Related Company Administration Regulations ● Instill awareness of the TOPPAN Group Conduct Guidelines as a set of fundamental rules for compliance
6	Misconduct (serious improper conduct or inappropriate actions, etc.) and compliance violations (bid-rigging, bribery, other legal or regulatory violations)	<ul style="list-style-type: none"> ● Establishment of the TOPPAN Group Conduct Guidelines ● Operation of the Conduct Guidelines Promotion Leader system
7	Risks related to changes in the market environment	<ul style="list-style-type: none"> ● Transform our business portfolio focusing on three growth businesses: digital transformation (DX) business, sustainable transformation (SX) in Japan and Living & Industry business overseas, and new businesses
8	Fluctuations in current value of marketable securities	<ul style="list-style-type: none"> ● Regularly examine the rationale for strategic shareholdings and monitor the financial condition of the entities in which shares are held
9	Fluctuations in foreign exchange rates	<ul style="list-style-type: none"> ● Establishment of risk management guidelines ● Use hedging methods, such as forward exchange contracts
10	Risks associated with strategic partnerships, investments, and acquisitions	<ul style="list-style-type: none"> ● Strengthen due diligence and monitoring and devise improvement plans
11	Risks associated with product research and development, such as loss of research and development investment (changes in the market that exceed expectations, worsening of the performance of alliance partners or companies invested in, delays in the timing of commercialization or sales launch, etc.)	<ul style="list-style-type: none"> ● Confirm the progress of research, make decisions on advancing research to further stages, and identify risks to prevent delays in executing projects
12	Securing human resources to support growth	<ul style="list-style-type: none"> ● Create various channels for the recruitment of both new graduates and mid-career personnel ● Regularly update in-house human resource development programs and provide opportunities for comprehensive learning, ranging from basic capabilities to practical skills
13	Financial risks (financing, non-performing inventory assets, doubtful receivables, etc.)	<ul style="list-style-type: none"> ● Diversify the means and terms of financing ● Maintain and reinforce a sound financial standing ● Review financial plans ● Ensure that departments work together to improve turnover efficiency through sales promotion activities ● Ensure that quality is maintained through regular checks of inventory quality and management status ● Set credit limits and review credit regularly in accordance with the credit management policy ● Preserve receivables in the case of delays in collection or credit impairment
14	Risks related to information security (cyberattacks, information leaks)	<ul style="list-style-type: none"> ● Evaluate the degree of maturity of security measures and provide guidance for improvements ● Ensure employee awareness of relevant rules through regular training and confirm observance of rules and provide instructions for improvements via internal audits and audits of subcontractors
15	Risks related to the quality of products and digital services	<ul style="list-style-type: none"> ● Establishment of quality management systems based on international standards in accordance with basic policies on product safety management and service quality
16	Risks related to the supply chain (raw material supply issues, inappropriate orders, fraudulent acts by business partners, etc.)	<ul style="list-style-type: none"> ● Formulation of the TOPPAN Group Sustainable Procurement Guidelines ● Disperse risks through the securing of multiple energy suppliers ● Operation of the Supplier Hotline consultation desk
17	Risks related to occupational health and safety (fire, industrial accidents, violations of labor-related laws, labor disputes, etc.)	<ul style="list-style-type: none"> ● Continuously promote measures to reduce working hours, analyze overtime working hours, and consider the introduction and use of new work systems ● Promote safety awareness by deploying employees in charge of safety and safety experts to TOPPAN Group sites ● Establishment of safety training facilities called “Anzen Dojo”
18	Infringement of patents, copyrights, and other intellectual property rights	<ul style="list-style-type: none"> ● Continuously monitor and research the intellectual property rights of other parties from a global perspective ● Establish a robust intellectual property portfolio by acquiring rights in accordance with the countries and regions in which we conduct business
19	Risks associated with overseas business (legal and regulatory violations, geopolitical risk, legal action, labor disputes, international taxation, and other items not included in preceding paragraphs)	<ul style="list-style-type: none"> ● Set out guidelines for elements of governance, such as overall management, and work with overseas subsidiaries to advance the establishment, observance, operation, and practical implementation of structures and schemes based on the guidelines ● Create an effective governance structure by conducting internal and accounting audits ● Conduct business environment risk assessment using systems provided by third-party organizations

and other parts of the world outside of Japan. Our overseas sales ratio stood at 35% in fiscal 2023. Of those geopolitical risks, TOPPAN notes risks due to penalties for illegal acts (e.g., violations of local laws or regulations, bribery of public officials, association with international cartels) and possible business suspensions, withdrawals, etc. caused by the outbreak, intensification, or prolongation of conflicts.

Please see the “Business and Other Risks” on our website for more details and countermeasures for #1, #19, and other significant risks.

 Business and Other Risks >

<https://www.holdings.toppan.com/en/ir/governance/risk.html>

Risk Management Framework

In accordance with the Rules on Risk Management, we have set up a risk management framework where responsibilities for risk management are allotted to specific divisions in the head office (TOPPAN Holdings corporate function divisions) based on the types of risk involved.

When a risk actually arises somewhere in the Group, the responsible corporate function division coordinates with relevant business divisions and administrative departments to minimize the negative impacts on business and reports to the Board of Directors if an incident is significant. When emergency response actions are needed, the president or vice president is responsible for forming an emergency taskforce to properly handle the issue. The taskforce is composed of officers in charge of the relevant corporate function divisions, audit & supervisory board members, legal consultants, and other outside experts.

Risk Management Liaison Meeting

All of the personnel in charge of risk management in the

corporate function 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 corporate function divisions convene an extraordinary meeting to take necessary actions and develop preventive measures.

Alerting Officers and Employees on Risk Management

Training, education

TOPPAN's internal website posts a set of Rules on Risk Management along with a list of risks facing the Group, details on the division-specific regimes set up to address individual risks, and various other risk management materials. This site is constantly updated to keep Group employees apprised of the latest risk-related information.

Based on the division-specific risk management framework, the responsible corporate function divisions spearhead Groupwide efforts to organize regular training and audits to foster employee awareness of the risks to be addressed. The impending risks facing us include information and cyber security incidents, natural disasters, infectious disease outbreaks, occupational accidents, environmental issues, and compliance violations.

The TOPPAN Group ESG Management Promotion Committee is a forum where officers from Group companies share and pool their experience to deepen their understanding of ESG and SDG issues. Experts from outside of the Group present risk management lectures for the committee members. External directors also attend the committee to gain insight into risk management and draw senior managers into discussions. We will continue to hold annual risk management lectures at the committee.

BCP / BCM

The Significance of Business Continuity Planning

Approach

Business continuity management (BCM) is a means to implement business continuity planning (BCP). BCM consists of preparedness measures conducted as BCP promotion activities and post-disaster measures conducted to bolster the disaster-response functions of taskforces. Preparedness measures are risk management efforts that protect businesses against potential disasters. Post-disaster measures are crisis management efforts that minimize business disruptions when disasters strike.

The TOPPAN Group has developed a BCP promotion framework for routine disaster preparedness and a disaster response regime for coordinating recovery efforts during a disaster. BCM activities are especially effective in enhancing employee readiness and securing greater customer confidence. Business continuity management is an array of defensive measures that allow a business to minimize human suffering, secondary disasters, and business interruptions when a disaster strikes.

We are convinced that the BCP activities under our BCM initiatives foster a corporate culture that robustly responds to disasters and strengthens management foundations.

*Business continuity planning (BCP) clarifies a set of policy, framework, and procedures necessary to prevent any interruption of key business operations in the event of a sudden crisis such as a natural disaster or accident. The BCP initiative also aims to restore normal business operations in the shortest possible time when business interruptions cannot be prevented. Business continuity management (BCM), meanwhile, refers to various management activities undertaken at normal times to secure business continuity, such as BCP activities.

Promotion Framework

Framework

A BCP promotion team in the Legal Division at TOPPAN Holdings Inc. supports BCM activities across the Group. Each operating company formulates administration offices at its head office, business divisions, and operational sites to implement BCM measures in alignment with its business.

The BCP promotion team works with the administration offices at the head offices of operating companies to enhance the effectiveness of their BCP measures. The team helps the administration offices organize site-based training and drills to give taskforce members a fuller understanding of the roles and duties expected of them when a disaster strikes. The main Group companies also undergo BCP assessments by the team using activity check sheets. Once the results are analyzed, the

team members feed back the assessment results to the Group companies and interview their personnel to clarify the strengths and challenges of the companies and discuss how to develop more effective BCP measures. The promotion team also holds regular meetings to share information among Group companies and helps the purchasing departments plan and operate BCP study sessions. TOPPAN Group sites in the security business have obtained business continuity management system (ISO 22301) certification to secure the trust of customers.

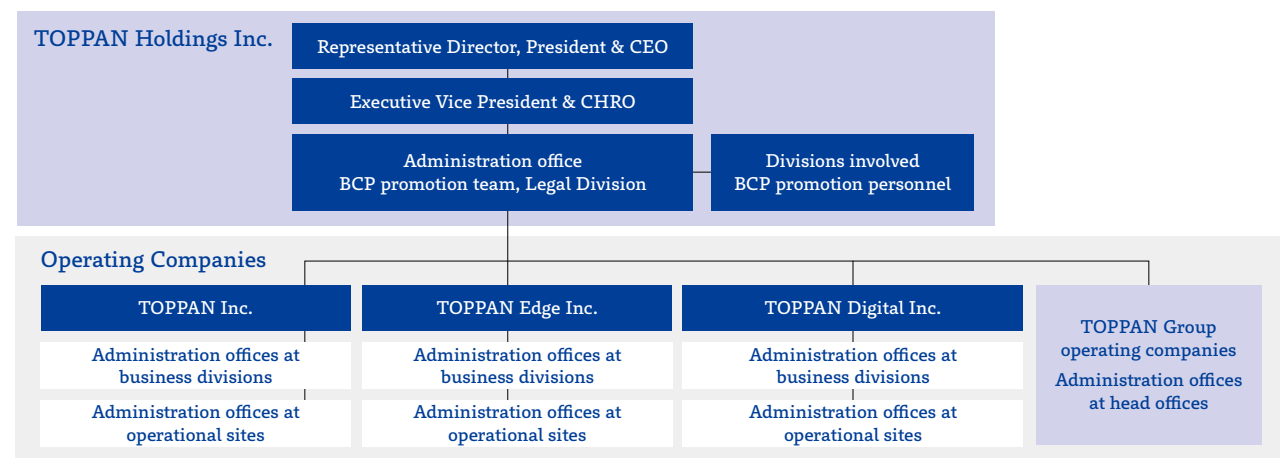


Training for administration personnel



Supporting a drill

TOPPAN Group's BCP Promotion Framework



Routine Disaster Preparedness

Activity results, performance data

TOPPAN's disaster preparedness focuses on BCP updates and taskforce-function upgrades. We renovate BCP initiatives by reassessing risks and reviewing key businesses and target-recovery times, and improve taskforce functions by organizing training and drills for taskforce personnel. Administration offices set up at the head offices, business divisions, and operational sites of operating companies implement business continuity management (BCM) activities across the departments under their jurisdiction. When an administration office lacks the know-how to organize training and drills, the BCP promotion team at TOPPAN Holdings Inc. assists with the planning and operation of its training programs. The safety of taskforce members is essential to the functioning of BCP measures under disaster conditions. Hence, disaster prevention and mitigation initiatives underpin the BCM regime at the TOPPAN Group.



Anti-flood drill



Information-gathering drill

Our training is designed to address issues facing individual business divisions and operational sites. Dedicated drills have been arranged for the divisions and associated production sites both collaboratively and individually. For operational sites that bear a higher flood risk, we have been conducting onsite surveys of the affected areas, proposing anti-flood measures, and providing guidance on action timelines, since 2023. Instructors from related companies specializing in facility management train Group personnel in building assessment through lectures

and practice sessions across Japan. Participants learn how to inspect the appearance and internal structure of a building.



Building assessment drill (lecture)



Building assessment drill (practice)

The BCP promotion team spearheads efforts at TOPPAN Holdings to reinforce the functions of the Groupwide taskforce, the highest organization in our disaster response regime. The core measures for functional reinforcement include information-gathering drills simulating damage at multiple sites, revision of the disaster response procedures specified in the

Basic Plan for Countermeasures against Disasters, and preparation of sites for taskforce command centers. The Production Division also holds BCP workshops for suppliers (now online) to enhance business continuity capabilities throughout the supply chain. Division members describe the importance of BCP initiatives and the points to consider in BCP for participating companies. We measure how fully the workshop improves the participants' understanding by asking them to complete post-workshop questionnaires.

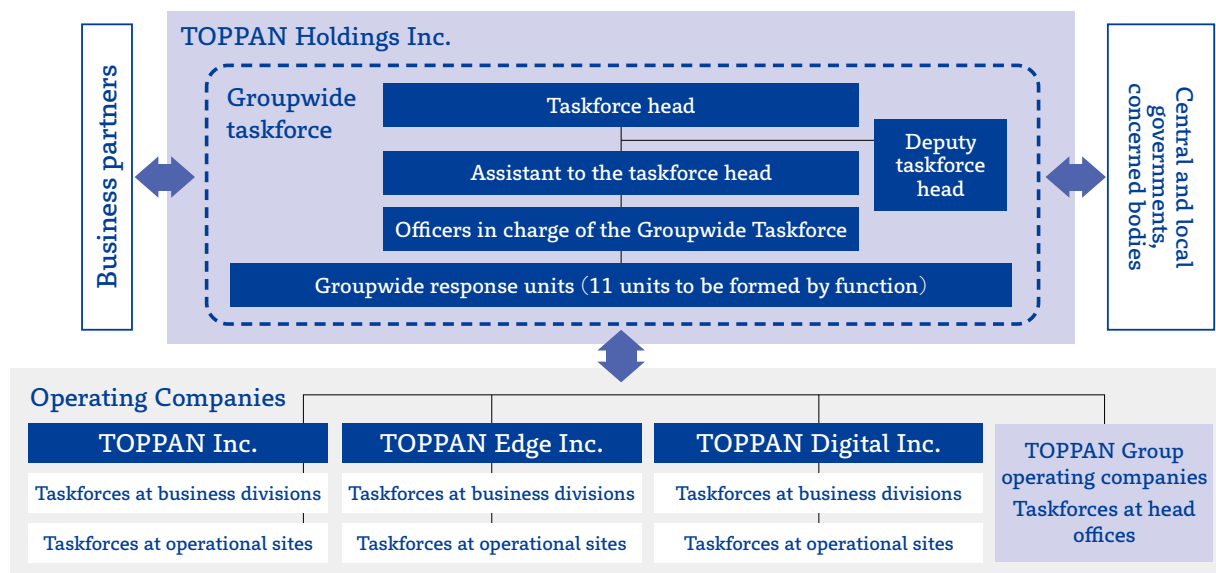


Command-center setup drill



BCP workshop for suppliers

TOPPAN Group's Disaster Response Regime



Actions Taken during Actual Disasters

Activity results, performance data

When a disaster strikes and the criteria to start taskforce-personnel actions are satisfied, local taskforces in the affected region will set up in parallel with taskforces at the responsible Group companies (head offices) and business divisions across Japan. As the taskforces launch into action, initial response units in the Groupwide taskforce will commence their operations at TOPPAN Holdings Inc. A Groupwide taskforce will be activated whenever the damage meets the criteria for taskforce activation, or when the assistant to the taskforce head otherwise deems it necessary. The Groupwide taskforce will consist of officers in charge of participating head office divisions and 11 response units led by taskforce managers, all working under the taskforce head, deputy, and assistant to the head (see the regime on page 146). We have already prepared an alternate framework in the Kansai region for forming a substitute taskforce, as a contingency for a disaster affecting the Koishikawa Site, the command center for the Groupwide taskforce in Tokyo.

The Groupwide taskforce will consolidate information on damage coming from the taskforces at the Group company head offices. The response units in the Groupwide taskforce will use the information to initiate their actions according to the roles assigned. Once the extent of damage is confirmed, the Groupwide taskforce will develop a recovery policy and master plan, coordinate its recovery efforts with the pertinent companies within the Group, and consider how to allot resources to individual recovery projects. Next, the respective companies will prioritize the restoration of key businesses (commercial products) specified in their business continuity plans. The Groupwide taskforce will remain operational until the operations are fully recovered in all of the Group sites. An emergency power supply is installed in the Groupwide

taskforce's command center as a contingency against power outages.



Storage batteries

Solar panels

Smartphone charging stands

BCM Positioning

Policy

Risk management is an approach to predicting and controlling risks to prevent their occurrence. Disaster prevention and mitigation measures in risk management ensure employee safety and protect company assets. Crisis management minimizes the impact of actually arising risks. In contrast, business continuity management (BCM) is an approach to addressing risks that affect business continuity, i.e., risks that can cause extensive property damage (see the figure below). BCM stands apart from the other approaches as it combines preparedness and post-disaster measures. Another point of

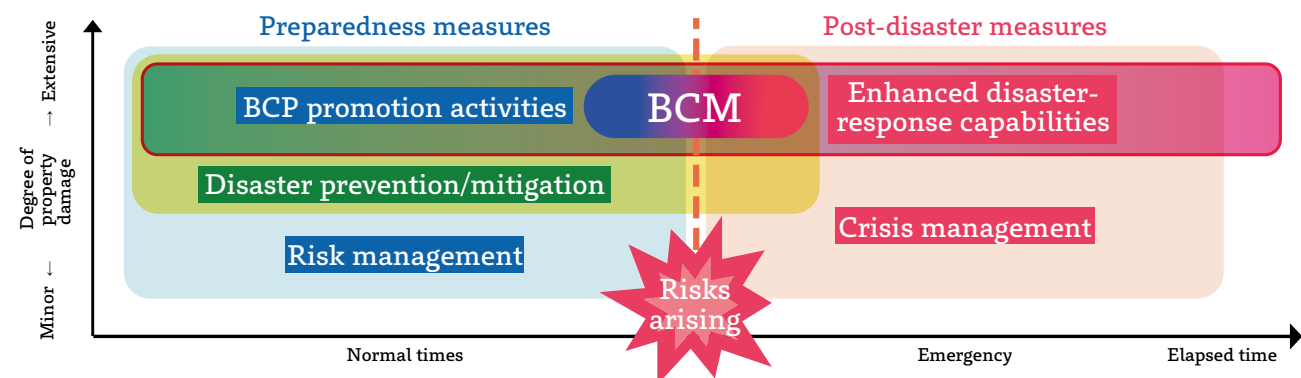
distinction is its assessment scope: BCM is the sole approach that addresses the scale of damage (the consequences of disasters), while the other approaches address the types of risks (the events that cause disasters).

TOPPAN's BCM initiatives in risk management facilitate the Groupwide preparedness for earthquakes, storms, floods, and other types of wide-scale disaster. In the event of an actual disaster, BCM measures sustain our crisis management framework by activating a disaster response regime that safeguards the continuity of business operations across the Group.

In general, disaster prevention and mitigation measures are crucial for a business to address natural disasters. Supply chain reinforcements and countermeasures against production stoppages are also essential for business continuity. In the midst of wide-scale damage such as multiple plant shutdowns, restoration of operations requires abundant time and resources. Well-organized restoration will be possible, however, when every business division follows the procedures stipulated in its business continuity plans across the company.

BCM initiatives complement proactive risk management (disaster prevention and mitigation) and post-crisis management to preserve the continuity of business operations.

BCM Scope



Strict Compliance

Basic Approach

Approach Policy

Legal compliance in business operations is an indispensable condition that every corporation must satisfy to fulfill its responsibilities to society. The TOPPAN Group firmly believes that every person working in the Group must fully recognize the importance of compliance, make proper judgments, and act with integrity under high ethical standards by respecting laws, regulations, in-house rules, social norms, and other standards of conduct.

Risks related to compliance increase as we globalize our business and intensify our operations beyond borders. In 2000 we established a set of Conduct Guidelines based on the Corporate Philosophy and Corporate Creed. The guidelines were, and continue to be, a collection of fundamental provisions that set out the basic concepts and behavioral norms for employees to follow in accordance with corporate ethics and the principles of legal compliance. Ten years later, in response to shifts in business environments and social conditions, we completely revised the guidelines into the TOPPAN Group Conduct Guidelines, a set of principles that all Group companies around the world are required to observe. A second full-fledged revision of the guidelines took place in April 2021, based on a comprehensive review conducted in 2020. The latest Basic Principles in the guidelines call upon Group employees “(to) achieve a sustainable society” and strive for “personnel diversity,” a “rewarding work environment,” and other sustainability requirements. The latest guidelines will guide accelerated efforts to address the material issues propounded in the *TOPPAN SDGs STATEMENT*, and observance of them will help shape a sustainable society.

More details on the TOPPAN Group Conduct Guidelines >

<https://www.holdings.toppan.com/en/group/conduct-guidelines.html>

Compliance Promotion Framework

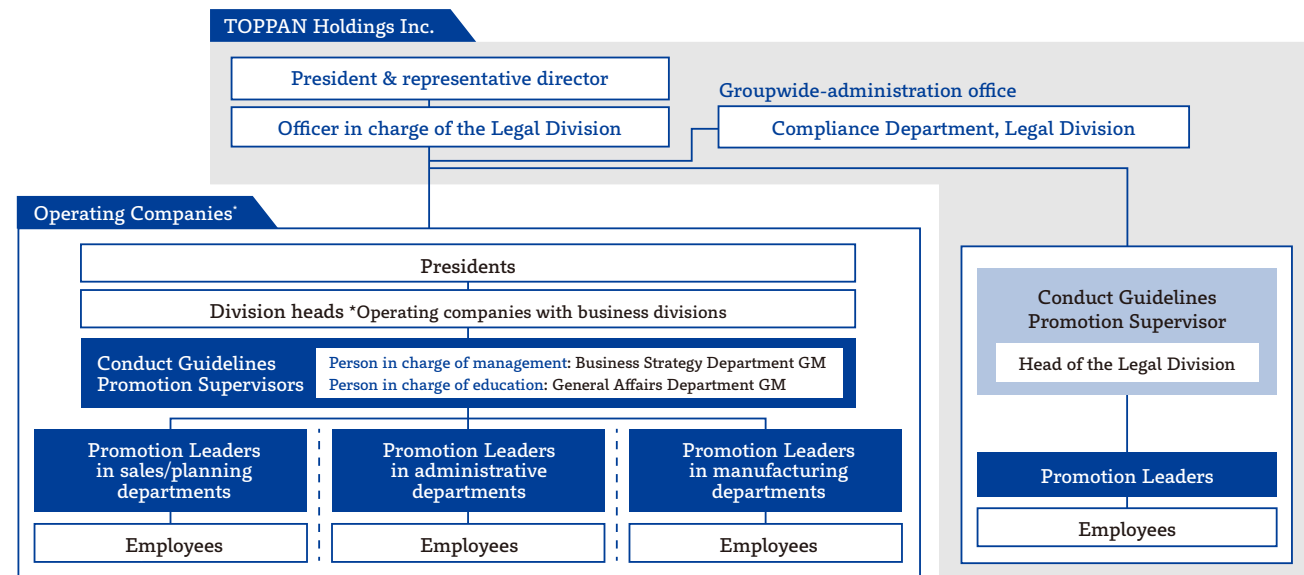
Framework

The TOPPAN Group Conduct Guidelines have been formulated as a set of basic rules to be fully observed by employees to ensure legality of the execution of job duties. The Compliance Department set up under the Legal Division coordinates with the legal departments and other related sections of subsidiaries

to secure legal compliance and establish corporate ethics throughout the Group. A Conduct Guidelines Promotion Leader (“Leader”) system supports guideline compliance at workplaces across TOPPAN Holdings Inc. and its subsidiaries. Leaders appointed under the system work to enforce guideline compliance in daily operations under the officer in charge of Conduct Guidelines Promotion.

Specifically, the officer in charge of Conduct Guidelines Promotion (officer in charge of the Legal Division) heads the Leader system and supervises the compliance promotion activities implemented across the Group. The Leaders appointed at workplaces arrange training programs at their sites and report

Conduct Guideline Promotion Framework



*TOPPAN Inc., TOPPAN Edge Inc., TOPPAN Digital Inc.

*Other subsidiaries under the direct control of TOPPAN Holdings Inc. have formulated guideline-promotion frameworks similar to those of the operating companies.

locally arising questions and consultations to the officer in charge of Conduct Guidelines Promotion via administration offices.

Disciplinary provisions in our employment rules, meanwhile, stipulate disciplinary actions for serious violations of laws, regulations, the Conduct Guidelines, and other in-house rules. Our personnel performance evaluations and evaluations on individual wages, bonuses, and annual salary revisions also prioritize criteria focused on legal compliance, corporate ethics, environmental protection, and other responsible actions to better ensure that our obligations to society are optimally fulfilled.

Conduct Guidelines Promotion Leaders

Nine hundred and fourteen Leaders were newly deployed across the TOPPAN Group in fiscal 2023, including 163 women (17.8% of the Leaders). A cumulative total of 13,476 employees have worked as Leaders since the system was launched in fiscal 2004.

	No. of Newly Deployed Leaders	No. of Female Leaders Deployed (percentage)	Cumulative Total No. of Leaders
Fiscal 2019	688	87 (12.6%)	10,420
Fiscal 2020	712	98 (13.8%)	11,132
Fiscal 2021	713	115 (16.1%)	11,845
Fiscal 2022	717	124 (17.3%)	12,562
Fiscal 2023	914	163 (17.8%)	13,476

Compliance Training

Training, education

Group-style training sessions for Conduct Guidelines Promotion

Leaders are organized every year. TOPPAN devises ways to enhance the effectiveness of training through various activities such as group discussions using case methods describing actual incidents. Forty-four online sessions for 1,434 Leaders were held at Group sites across Japan in fiscal 2023.

Employees who wish to get a better understanding of the Conduct Guidelines can read through the *Conduct Guidelines Casebook*. The casebook is especially useful for employees who have doubts or wish to receive guidance on the handling of daily operations. Based on shifts in social conditions, legislative amendments, and other circumstances surrounding the Group, the cases presented in the earlier editions of the casebook are modified and updated in the latest editions to address recently emerging risks in business operations. The Compliance Department in the Legal Division, meanwhile, posts monthly *Conduct Guideline Notifications* on topics relevant to the guidelines at workplaces to ensure strict compliance under the Leaders. We have also applied the TOPPAN Group Conduct Guidelines to overseas affiliates and held briefing sessions to disseminate the guidelines and promote strict compliance globally.

Main Contents in the *Conduct Guidelines Casebook*

- Cases involving human rights
List human rights cases to alert employees to potential problems involving privacy invasion (one of the six forms of “abuse of authority” designated by the Japanese Ministry of Health, Labour and Welfare), child labor, forced labor, and other forms of human rights abuse emerging globally.
- Cases involving anti-collusion measures
Add bid-rigging cases to present key points on proper bidding, as we are winning more contracts for public work projects.
- Cases involving sustainable procurement
List cases involving sustainable procurement focused on transactions with suppliers and subcontractors, as society requires us to fulfill our corporate responsibilities throughout the entire supply chain.
- Cases involving quality
Clearly indicate that falsified quality results linked to a product or service can incite claims of contract violation and damage our social credibility, as conspicuous instances of falsification are increasing recently.
- Cases involving diversity & inclusion
List cases that deepen employee understanding of diversity and inclusion in the workplace in accordance with “promoting diversity and inclusion,” a basic principle added to the Conduct Guidelines.
- Cases involving intellectual property rights
Cover trademark rights, design rights, and the steps we are taking to file more patent applications for technologies and business models with a view to “securing and using intellectual property” as stated in the Conduct Guidelines.
- Cases involving BCP
Clarify the procedures required for earthquake preparations and the actions to be taken when a quake strikes, in order to minimize damage to our business activities in the event of an earthquake striking directly beneath the Tokyo metropolitan area or occurring on the ocean-floor trench off the coast spreading from Shizuoka to Kyushu, Japan.
- Cases involving cyber security
Call attention to the risk of business email compromise (BEC) and require employees to use a “suspicious-email report form” on our internal website to report fraudulent email messages as soon as they are detected. These safeguards have high priority, as a surge of BEC incidents and other cyber-attacks against corporations have been causing considerable damage.

Compliance in Fiscal 2023

TOPPAN has not been involved in any serious incidents or violations of laws or regulations in the course of business in fiscal 2023.

Anti-Corruption Initiatives

[Policy](#) [Activity results, performance data](#)

We have been undertaking various anti-corruption initiatives in conformance with the anti-corruption principles set out by the United Nations Global Compact. The TOPPAN Group Conduct Guidelines affirm wide-ranging principles on corruption prevention, such as a “prohibition of bribery and inappropriate entertainment practices,” “prohibition of receipt or provision for personal gain or rebate,” “prohibition of illegal political contributions or donations,” and “prohibition of collusion and cartels.” The TOPPAN Group Anti-Corruption Policy formulated in July 2024 declares a number of anti-corruption resolutions and practices set under the Conduct Guidelines towards persons both inside and outside of the Group.

To combat bribery, an issue of particular concern, TOPPAN has established a set of anti-bribery rules and guidelines and built an anti-bribery framework led by the officer in charge of the Legal Division as the chief anti-bribery manager. For more intensive anti-bribery control, we have operated a system requiring pre-authorization for the offering of any form of entertainment or gift to a public official or the like. An FAQ describing specific cases of bribery has been issued to further heighten employee awareness and call strict attention to compliance-related issues. As a basic rule, employees are prohibited from making “small facilitation payments” (small payments to facilitate or expedite routine governmental services such as visa issuance or customs clearance) to public officials.

Illegal contributions and funding provision are also comprehensively prohibited throughout the Group. Any form of association or contact with anti-social forces, for example, is clearly prohibited in the TOPPAN Group Conduct Guidelines and the Guidelines on Dealing with Anti-social Forces. No cases of inappropriate entertainment or gifts to public officials or the like were reported in fiscal 2023.

In training sessions organized each year for candidates for overseas assignments, trainees learn reinforced strategies to combat bribery in the commercial and public sectors and become familiar with the pre-authorization system. Eighteen employees attended five sessions in Japan in fiscal 2023. Overseas affiliates have also been included in the scope of the anti-bribery rules to combat bribery around the world. A total of 22,947 employees took part in training sessions on the prevention of bribery and other types of unauthorized transaction in fiscal 2023.

 [TOPPAN Group Anti-Corruption Policy](#) >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/anti-corruption-policy.html>

Political Contributions and Other Expenditures (million yen)

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Lobbying activities	0	0	0	0	0
Expenditures for political activities and payments to political groups	7.9	7.7	7.6	7.8	0.7
Expenditures to industry groups and others	21.3	21.5	21.9	22.0	30.1
Other (expenditures related to proposed voting legislation and national referendums)	0	0	0	0	0
Total	29.2	29.2	29.5	29.9	30.9

Training for Compliance with Transaction-related Legislation

[Training, education](#)

To observe major transaction-related laws and regulations, TOPPAN has been promoting compliance with the Subcontract Law of Japan and comprehensively preventing improper import and export transactions.

A total of 13,210 employees from the sales departments and conventionally targeted ordering departments were trained on compliance with the subcontract law in fiscal 2023, and another 10,186 employees took an e-learning course on export controls under the Foreign Exchange and Foreign Trade Act of Japan. Over the same period, two comprehensive audits were performed to assess compliance with the subcontract law in 80 departments and the observance of export controls in 34

departments.

The audits in fiscal 2023 confirmed conformance with these laws across the Group. No serious legal violations or cases of misconduct were identified, and no problems or incidents occurred in transactions with subcontractors or import or export transactions.

Internal Reporting System

System Activity results, performance data

When a person discovers a legal violation or improper conduct somewhere in the Group, the person is to report it to their superior for deliberation as a basic rule. If the problem is not resolved by their own department, the person is encouraged to call the TOPPAN Group Helpline, our 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 other than TOPPAN Holdings Inc.). This system allows us to ensure strict compliance with the TOPPAN Group Conduct Guidelines by promptly identifying and properly dealing with legal violations and misconduct.

Three portals for the acceptance of incoming helpline reports have been set up to encourage more Group personnel to call the helpline: an in-house “corporate portal,” an in-house “audit & supervisory board member portal,” and an “external portal” operated by legal consultants. In May 2022 we revised our whistleblower rules and system for receiving anonymous reports to ensure compliance with the amended Whistleblower Protection Act to be enacted in Japan a month later, in June.

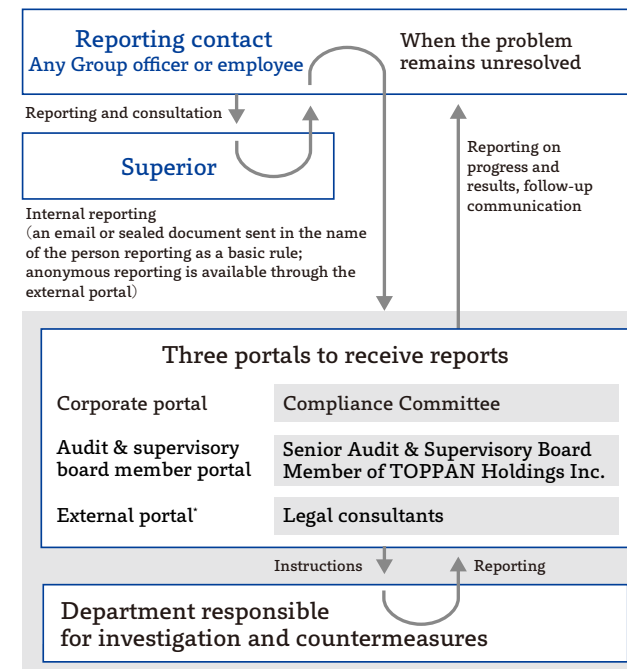
Our internal website, meanwhile, posts topics on the intent of the reporting system, system outlines, and precautions regarding calls placed to the helpline, along with other helpline information. We also hold rank-based training, training for new

employees, and other types of training to inform Group personnel about the system.

Number of Internal Reports

The TOPPAN Group Helpline was used in 19 cases in fiscal 2023. No serious legal violations or cases of misconduct were reported. Thirteen of the helpline reports were on harassment. In most of the remaining six cases, the reporting contact called for improvements in work processing. Every case was properly handled and followed up with necessary countermeasures to prevent recurrence.

TOPPAN Group Helpline



(as of September 30, 2024)

*The Compliance Committee investigates issues reported to the external portal and conducts surveys, measures, etc. to handle them.

Information Security

Basic Approach

[Approach](#) [Policy](#)

We control information and cyber security across the Group to ensure the appropriate and safe management of business information and systems as we develop into a leading provider of solutions for global social issues.

The threat of cyber-attacks has been mounting with the rapid advancement of IoT and digital transformation. Attacks can result in the leakage of personal or confidential information assets and endanger business continuity. In keeping with the TOPPAN Group Basic Policy on Information Security and the Personal Information Protection Policy, we apply secure technologies and rigorous control in operations throughout the Group to reciprocate the trust of customers and society and drive a digital transformation that enhances our corporate value. We introduce systems and tools to counter cyber-attacks and reinforce safeguards in the secured areas designated for the handling of personal information throughout Japan.

[More details on the TOPPAN Group's Basic Policy on Information Security >](#)

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/security-information.html>

[More details on the Personal Information Protection Policy >](#)

<https://www.holdings.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 Groupwide 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 October 1, 2023

Hideharu Maro
Representative Director, President & CEO
TOPPAN Holdings Inc.

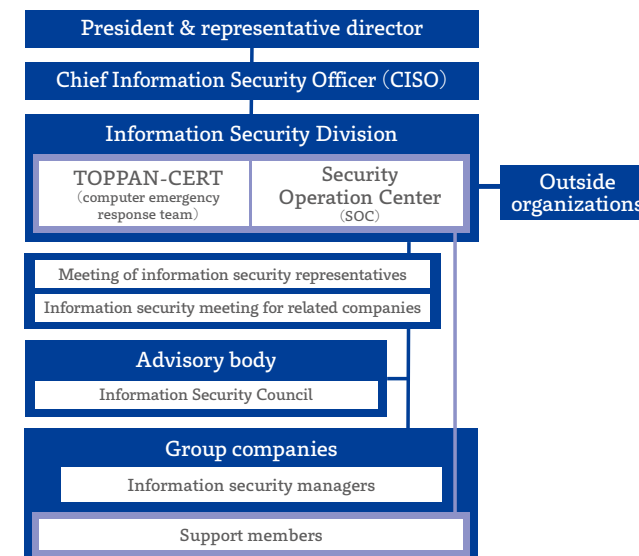
Promotion Framework

[Framework](#)

The officer in charge of the Information Security Division serves as the Chief Information Security Officer (CISO) of the Group. The Information Security Division implements information security governance and technical measures. Cross-functional

specialist teams control cyber security by overseeing Group companies jointly with outside organizations. Information security managers at Group companies manage the safety of their organizations according to the instructions of the Information Security Division. The meeting of information security representatives and the information security meeting of related companies are held twice annually. The CISO and information security managers from organizations across the Group gather at these meetings to share and check the plans and results of security measures formulated based on the Group's information security strategy. Information security personnel from the main operating companies also convene an Information Security Council every month to issue advisories and share information on security measures underway.

Organizational Framework for Information Security Management



Information Security Management Framework

Framework

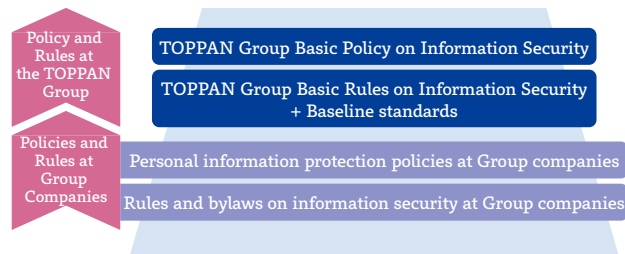
Information Security Management

Under the CISO, the Information Security Division formulates a Groupwide information security plan; sets up rules and regulations; disseminates and reviews them; convenes regular meetings with Group company members to discuss information security policies and measures underway; and carries out regular Group company audits to check the quality of security control and recommend corrective measures. The results of these activities are regularly reported to the CISO. When a security incident arises, the division promptly responds to the incident and reports the control status to the CISO, as required.

Policies and Rules for Security Governance

The TOPPAN Group Basic Policy on Information Security and the TOPPAN Group Basic Rules on Information Security comply with the ISO/IEC 27000 and JIS Q 15000 standards. Group companies formulate their own policies for personal information protection and rules and bylaws on information security in accordance with the basic policy and rules. TOPPAN's

Information Security Policies and Rules



information security governance has been secured through the development of a Groupwide management framework and the dissemination of policies and rules.

Baseline Standards for Solid Security Governance

TOPPAN strives to enhance security governance by assessing the security control levels of each Group company every year according to baseline standards for evaluating conformance with the Basic Rules on Information Security. Thirty-seven items on organizational/personnel/physical elements, technical measures, incident response, and personal information protection are scored on a 5-point scale. The assessment results are reflected in the security measures of operating companies and business divisions across the Group. Improvement plans and regular progress reviews boost the quality of security control throughout the Group.

Complying with Laws and Regulations

Activity results, performance data

TOPPAN complies with laws and regulations related to privacy, confidentiality, and personal information protection in every country where the Group does business.

Japanese Personal Information Protection Act

Our rules on information security management related to the handling of personal information have been revised to ensure compliance with the amended Act on the Protection of Personal Information enforced in Japan in April 2022. Procedures are established for handling personal information and anonymously processed information, notifying individuals when their information is provided to third parties overseas, and submitting

incident reports. The procedures are closely modeled after the guidelines announced by the Personal Information Protection Commission of Japan.

Overseas Legislation on Personal Information

Mindful of the importance of privacy and personal information, governments around the world are enacting laws and regulations to protect them. We take appropriate compliance measures by collecting information and conducting surveys on the relevant legislation in the countries and regions where Group companies do business.

PrivacyMark Accreditation and ISMS Certification

Information security systems within domestic Group companies have received PrivacyMark accreditation and information security management system (ISMS) certification. TOPPAN is formulating in-house rules, building secure environments, and training personnel in charge of information security to secure the handling of important information assets entrusted by customers, personal or otherwise.

Japan's Individual Identification Number System

New requirements for security control measures have been added to our in-house standards for tightly secured areas in accordance with the guidelines for the proper handling of specific personal information issued by the Personal Information Protection Commission. These measures cover operations involving specific personal information, such as the handling of individual identification numbers and the collection of those numbers on behalf of client companies. Dedicated rooms are set up to handle the personal identification numbers, and a special team carries out accreditation audits on their operations.

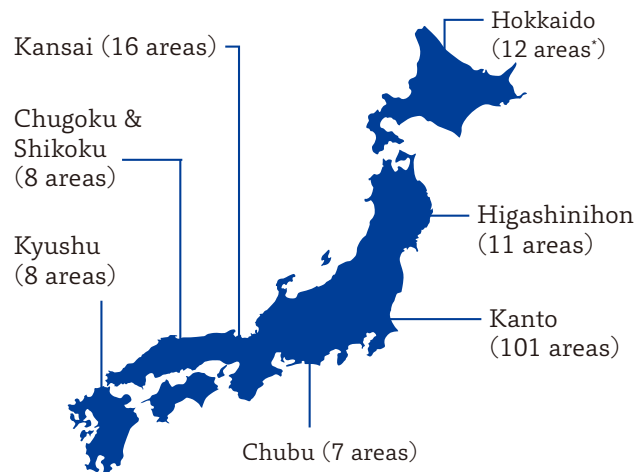
Protecting Personal and Confidential Information

Activity results, performance data

Setting up Tightly Secured Areas

Our operations involving the use of confidential materials are conducted within workplaces that are tightly secured by access controls and other security measures in a closed network environment, in order to minimize the risk of fraudulent acts inside of the Group and the risk of unauthorized access 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. We found no instances of unauthorized information removal or other personal information-related incidents in fiscal 2023. Rigorous efforts to maintain the record of zero-incidents will continue across the TOPPAN Group.

Tightly Secured Areas in Japan (as of March 31, 2024)



*Numbers of secured areas for the handling of personal information

Controlling the Tightly Secured Areas

TOPPAN constantly upgrades security levels for the handling of personal and confidential information through regular internal audits and day-to-day operational checks based on the rules for managing the tightly secured areas within the Group. The key security management measures are described below.

Operational management inspection through internal audits: Dedicated auditors regularly inspect the installation, management, and operation of tightly secured areas. Managers assess and accredit inspection results to maintain and further enhance operational management across the Group.

Access control: Each tightly secured area is protected with technical safeguards to prevent unauthorized persons from entering (e.g., personal authentication measures, controls to inhibit the entry of two or more persons at the same time). Lockers and secure storage compartments for personal belongings are provided outside of the areas, as persons entering are not allowed to bring in cameras, cell phones, smartphones, or other devices that record or communicate images, videos, audio, or any other form of data.

Area control: Surveillance cameras eliminate blind spots in the tightly secured areas and monitor any unauthorized removal or transport of data.

Device control: As a basic rule, entrants are prohibited from connecting any external storage media to devices used within the tightly secured areas. A two-factor authentication login system is also deployed to require the submission of an ID, password, and one or more additional factors for the use of devices in the secured areas. The monitoring center, meanwhile, operates a system to manage and analyze operational logs.

Whenever a potentially fraudulent log is detected in the stored data, the center immediately notifies the relevant management personnel for verification.



Surveillance camera



Access control

Controlling Security across the Supply Chain

Some of our operations that involve the handling of personal and confidential information are entrusted to Group and partner companies. TOPPAN also relies on the cloud services of external companies in the execution of some of the Group's business operations.

We mitigate supply chain risks by checking the safety of cloud services and deploying a system to certify business partners who take appropriate security measures. The control levels required of business partners to satisfy the security standards under our certification system depend on the types of information and operations entrusted to them.

Managing Information Assets in Internal Operations

Information assets handled in internal operations are classified by confidentiality. Our rules governing storage, removal, disclosure, etc. ensure the safe handling of information assets in line with their classifications.

Countering Cyber-attacks

Activity results, performance data

Cyber-attacks pose especially significant security risks to the Group. TOPPAN has been implementing various measures to mitigate them.

Protecting PCs and Servers with EDR App

In fiscal 2019 we began installing the Endpoint Detection and Response (EDR) app to detect suspicious software behaviors in PCs and servers. EDR is now installed in PCs used for administrative work, terminals used onsite in production settings, and on Apple computers and network servers running across the Group. The combined use of EDR with network logs further solidifies our information security system to ensure prompt detection and defensive actions against sophisticated malware.

Mitigating Cloud Security Risks with CSPM Service

As mega cloud services expand, we have been using a Cloud Security Posture Management (CSPM) solution to mitigate security risks in public cloud environments. The CSPM tools identify risks associated with inappropriate exposure and other settings specific to cloud configurations and promptly detect and correct any settings subject to unduly high risk.

Implementing Threat Intelligence and ASM* Service

TOPPAN continues to implement threat intelligence, third-party evaluations, and open source intelligence (OSINT) activities to detect signs of cyber-attacks against the Group and vulnerabilities visible to outside parties early on. We strive to mitigate cyber-attack risks by addressing weaknesses within the Group preemptively. We are also enhancing cyber security

throughout the supply chain. Business partners entrusted with operations involving the handling of personal and confidential information have been subject to our vulnerability-detection measures since fiscal 2022.

*Attack surface management

Upgrading Website Vulnerability Assessments

Weaknesses in our web applications have been assessed to counter cyber-attacks targeting website vulnerabilities. An automatic vulnerability detection system periodically checks the network and addresses vulnerabilities that arise from day to day. This system works synergistically with various external vulnerability-detection services to further reinforce our web-based services and our ability to provide clients with more tightly secured services. Security guidelines on coding have also been formulated for our website creators. Guideline compliance training is provided to encourage the creators to develop webpages less likely to contain vulnerabilities from the design stage.

Setting Guidelines for Cyber Emergencies

Cyber threats have been escalating across borders. Their malice and unprecedented technical cunning can result in instant and severe damage in all directions. The conventional methods used against cyber-attacks are often useless. TOPPAN formulates guidelines that summarize basic approaches, preparations, and action flows to address serious information security incidents caused by cyber-attacks and other destructive acts. We are constantly strengthening our responsiveness to cyber emergencies on the assumption that unforeseen incidents can always happen.

Blocking Unauthorized Connections

New safeguards are in place to mitigate the risks of virus

infections and information leakages stemming from connections by unauthorized devices brought into workplaces. Our internal LAN is now equipped with network sensors. A system is also in place to check the consistency between actual in-house network communications and the IT asset information managed in our database.

Countering Email Attacks

Cyber-criminals exploit the botnet Emotet, business email compromise (BEC), and other malicious email techniques used to send fraudulent messages. As a countermeasure adopted in fiscal 2022, TOPPAN introduced an advanced service that screens incoming emails with help from AI analysis and machine learning algorithms. This service blocks a high percentage of targeted email attempts to steal money, exploit information, or compromise networks in other ways. By providing this screening service to more Group companies from fiscal 2023 onward, we continue to fortify our email systems against cyber-attacks.

Enhancing the Capabilities of TOPPAN-CERT

TOPPAN-CERT is a cyber response team made up of specialists from across the Group. In December 2023 the team participated in a series of collaborative cross-sector drills organized by the Nippon CSIRT Association (NCA) and the National center of Incident readiness and Strategy for Cybersecurity (NISC) of Japan. The CERT members took the lead in responding to simulated cyber-attacks targeting the TOPPAN Group. Response procedures have been reviewed to pinpoint weaknesses in our cyber-counter capabilities and clarify improvement points in the handling of a cyber-attack. In February 2024 we established an immediate response framework to defend against cyber incidents occurring in Group companies anywhere in the world.

Sharing Information on Cyber Security Preparedness

TOPPAN holds quarterly cyber-security information-sharing sessions for personnel involved in information security management to heighten the understanding of cyber security preparedness within and outside of the Group.

Tightening Plant Security

Cyber-attacks continue to increase with the shift to smart factories made up of multiple network-connected components. TOPPAN is enhancing the security of facilities and equipment by familiarizing production engineers with the plant security guidelines issued in June 2023.

Acquiring Third-party Certification

Activity results, performance data

TOPPAN Group companies in Japan have acquired ISO/IEC 27001 certification for information security management systems (ISMS), PrivacyMark accreditations under Japanese Industrial Standards (JIS) Q 15001:2017 for personal information protection management systems, and other third-party certifications, as shown in the following tables (as of June 30, 2024).

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

Information & Communication Division (TOPPAN Inc.); 3rd Development Department (ICT Development H.Q., Hybrid BPO Subdivision, TOPPAN Edge Inc.); Toppan Communication Products Co., Ltd.; Toppan Graphic Communications Co., Ltd.; TB Next Communications Co., Ltd.	IC23J0567
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TOPPAN Edge Inc.; Information & Communication Division (TOPPAN Inc.); Toppan Communication Products Co., Ltd.; TGS Inc.	IC06J0151
Infrastructure Service Department and Service Operation Department (Service Management Center, TOPPAN Digital Inc.); DX Solution Development (ICT Development Center, TOPPAN Digital Inc.)	IC23J0568
Toppan Group Kansai Business Center (TOPPAN Edge Inc.)	JQA-IM0137
Toppan Photomask Co., Ltd.	IS 530416
ONE COMPATH Co., Ltd.	IS 533218
Security areas and ISMS Promotion Committee (Kyushu Subdivision and Chugoku & Shikoku Subdivision, Nishinihon Division, TOPPAN Inc.)	I308
Kansai Creation Division (Toppan Graphic Communications Co., Ltd.); Kansai X-tech Business Innovation Subdivision (Nishinihon Division, TOPPAN Inc.)	IC13J0361
Higashinihon Division (TOPPAN Inc.)	IS 606897
Takino Plant (Toppan Communication Products Co., Ltd.); Takino Information & Communication Engineering & Technology Team (Kansai Engineering & Technology Department, Nishinihon Division, TOPPAN Inc.)	IC14J0376
Chubu Division (TOPPAN Inc.); Chubu Production Department (Toppan Graphic Communications Co., Ltd.); Nagoya Plant (Toppan Communication Products Co., Ltd.)	IC17J0444
Service Management Group [Service desks] (System Management Department, TOPPAN Edge IT Solutions Inc.); ISO/RM Promotion Department [Administration offices] (TOPPAN Edge IT Solutions Inc.)	JUSE-IR-403
Fukuroi Plant (Toppan Forms Tokai Co., Ltd.)	JQA-IM1901
TOSCO Corp.	IC07J0211
AIOI Systems Co., Ltd.	J0265
Tokyo Shoseki Co., Ltd. [Education DX business]; EduFront Learning Research Co., Ltd.	IC23J0562
Okapi Pharmacy System Co., Ltd.	IS 794168
ORCA Management Organization Co., Ltd. [ICI Inc.]	IS 689222
One undisclosed entity	

ISMS Certification (ISO/IEC 27017) for Cloud Security Management

Team 3 (DX Solution Development, ICT Development Center, TOPPAN Digital Inc.)	SC22J0025
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PrivacyMark Accreditations (JIS Q 15001:2017)

TOPPAN Inc.	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 Edge Inc.	10190934
TOPPAN Edge IT Solutions Inc.	10820089
TOPPAN Edge Services Inc.	10450002
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
T.M.G. Challenged Plus Toppan Co., Ltd.	24000419
ONE COMPATH Co., Ltd.	24000445
Toppan Cosmo, Inc.	24000449
UNIWORX Co., Ltd.	21004696
Kirihara Shoten K.K.	24000459
TB Next Communications Co., Ltd.	24000464
Toppan Infomedia Co., Ltd.	24000473
livepass Inc.	25000225
Riken Genesis Co., Ltd.	14300052
booklista Co., Ltd.	10824078

Information Security Training

Training, education

TOPPAN implements extensive training and self-assessment initiatives across the Group in the belief that solidified human assets reinforce our information security management framework.

Training Employees throughout the Group

Annual training is organized to improve security capabilities of employees throughout the Group. In fiscal 2023 TOPPAN established a program entitled, “Change for a better tomorrow: Groupwide synergies to counter information security threats.” The training covers comprehensive topics, from cyber-attack preparedness and daily security practices to risks specific to business divisions and compliance with Japan's amended Act on the Protection of Personal Information.

Holding Security Training for Plant Engineers

The “technical-guard training school,” a program launched in fiscal 2021, aims to achieve manufacturing DX with tightly secured production sites. Trainees learn the requirements to be satisfied in deploying safeguards for the protection of manufacturing equipment during the processes from installation planning to disposal. Twenty plant engineers completed the program in fiscal 2023.

Alerting Senior Management to Cyber Emergencies

Our senior management takes part in drills twice a year to rehearse the actions to take in the event of a severe cyber-attack. The drills are designed to better equip them with the leadership skills essential to control cyber emergencies. Results are

assessed after each drill, and the challenges for senior managers are clarified to fortify their control capabilities during cyber emergencies.

Implementing Groupwide Self-assessments

We are asking every Group human asset to check their daily security practices. The Groupwide self-assessment initiative aims to heighten awareness on information security management by encouraging employees to reflect on their own behaviors. Self-assessment results are delivered to each department to enable the department managers to initiate improvement measures at their workplaces. Several questions were added to the fiscal 2023 questionnaire to confirm whether employees had appropriately updated their end-of-life software. The questions are updated each year to reinforce individual security readiness in the latest working environments.

Organizing TSAT to Elevate Security Awareness

We are strengthening our cyber defenses by enhancing the security capabilities of human assets through “TOPPAN security awareness training (TSAT),” a platform that engages trainees in a continual process of drills, evaluation, and training. Groupwide TSAT sessions have been organized regularly, and special sessions for personnel from designated departments and jobs are held whenever necessary.

Addressing Virus-infected Emails

Suspicious email reporting drills were held twice in fiscal 2023. Some 41,000 Group employees from domestic subsidiaries/associates and overseas subsidiaries took part. The participants rehearsed the procedures required for the prompt reporting of suspicious messages they had received or had already opened.

The persons who opened the message were asked to take part in a follow-up program arranged to heighten their vigilance.

The drill was conducted without pre-warning. Upon receiving a fraudulent email sent out by our cyber-security team, some personnel, caught unaware, clicked a URL link to a fraudulent website.

Providing DOJO Training for Cyber Security Specialists

TOPPAN has founded Armoris Co., Ltd., a corporation specialized in providing client companies and public-sector entities with programs to nurture cyber security specialists, as well as services geared to improving the security levels of their organizations. Armoris operates a series of practical personnel-training programs, including DOJO, DOJO Lite, DOJO Shot, and DOJO CORE. The training programs at the DOJO are tailored to individual skills through methods suited to long-term, continual practices. DOJO Lite and DOJO Shot, meanwhile, arrange case examples and case studies examining the latest cyber security themes. DOJO CORE provides practical simulation drills on responding to actual incidents. Armoris strives to enhance the security capabilities of individuals and organizations throughout Japan, including the TOPPAN Group, through the DOJO programs.



Overview of Armoris's DOJO service (in Japanese)

Tax Governance

Basic Approach

Approach Policy

In performing Group operations, TOPPAN understands the importance of acting appropriately with integrity and high ethical standards in conformance with applicable laws, regulations, in-house rules, social norms, and other codes of conduct.

Our tax approaches have been affirmed in the TOPPAN Group Tax Policy. We firmly meet a core social responsibility by fulfilling tax obligations under the tax regimes of the countries and regions where we operate.

TOPPAN is striving for sustainable growth and enhanced medium- to long-term corporate value by adopting a solid Groupwide tax-management framework that secures tax compliance and controls tax-related risks.

Management Framework

Framework

The head of the Finance & Accounting Division of TOPPAN Holdings Inc. is responsible for operating a Groupwide tax management framework. Tax departments in the Finance & Accounting Division supervise this framework based on our tax policy and duly manage operations. They also work with the accounting departments at Group companies to address tax-related challenges and risks.

We are intensifying our Groupwide management framework by handling tax matters appropriately in accordance with advice and guidance from external specialists whenever necessary.

TOPPAN Group Tax Policy

In accordance with the TOPPAN Group's Corporate Philosophy, Corporate Creed, and Conduct Guidelines, we, the TOPPAN Group, position sustainable growth and medium-to-long-term enhancement of corporate value as vitally important challenges for management.

To achieve them, we have formulated the following TOPPAN Group Tax Policy and will establish and implement a tax management framework covering the TOPPAN Group throughout the world.

1. Purpose

The TOPPAN Group has established the TOPPAN Group Tax Policy as a set of norms for making decisions on tax-related matters based on a fundamental approach of building relationships of trust with stakeholders, contributing to society, and enhancing corporate value by complying with the tax-related laws and regulations of each country and region and fulfilling obligations to pay taxes in an appropriate manner.

2. Basic Policy

1) Tax Compliance

We fulfill our corporate social responsibility by filing tax returns and paying taxes as appropriate when they are due in accordance with international rules and the tax-related laws and regulations of each country and region in which we conduct business. We endeavor to maintain and enhance tax compliance by conducting training and ensuring that officers and employees of TOPPAN Group companies are kept fully informed of policies and other matters related to tax.

2) Tax Planning

In the consideration and operation of business activities, we implement effective tax planning in accordance with relevant laws and legislative principles. We endeavor to maximize consolidated cash flow and enhance corporate value through such measures as eliminating double taxation and making effective use of tax incentives.

We pay taxes as appropriate in the countries and regions in which we conduct business, take a basic approach of contributing to local communities, and do not engage in tax avoidance practices, which seek to excessively reduce tax payments.

3) Tax Risk

We give sufficient prior consideration to tax risk associated with business activities and aim to reduce tax risk based on advice and guidance from external specialists whenever necessary.

We strive to resolve uncertain tax positions promptly by seeking advice and guidance from external specialists or by consulting with the tax authorities in advance as necessary in the event of any doubt regarding the treatment or interpretation of tax matters.

4) Tax Governance

We establish and implement a global tax governance system to ensure that the companies of the TOPPAN Group comply with international rules and the tax-related laws and regulations of each country and region and file tax returns and pay taxes appropriately when required.

5) Transfer Pricing

We analyze the functions, assets, and risks of each of the parties for transactions between related parties based on the arm's length principle and endeavor to ensure that profits are allocated appropriately in accordance with level of contribution.

6) Relationship with Tax Authorities

We strive to build and maintain sound and proper relationships with tax authorities in the countries and the regions in which we conduct business and communicate with them in good faith by providing sincere and factual explanations.

If any issues are raised or any instructions are given by tax authorities, we clarify the cause of such issues, take appropriate action to rectify them or make improvements, and strive to prevent their recurrence.

TOPPAN Group Outline

Transitioning to a Holding Company Structure

TOPPAN transitioned to a holding company structure in October 2023. This structure has been adopted primarily to maximize Group synergies through strengthened governance. TOPPAN Holdings Inc. will implement governance to reinforce collaboration with its operating companies and accelerate the generation of new value through cooperation and co-creation across the Group. We will further transform our business portfolio by combining the various resources, businesses, and services of the individual companies in the Group to expand our

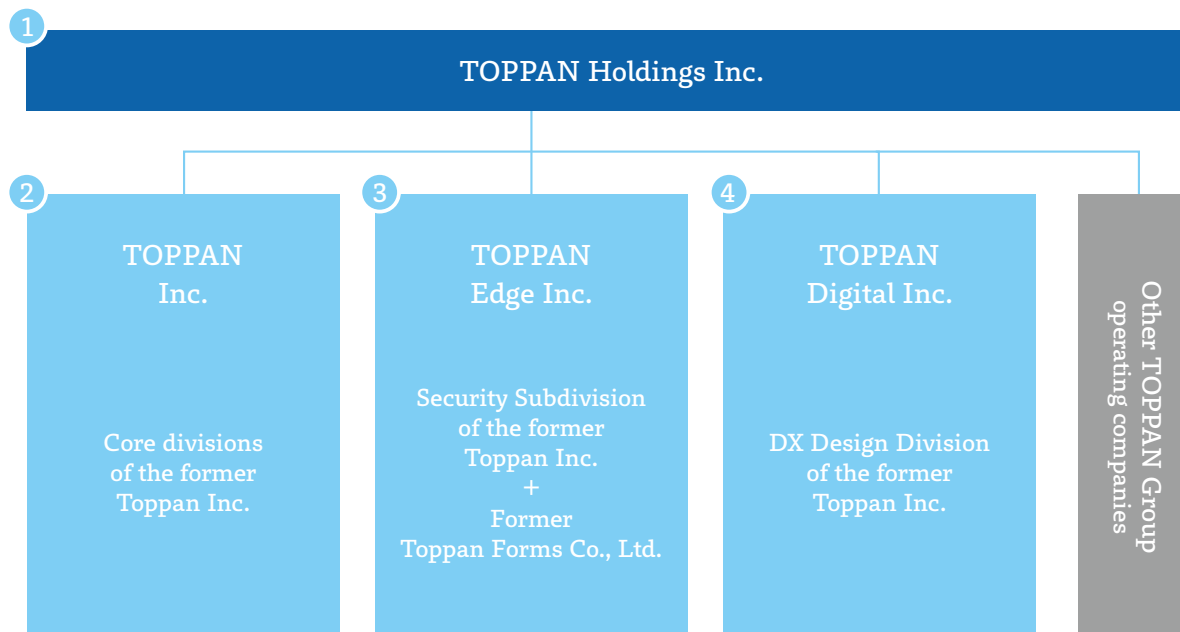
growth potential through digital transformation (DX), sustainable transformation (SX), and new businesses. Group synergies will soon take a concrete form that intensifies our Groupwide initiatives.

Reorganizing the Group

In November 2021, we announced our commitment to reorganizing the TOPPAN Group based on a basic policy on the transition to a holding company structure by October 2023. In March 2023, TOPPAN Inc. and TOPPAN Digital Inc. were established to prepare for the overall reorganization. TOPPAN

Edge Inc. was established in the following month by integrating the Security Subdivision of the former Toppan Inc. with Toppan Forms Co., Ltd. In October 2023, our corporate name was changed from “Toppan Inc.” to “TOPPAN Holdings Inc.” Having transitioned to a holding company structure, TOPPAN Holdings has been responsible for the unified management of its operating companies for the purposes of Groupwide optimization. The operating companies include TOPPAN Inc. (a company composed of the core divisions of the former Toppan Inc.), TOPPAN Edge Inc., and TOPPAN Digital Inc. (the driver of DX business development across the Group).

Holding Company Structure



The Roles of Each Company

- 1 **TOPPAN Holdings Inc.**
Implementing the unified management of operating companies for the purposes of Groupwide optimization
- 2 **TOPPAN Inc.**
Taking over the core divisions of the former Toppan Inc.
[Information & Communication / Living & Industry / Electronics](#)
- 3 **TOPPAN Edge Inc.**
Driving portfolio transformation in the information business
[Security / BPO business](#)
- 4 **TOPPAN Digital Inc.**
Driving DX business strategy across the Group
[DX business development / IT infrastructure and governance](#)

Business Outline

The TOPPAN Group is made up of domestic and overseas Group companies engaged in manifold businesses across the world in the fields of Information & Communication, Living & Industry, and Electronics.

Corporate Profile (as of March 31, 2024)

Corporate name
TOPPAN Holdings Inc.

**Representative Director,
President & CEO**
Hideharu Maro

Established
January 17, 1900

Capital
104,986 million yen

Net sales
1,678,249 million yen

Head office
1-3-3, Suido, Bunkyo-ku,
Tokyo 112-8531, Japan
Phone: +81-3-3835-5111

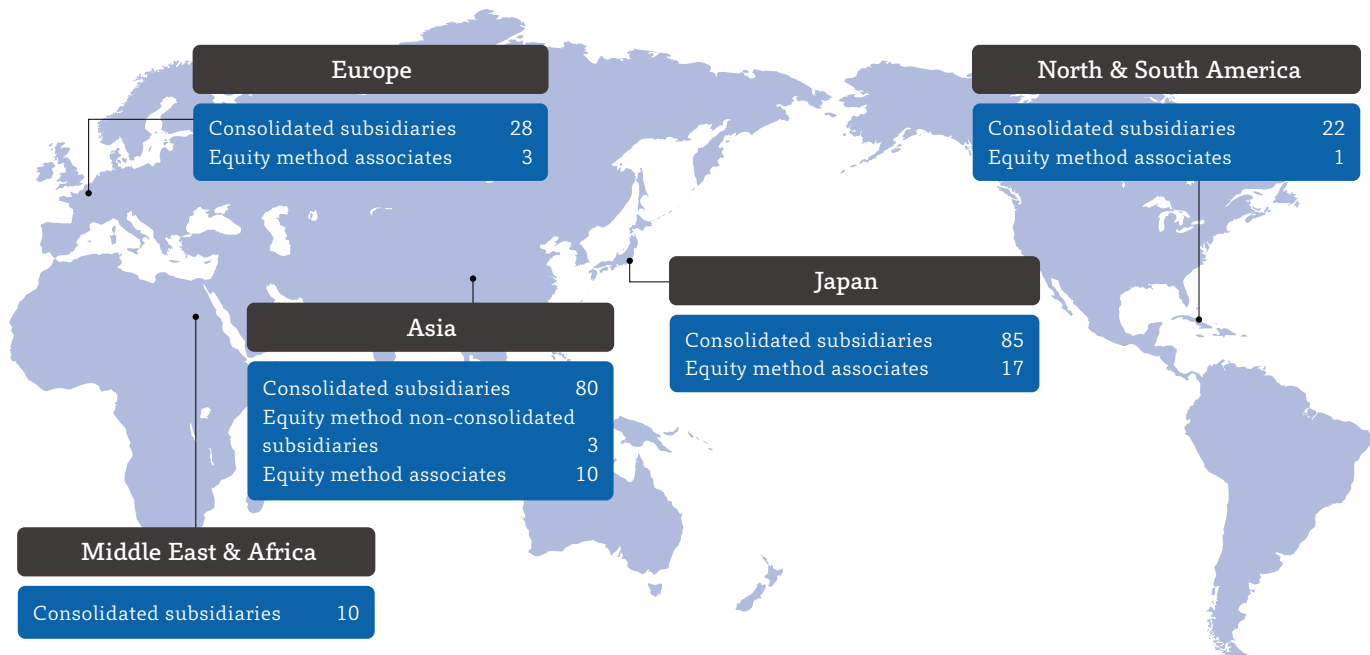
No. of employees
53,712

No. of consolidated subsidiaries
225

**No. of equity method
non-consolidated subsidiaries**
3

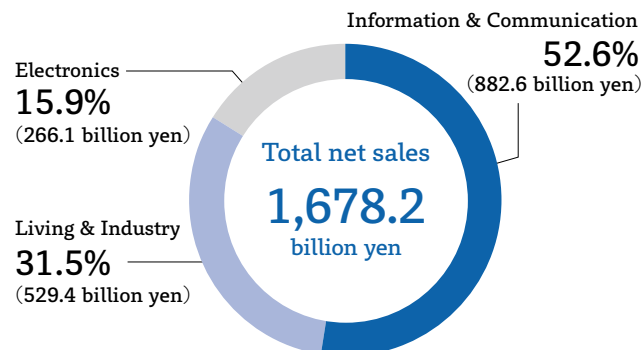
No. of equity method associates
31

No. of Companies by Region



Business Composition

(Breakdown by net sales, Year ended March 2024)



Business by Segment

Information & Communication

Providing solutions to enhance the value of information and deliver it effectively to customers who require smooth communication.

- Digital Business
- Secure Media
- BPO
- Communication Media

Living & Industry

Providing a wide range of products and services globally to create living environments that offer comfort and peace of mind.

- Packaging
- Décor Materials

Electronics

Providing products related to semiconductors and displays developed based on microfabrication and surface treatment technologies.

- Semiconductors
- Displays

Recognition (as of September 2024)

Inclusion in ESG Investing Indexes

Dow Jones Sustainability World Index (DJSI World)

We were named to the 2023 Dow Jones Sustainability World Index (DJSI World). We have been included in DJSI World six times and were the only Japan-based company in the Commercial & Professional Services industry group in the 2023 index. A total of 321 companies were selected overall, including 38 from Japan.

DJSI World is an environmental, social, and governance (ESG) investing index provided by S&P Global. As one of the longest-running and best-known sustainability indexes, it is widely recognized and trusted by experts the world over. The ESG performance of companies is evaluated based on a stringent Corporate Sustainability Assessment (CSA) of more than 13,500 listed entities around the world, with those demonstrating outstanding sustainability practices being selected to the index.



CDP Climate Change A List

CDP Supplier Engagement Leader

We were named to CDP's 2023 Climate Change A List. A total of 346 companies scored an A for Climate Change in the 2023 assessment, including 109 from Japan. We were also recognized as a Supplier Engagement Leader for the third consecutive year in the 2023 Supplier Engagement Rating (SER) conducted by CDP.



MSCI Japan ESG Select Leaders Index

Provided by MSCI Inc. of the U.S., the MSCI Japan ESG Select Leaders Index is an ESG investing index composed of Japanese companies in each industry sector with high ESG ratings. We were named to the index for the first time in 2024.

2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

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

MSCI Japan Empowering Women Index (WIN)

An ESG investment index provided by MSCI Inc. of the U.S. The index is composed of companies recognized for their excellence in gender diversity in the workplace based on various gender-equality metrics, including the percentages of women among new hires and management. We were listed on the index in 2024, as we were in the previous year.

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

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

FTSE4Good Index Series

FTSE Blossom Japan Index

FTSE Blossom Japan Sector Relative Index

The FTSE4Good Index Series is a group of ESG investment indexes developed by FTSE Russell of the U.K. In 2024, we continued to be listed on the FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index.



FTSE Blossom Japan Sector Relative Index

Sompo Sustainability Index

This index was established by Sompo Asset Management Co., Ltd. of Japan as an investment index composed of around 300 companies with records of outstanding performance in ESG metrics. The companies listed on the index make up the long-term investment portfolio managed by Sompo Sustainable Asset Management. As of 2023, we have been listed on the Sompo Sustainability Index for 13 years running.



S&P/JPX Carbon Efficient Index

The S&P Dow Jones and Tokyo Stock Exchange (TSE) jointly recognize Japanese companies with a sound record of environmental disclosure and a high level of carbon efficiency (low carbon emissions per unit of sales).



Morningstar Japan ex-REIT Gender Diversity Tilt Index

An index from Morningstar, Inc. of the U.S., composed of companies highly rated for their commitment to gender diversity in the workplace. The index divides companies in the Japanese market into five groups based on their gender equality scores. We have been ranked in Group 2.

Recognition for ESG

EcoVadis

This is a France-based ratings platform that evaluates corporate efforts for sustainability in the supply chain based on four themes: the environment, labor and human rights, ethics, and sustainable procurement. We have been awarded the Bronze medal, a recognition granted to companies rated in the top 35% of entities assessed in the evaluation.

DX Stock 2024

We have been included in the Digital Transformation Stocks (DX Stocks) 2024 selected by Japan's Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE).

TOPPAN Holdings Inc. was recognized for its outstanding capabilities in executing DX strategy enabled by Groupwide human asset development and its accomplishments in leveraging its DX capabilities to drive business transformation for client companies.



2024 Health & Productivity Management Organization “White 500”

METI has established a Certified Health & Productivity Management Organization Recognition Program in Japan to recognize enterprises of various sizes that exhibit outstanding performance in employee healthcare initiatives from a management perspective. Under this program, companies are assessed for their engagement in initiatives to address healthcare-related issues in communities and to practice the health-promotion measures recommended by the Nippon Kenko Kaigi (Japan Health Conference). TOPPAN Holdings Inc. and TOPPAN Inc. were named as health and productivity management organizations for the eighth consecutive year in 2024.

TOPPAN Edge Inc. was also named a health and productivity management organization in 2024.



Next Nadeshiko: Companies Supporting Dual-career and Co-parenting

Next Nadeshiko: Companies Supporting Dual-career and Co-parenting is a program that recognizes companies with outstanding practices supporting both female and male employees to facilitate dual-careers and co-parenting. We have been selected under the program in recognition of our innovative initiatives enabling employees to balance work and childcare.



Eruboshi Marks

Eruboshi (“L Star” in Japanese; L stands for “lady, labor, and laudable”) is a certification system aligned with the Japanese Act on the Promotion of Female Participation and Career Advancement in the Workplace. Eruboshi marks are issued to companies that meet the specific criteria for excellence in female success in the workplace and other gender equality metrics. The former Toppan Inc. acquired the 2nd grade mark on March 1, 2021, and it continues to be held by TOPPAN Holdings Inc. and TOPPAN Inc.

TOPPAN Edge Inc. holds the 3rd grade mark after acquiring it as Toppan Forms Co., Ltd. on May 24, 2019.



PRIDE Index 2023

The PRIDE Index was developed in 2016 by “work with Pride (wwP),” a Japan-based organization of volunteers who promote LGBTQ-friendly workplaces where everyone can work with pride. wwP evaluates corporate efforts to create LGBTQ-inclusive workplaces with the PRIDE Index. We became a “Gold” winner in 2023, achieving the highest designation for the third consecutive year.



Scope of Data Coverage and List of Indicators Assured by an Independent Assurance Provider

The list below shows the scope of coverage of the sustainability performance data presented in this report (*Sustainability Report 2024 PDF*) and enumerates the sustainability performance indicators that have been assured by KPMG AZSA Sustainability Co., Ltd., an independent assurance provider.

Scope of Performance Data and a List of the Performance Indicators Assured by an Independent Assurance Provider


① TOPPAN Holdings Inc.

② 13 domestic subsidiaries with production facilities under the control of either TOPPAN Inc. or its business divisions

③ 21 other domestic Group companies or domestic subsidiaries with production facilities under the control of these Group companies

④ 39 overseas Group subsidiaries with production facilities^{*6}

74 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		Performance Data	Assurance	Entities	Scope	
P. 21	Social	Companywide Materiality: Targets and Results	Elimination of Gender Disparities	Percentage of eligible male employees taking childcare leave	○	1	*1
P. 48		Diversity & Inclusion	Support Systems for Employees with Children				
P. 29		Human Rights	Labor Rights	Gender Pay Gap	○	1	①
P. 42		Human Assets	Information on Employees	No. of Employees	○	4	*2
P. 48		Diversity & Inclusion	Support Systems for Employees with Children	Percentage of Eligible Employees Taking Childcare Leave	○	1	*1
P. 50		Diversity & Inclusion	Empowering Women	No. of female managerial staff	○	1	*1
P. 56		Employee Health & Safety / Work-Life Balance	Data on Occupational Accidents	Deaths from occupational accidents; Frequency rate; Severity rate	○	59	*3
P. 94	Environment	Environmental Policy	Scope 1 & 2 greenhouse gas (GHG) emissions; Scope 3 GHG emissions	○	225	*4	
P. 95			Renewable-derived Energy: Amount and Ratio	-	74	① - ④	
			Final Landfill Waste Disposal	○	74	① - ④	
			Waste Plastic Material Recycling Rate	-	74	① - ④	
			Quantifying Environmental Impact based on LIME	Environmental Impact and Environmental Efficiency	-	74	① - ④
P. 109		Environmental Management	Environmental Management Systems	Types of Environmental Impact by Business Field	-	74	① - ④
P. 110				Results of Environmental Education	-	14	①, ②
P. 113		Contributing to Decarbonization	Greenhouse Gas Emissions	ISO 14001 environmental management system certification	-	74	① - ④
				Scope 1 & 2 greenhouse gas (GHG) emissions; Scope 3 GHG emissions	○	225	*4
			Scope 1, 2, 3 Greenhouse Gas Emissions	Scope 1, 2, 3 Greenhouse Gas Emissions	○	225	*4
Greenhouse gas emissions			Percentages of Greenhouse Gas Emissions by Type (in tons of CO ₂ equivalent)	○	225	*4	
			Percentages of Greenhouse Gas Emissions by Source (in tons of CO ₂ equivalent)	○	225	*4	
	Calculated Level of Fluorocarbon Leakage		-	74	① - ④		
	Values and results of environmental targets for fiscal 2023		○	74	① - ④		
	Values and evaluation of environmental targets for fiscal 2023		-	74	① - ④		

Page	Category			Performance Data	Assurance	Entities	Scope	
P. 116		Contributing to Decarbonization	Energy Consumption	Energy consumption	○	74	① - ④	
				Consumption of electricity, natural gas, and kerosene	-	74	① - ④	
				Renewable-derived Energy: Amount and Ratio	-	74	① - ④	
				Fuel Efficiency of Outsourced Cargo Vehicles	-	1	Toppan Logistics Co., Ltd.	
P. 117		Biodiversity	Sustainable Raw Material Procurement	ECO-GREEN purchasing	-	14	①, ②	
P. 120			Forest Management Certification	FSC® and PEFC Certification	-	74	① - ④	
P. 121		Building of a Recycling-oriented Society		Discharge and Treatment of Hazardous and Non-hazardous Waste	-	74	① - ④	
P. 123				Results and evaluation of plastic waste discharge based on the Japanese legislation on plastic circulation ⁷	-	18	①, ②+4	
				Fiscal 2023 environmental target and result for final landfill waste disposal	○	74	① - ④	
				Fiscal 2023 environmental target and result for the waste plastic material recycling rate	-	74	① - ④	
				Fiscal 2023 environmental targets and results for the optimal use of water	-	74	① - ④	
				Achievement rates and evaluation for the fiscal 2023 environmental targets and results	-	74	① - ④	
				P. 124	Material Input	○	74	① - ④
Final Landfill Waste Disposal; Waste Recycling					○	74	① - ④	
Waste Plastic Material Recycling Rate					-	74	① - ④	
Water consumption (water withdrawal; effluent discharge)					○	74	① - ④	
P. 126				Control of Chemical Substances	VOC Emissions into the Atmosphere	○	35	① - ③
					Chemical Substances Designated under the PRTR Law of Japan	-	35	① - ③
P. 128				Pollution Control	Excessive level relative to applicable legal standards; Complaint; Case	-	19	① - ③
					No. of Internal Environmental Audits and Issues in Need of Improvement	-	15	① - ③
	Remedying Soil and Groundwater Pollution	-	19		① - ③			
P. 129		Environmental Performance Data	Major Types of Environmental Burden (excluding waste treatment such as material recycling, thermal recovery, and simple incineration)	○	74	① - ④ ⁵		
Major Types of Environmental Burden (associated with waste treatment such as material recycling, thermal recovery, and simple incineration)			-	74	① - ④			
P. 130		Environmental Accounting	Capital Investment for Environmental Conservation	-	74	① - ④		
			Environmental Conservation Benefit	-	74	① - ④		
PP. 131, 132		Environmentally Friendly Products		-	14	①, ②		
P. 133		Green Procurement and Green Purchasing	JFPI Green Procurement Standards for Paper and Level of Fulfillment	-	9 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		

*1 TOPPAN Inc.
 *2 TOPPAN Holdings Inc., TOPPAN Inc., TOPPAN Edge Inc., TOPPAN Digital Inc.
 *3 13 domestic subsidiaries under the control either of TOPPAN Inc. or its business divisions; 46 Group companies in Japan
 *4 All Group entities consolidated for accounting purposes
 *5 CO₂ emissions are calculated for 225 companies.
 PRTR data and the VOC emissions into the atmosphere are calculated for 35 companies.
 *6 Two Group sites in Russia are excluded due to an inability to collect data.
 *7 Results and evaluation of the discharge of plastic industrial waste (including plastics used in products) and the plastic circulation measures based on the Plastic Resource Circulation Act of Japan

Independent Assurance Report

Independent Assurance Report

To the Representative Director President & CEO of TOPPAN Holdings Inc.

We were engaged by TOPPAN Holdings Inc. (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, 2023 to March 31, 2024, except for the number of female managerial staff, which is as of April 1, 2024, included in its Sustainability Report 2024 (the “Report”) for the fiscal year ended March 31, 2024.

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.

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. 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.
- Visiting the Nagoya Plant of TOPPAN COMMUNICATION PRODUCTS CO., LTD. selected on the basis of a risk analysis.
- 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.

Our Independence and Quality Management

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 Management 1, we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

/s/ Kazuhiko Saito
Kazuhiko Saito, Partner, Representative Director
KPMG AZSA Sustainability Co., Ltd.
Tokyo, Japan
December 13, 2024

Notes to the Reader of Independent Assurance Report:
This is a copy of the Independent Assurance Report and the original copies are kept separately by the Company and KPMG AZSA Sustainability Co., Ltd.

Global Reporting Initiative Content Index

Statement of use	TOPPAN Holdings Inc. has reported in accordance with the GRI Standards for the fiscal year 2023 (from April 1, 2023 to March 31, 2024).
Title of GRI 1 used	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021		
2-1	Organizational details	PP. 159-160: TOPPAN Group Outline
2-2	Entities included in the organization's sustainability reporting	P. 3: Editorial Policy
2-3	Reporting period, frequency and contact point	P. 3: Editorial Policy
2-4	Restatements of information	P. 56: Data on Occupational Accidents P. 91: TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030 P. 94: Scope 3 Greenhouse Gas Emissions / Final Landfill Waste Disposal / Waste Plastic Material Recycling Rate P. 113: Scope 3 Greenhouse Gas Emissions (subject to the Group medium-and-long-term environmental targets) P. 121: Discharge and Treatment of Hazardous and Non-hazardous Waste P. 124: Final Landfill Waste Disposal / Waste Recycling / Waste Plastic Material Recycling Rate
2-5	External assurance	PP. 164-165: Scope of Data Coverage and List of Indicators Assured by an Independent Assurance Provider P. 166: Independent Assurance Report
2-6	Activities, value chain and other business relationships	P. 61: Selecting Significant Business Partners P. 63: Designating Significant Business Partners P. 160: Business Outline
2-7	Employees	PP. 42-46: Information on Employees at the TOPPAN Group
2-8	Workers who are not employees	P. 42: Information on Employees at the TOPPAN Group
2-9	Governance structure and composition	PP. 136-140: Corporate Governance
2-10	Nomination and selection of the highest governance body	P. 138: Advisory Committee for the Nomination and Remuneration of Directors
2-11	Chair of the highest governance body	P. 139: Directors and Audit & Supervisory Board Members at TOPPAN Holdings Inc.
2-12	Role of the highest governance body in overseeing the management of impacts	PP. 9-11: Promotion Structure for Sustainability Initiatives P. 137: Promotion Framework

2-13	Delegation of responsibility for managing impacts	PP. 9-11: Promotion Structure for Sustainability Initiatives
2-14	Role of the highest governance body in sustainability reporting	—
2-15	Conflicts of interest	P. 138: Approach to Promotion Framework
2-16	Communication of critical concerns	P. 10: Risk Management P. 138: Internal Audits PP. 141-144: Significant Risks Selected for Routine Management P. 151: Internal Reporting System
2-17	Collective knowledge of the highest governance body	PP. 9-11: Promotion Structure for Sustainability Initiatives
2-18	Evaluation of the performance of the highest governance body	P. 140: Assessing the Effectiveness of the Board of Directors
2-19	Remuneration policies	—
2-20	Process to determine remuneration	P. 138: Advisory Committee for the Nomination and Remuneration of Directors P. 140: Remuneration Paid to Officers
2-21	Annual total compensation ratio	—
2-22	Statement on sustainable development strategy	P. 6: Management Message
2-23	Policy commitments	P. 4: The TOPPAN Group's Purpose & Values P. 25: Basic Approach P. 60: Basic Approach
2-24	Embedding policy commitments	PP. 7-8: Approach to Sustainability PP. 26-28: Human Rights Due Diligence P. 28: Human Rights Training and Harassment Prevention PP. 61-62: Promotion Framework and Mechanisms PP. 63-67: Sustainable Procurement Initiatives P. 144: Alerting Officers and Employees on Risk Management P. 149: Compliance Training P. 150: Training for Compliance with Transaction-related Legislation
2-25	Processes to remediate negative impacts	P. 25: Promotion Framework PP. 26-28: Human Rights Due Diligence PP. 63-67: Sustainable Procurement Initiatives P. 127: Approach to Environmental Compliance P. 151: Internal Reporting System

2-26	Mechanisms for seeking advice and raising concerns	P. 28: Grievance Mechanism P. 63: Advocating the Basic Procurement Policy (Fair transactions by procurement departments) P. 127: Handling Inquiries and Complaints P. 151: Internal Reporting System
2-27	Compliance with laws and regulations	P. 128: Fiscal 2023 Results P. 150: Compliance in Fiscal 2023
2-28	Membership associations	P. 111: Reducing Greenhouse Gas Emissions
2-29	Approach to stakeholder engagement	PP. 79-82: Engagement
2-30	Collective bargaining agreements	P. 28: Human Rights Training and Harassment Prevention / Labor-Management Initiatives for Human Rights P. 54: Labor-Management Partnership at TOPPAN Inc.

GRI 3: Material Topics 2021		
3-1	Process to determine material topics	P. 13: Material Issues to Address
3-2	List of material topics	P. 14: Materiality at the TOPPAN Group
3-3	Management of material topics	P. 15: Initiatives and Accomplishments Related to Materiality PP. 16-18: Business Materiality: Targets and Results PP. 19-22: Companywide Materiality: Targets and Results

GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	P. 160: Business Outline
201-2	Financial implications and other risks and opportunities due to climate change	PP. 99-104: Strategy P. 130: Environmental Accounting
201-3	Defined benefit plan obligations and other retirement plans	—
201-4	Financial assistance received from government	—

GRI 202: Market Presence 2016		
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 2016		
203-1	Infrastructure investments and services supported	PP. 16-18: Business Materiality: Targets and Results P. 69: New Business Creation Themes
203-2	Significant indirect economic impacts	—

GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	—

GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	P. 150: Anti-Corruption Initiatives
205-2	Communication and training about anti-corruption policies and procedures	P. 149: Compliance Training P. 150: Anti-Corruption Initiatives
205-3	Confirmed incidents of corruption and actions taken	—

GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anticompetitive behavior, anti-trust, and monopoly practices	—

GRI 207: Tax 2019		
207-1	Approach to tax	P. 158: Tax Governance
207-2	Tax governance, control, and risk management	P. 158: Tax Governance
207-3	Stakeholder engagement and management of concerns related to tax	—
207-4	Country-by-country reporting	—

GRI 301: Materials 2016		
301-1	Materials used by weight or volume	P. 124: Material Input P. 129: Environmental Performance Data
301-2	Recycled input materials used	—
301-3	Reclaimed products and their packaging materials	—

GRI 302: Energy 2016		
302-1	Energy consumption within the organization	P. 94: Renewable-derived Energy: Amount and Ratio PP. 113-114: Scope 1, 2, 3 Greenhouse Gas Emissions P. 116: Energy Consumption P. 129: Environmental Performance Data
302-2	Energy consumption outside of the organization	PP. 113-114: Scope 1, 2, 3 Greenhouse Gas Emissions
302-3	Energy intensity	PP. 113-114: Scope 1, 2, 3 Greenhouse Gas Emissions
302-4	Reduction of energy consumption	P. 116: Energy Consumption

302-5	Reductions in energy requirements of products and services	PP. 131-132: Environmentally Friendly Products
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	PP. 99-104: Strategy PP. 127-128: Pollution Control
303-2	Management of water discharge-related impacts	P. 102: D. Analysis of Dependencies and Impacts on Natural Capital and Biodiversity P. 106: B. Nature-related Metrics and Targets P. 122: Waste Management Programs PP. 127-128: Pollution Control
303-3	Water withdrawal	P. 106: B. Nature-related Metrics and Targets P. 124: Water Withdrawal P. 129: Environmental Performance Data
303-4	Water discharge	P. 106: B. Nature-related Metrics and Targets P. 124: Effluent Discharge P. 129: Environmental Performance Data
303-5	Water consumption	—
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	P. 20: Topic: Preserving Biodiversity P. 118: Consideration of Land-use
304-2	Significant impacts of activities, products, and services on biodiversity	P. 63: Conserving Biodiversity P. 99: A. The TOPPAN Group's Environmental Value Chain PP. 102-104: D. Analysis of Dependencies and Impacts on Natural Capital and Biodiversity PP. 117-119: Biodiversity
304-3	Habitats protected or restored	P. 20: Topic: Preserving Biodiversity P. 118: Consideration of Land-use
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	P. 20: Topic: Preserving Biodiversity
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	P. 19: Environmentally Friendly & Sustainable Production (Contributing to Decarbonization) P. 94: Scope 1 & 2 Greenhouse Gas Emissions P. 105: A. Climate Change Metrics and Targets P. 113: Data on Greenhouse Gas Emissions P. 115: Percentages of Greenhouse Gas Emissions by Type (in tons of CO ₂ equivalent) / Values, Results, and Evaluation of Environmental Targets for Fiscal 2023 P. 129: Environmental Performance Data

305-2	Energy indirect (Scope 2) GHG emissions	P. 19: Environmentally Friendly & Sustainable Production (Contributing to Decarbonization) P. 94: Scope 1 & 2 Greenhouse Gas Emissions P. 105: A. Climate Change Metrics and Targets P. 113: Data on Greenhouse Gas Emissions P. 115: Percentages of Greenhouse Gas Emissions by Type (in tons of CO ₂ equivalent) / Values, Results, and Evaluation of Environmental Targets for Fiscal 2023 P. 129: Environmental Performance Data
305-3	Other indirect (Scope 3) GHG emissions	P. 19: Environmentally Friendly & Sustainable Production (Contributing to Decarbonization) P. 94: Scope 3 Greenhouse Gas Emissions P. 105: A. Climate Change Metrics and Targets P. 113: Data on Greenhouse Gas Emissions P. 115: Values, Results, and Evaluation of Environmental Targets for Fiscal 2023
305-4	GHG emissions intensity	PP. 113-114: Data on Greenhouse Gas Emissions
305-5	Reduction of GHG emissions	P. 19: Environmentally Friendly & Sustainable Production (Contributing to Decarbonization) P. 20: Topic: Contributing to Decarbonization P. 94: Scope 1 & 2 Greenhouse Gas Emissions / Scope 3 Greenhouse Gas Emissions P. 105: A. Climate Change Metrics and Targets P. 112: Topic: Achieving the Fiscal 2030 Goals P. 113: Data on Greenhouse Gas Emissions P. 115: Values, Results, and Evaluation of Environmental Targets for Fiscal 2023
305-6	Emissions of ozone-depleting substances (ODS)	P. 115: Percentages of Greenhouse Gas Emissions by Type (in tons of CO ₂ equivalent)
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	P. 115: Percentages of Greenhouse Gas Emissions by Type (in tons of CO ₂ equivalent) P. 129: Environmental Performance Data
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	PP. 121-124: Building of a Recycling-oriented Society

306-2	Management of significant waste-related impacts	P. 19: Environmentally Friendly & Sustainable Production (Contributing to Resource Circulation) P. 91: TOPPAN Group Medium-and-Long-Term Environmental Targets for Fiscal 2030 P. 93: Single-year Environmental Targets PP. 107-110: Environmental Management PP. 121-123: Building of a Recycling-oriented Society
306-3	Waste generated	P. 121: Discharge and Treatment of Hazardous and Non-hazardous Waste
306-4	Waste diverted from disposal	P. 19: Environmentally Friendly & Sustainable Production (Contributing to Resource Circulation) P. 94: Waste Plastic Material Recycling Rate P. 121: Discharge and Treatment of Hazardous and Non-hazardous Waste P. 124: Waste Recycling
306-5	Waste directed to disposal	P. 19: Environmentally Friendly & Sustainable Production (Contributing to Resource Circulation) P. 94: Final Landfill Waste Disposal P. 121: Discharge and Treatment of Hazardous and Non-hazardous Waste P. 124: Final Landfill Waste Disposal
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	PP. 63-67: Main Activities and Results
308-2	Negative environmental impacts in the supply chain and actions taken	PP. 63-67: Main Activities and Results

GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	P. 42, PP. 45-46: Information on Employees at the TOPPAN Group
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	—
401-3	Parental leave	P. 21: Employee Health & Job Satisfaction (Promotion of Diversity & Inclusion) P. 48: Supporting Employees with Children
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	—
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	P. 28: Securing Occupational Safety and Health P. 54: Promotion Framework
403-2	Hazard identification, risk assessment, and incident investigation	PP. 26-27: Human Rights Due Diligence P. 56: Data on Occupational Accidents

403-3	Occupational health services	P. 57: Measures for Mental Healthcare
403-4	Worker participation, consultation, and communication on occupational health and safety	PP. 54-57: Employee Health & Safety / Work-Life Balance
403-5	Worker training on occupational health and safety	P. 28: Securing Occupational Safety and Health PP. 55-56: Occupational Safety and Health P. 57: Measures for Mental Healthcare
403-6	Promotion of worker health	P. 22: Employee Health & Job Satisfaction (Employee Well-being) P. 54: Health Management P. 57: Measures for Mental Healthcare
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	PP. 60-65: Supply Chain Management
403-8	Workers covered by an occupational health and safety management system	P. 28: Securing Occupational Safety and Health PP. 55-56: Occupational Safety and Health
403-9	Work-related injuries	P. 56: Data on Occupational Accidents
403-10	Work-related ill health	P. 22: Employee Health & Job Satisfaction (Employee Well-being) P. 57: Measures for Mental Healthcare
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	P. 41: Human Asset Development Initiatives
404-2	Programs for upgrading employee skills and transition assistance programs	PP. 31-41: Human Assets
404-3	Percentage of employees receiving regular performance and career development reviews	P. 32: Supporting Employee Career Development
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	PP. 42-46: Information on Employees at the TOPPAN Group P. 139: Directors and Audit & Supervisory Board Members at TOPPAN Holdings Inc.
405-2	Ratio of basic salary and remuneration of women to men	P. 29: Paying Appropriate Wages
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	P. 27: Follow-up Assessments
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	—
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	—

GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	—
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	—
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	—
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	PP. 84-87: Social Contribution Activities
413-2	Operations with significant actual and potential negative impacts on local communities	—
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	PP. 63-67: Main Activities and Results
414-2	Negative social impacts in the supply chain and actions taken	PP. 63-67: Main Activities and Results
GRI 415: Public Policy 2016		
415-1	Political contributions	P. 150: Anti-Corruption Initiatives
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	PP. 52-53: Universal Design PP. 74-77: Total Quality Assurance
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	N/A
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	PP. 52-53: Universal Design P. 134: CFP and Carbon Offsetting Initiatives
417-2	Incidents of non-compliance concerning product and service information and labeling	N/A
417-3	Incidents of non-compliance concerning marketing communications	N/A
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A

Sustainability Accounting Standards Board Content Index

TOPPAN Holdings Inc. discloses the information in this index in accordance with the “Professional & Commercial Services” standard issued by the Sustainability Accounting Standards Board (SASB) in October 2018.

Sustainability Disclosure Topics & Metrics

Topic	Metric	Code	References
Data Security	Description of approach to identifying and addressing data security risks	SV-PS-230a.1	PP. 152-157: Information Security
	Description of policies and practices relating to collection, usage, and retention of customer information	SV-PS-230a.2	P. 153: Complying with Laws and Regulations P. 154: Protecting Personal and Confidential Information
	(1) Number of data breaches (2) Percentage involving customers' confidential business information (CBI) or personally identifiable information (PII) (3) Number of customers affected	SV-PS-230a.3	—
Workforce Diversity & Engagement	Percentage of gender and racial/ethnic group representation for: (1) Executive management (2) All other employees	SV-PS-330a.1	PP. 42-46: Information on Employees at the TOPPAN Group P. 139: Directors and Audit & Supervisory Board Members at TOPPAN Holdings Inc.
	Turnover rate for employees (1) Voluntary (2) Involuntary	SV-PS-330a.2	P. 42, PP. 45-46: Information on Employees at the TOPPAN Group
	Employee engagement as a percentage	SV-PS-330a.3	P. 80: Surveying Employee Engagement
Professional Integrity	Description of approach to ensuring professional integrity	SV-PS-510a.1	P. 26: Human Rights Due Diligence P. 63: Sustainable Procurement Initiatives PP. 74-77: Total Quality Assurance P. 78: AI Ethics PP. 141-144: Risk Management PP. 148-151: Strict Compliance PP. 152-157: Information Security
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS-510a.2	—
Activity Metrics		Code	References
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract		SV-PS-000.A	PP. 42-46: Information on Employees at the TOPPAN Group
Employee hours worked, percentage billable		SV-PS-000.B	P. 58: Monthly Overtime Working (regular employees, TOPPAN Inc.)

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