

Strict Compliance

Basic Approach

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.

🌐 Conduct Guidelines >

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

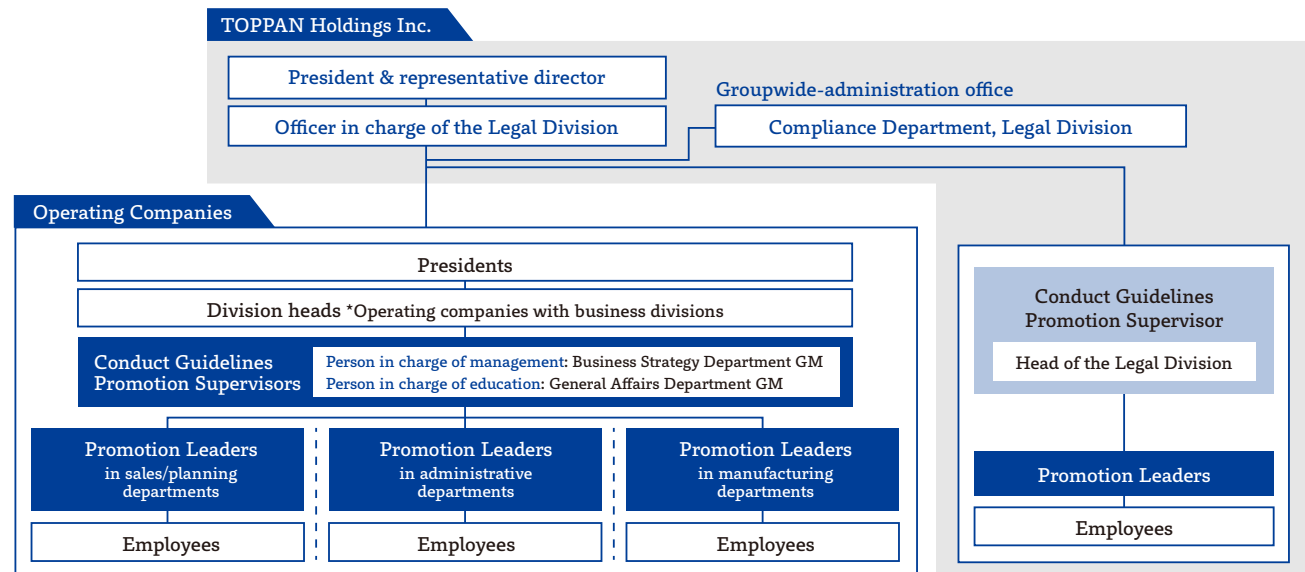
Promotion Framework

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, under the supervision of the officer in charge of the Conduct Guidelines (officer in charge of the Legal Division), the Conduct Guidelines Promotion Leaders allocated to each workplace act as torchbearers to promote and instill these activities at their respective locations. The Leaders appointed at workplaces arrange training programs at their sites and report locally arising questions and consultations to the officer in charge of Conduct Guidelines Promotion via administration offices.

Conduct Guideline Promotion Framework



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

Conduct Guidelines Promotion Leaders are reappointed every year, and in fiscal 2024, a total of 894 leaders were appointed throughout the Group. Since the introduction of the program in fiscal 2004, the total number of leaders has reached 14,370.

	No. of Newly Deployed Leaders	Cumulative Total No. of Leaders
Fiscal 2020	712	11,132
Fiscal 2021	713	11,845
Fiscal 2022	717	12,562
Fiscal 2023	914	13,476
Fiscal 2024	894	14,370

Activities

Compliance Training

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. Thirty-seven online sessions for 1,294 Leaders were held at Group sites across Japan in fiscal 2024.

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

Specific cases regarding respect for others’ intellectual property rights such as patent rights, trademark rights, and copyrights are presented as the fundamental stance 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 2024

TOPPAN has not been involved in any serious incidents or violations of laws or regulations in the course of business in fiscal 2024.

Anti-Corruption Initiatives

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 based on a resolution of the Board of Directors 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 2024.

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. Thirty-nine employees attended five sessions in Japan in fiscal 2024.

Overseas subsidiaries have also been included in the scope of the anti-bribery rules to combat bribery around the world.

 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 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Lobbying activities	0	0	0	0	0
Expenditures for political activities and payments to political groups	7.7	7.6	7.8	0.7	7.5
Expenditures to industry groups and others	21.5	21.9	22.0	30.1	34.5
Other (expenditures related to proposed voting legislation and national referendums)	0	0	0	0	0
Total	29.2	29.5	29.9	30.9	41.9

*Political contributions and other expenditures throughout the Group

Training for Compliance with Transaction-related Legislation

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.

In fiscal 2024, a total of 15,260 employees from ordering and sales departments, including those at Group companies, were provided training on proper transactions, including compliance with the Subcontract Law, and audits were conducted for 88 departments. In response to recent government policies on passing on costs smoothly to prices due to soaring raw material and energy prices and labor costs, postcards and emails indicating willingness to negotiate prices were also sent to partner companies and guidance was provided thoroughly to ordering departments, working to ensure the increased costs were passed on appropriately. Education regarding export controls under the Foreign Exchange and Foreign Trade Act was provided via e-learning and online for 10,521 employees, and audits were conducted for 35 departments. The audits confirmed conformance with these laws across the Group.

In fiscal 2024, 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.

In response to the new Freelance Act that came into effect on November 1, 2024, the content of the act was also communicated and training was conducted for each related Group company during fiscal 2024.

Internal Reporting System

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.), with the president & representative director serving as the manager responsible for overseeing the system. Investigations related to reported matters are also mainly handled by the Compliance Committee, whose members are appointed by the president & representative director, and the findings and countermeasures are reported to the president & representative director. From the perspective of protecting whistleblowers, the regulations clearly stipulate that anyone who becomes aware of the whistleblower's identity or details of the report is obligated to maintain confidentiality, and that disciplinary action will be taken in the event of a breach of this obligation.

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

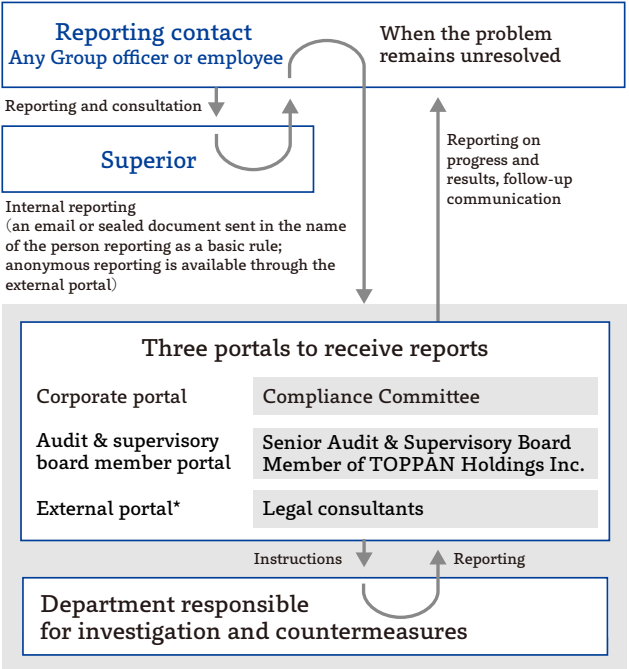
later, in June.

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 15 cases in fiscal 2024. No serious legal violations or cases of misconduct were reported. Seven of the 15 helpline reports were on harassment. In most of the remaining eight 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



(September 30, 2025)

*The Compliance Committee investigates issues reported to the external portal and conducts surveys, measures, etc. to handle them.