

Governance

Promotion Structure for Sustainability Initiatives

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. With six directors and Management Committee officers present, 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.

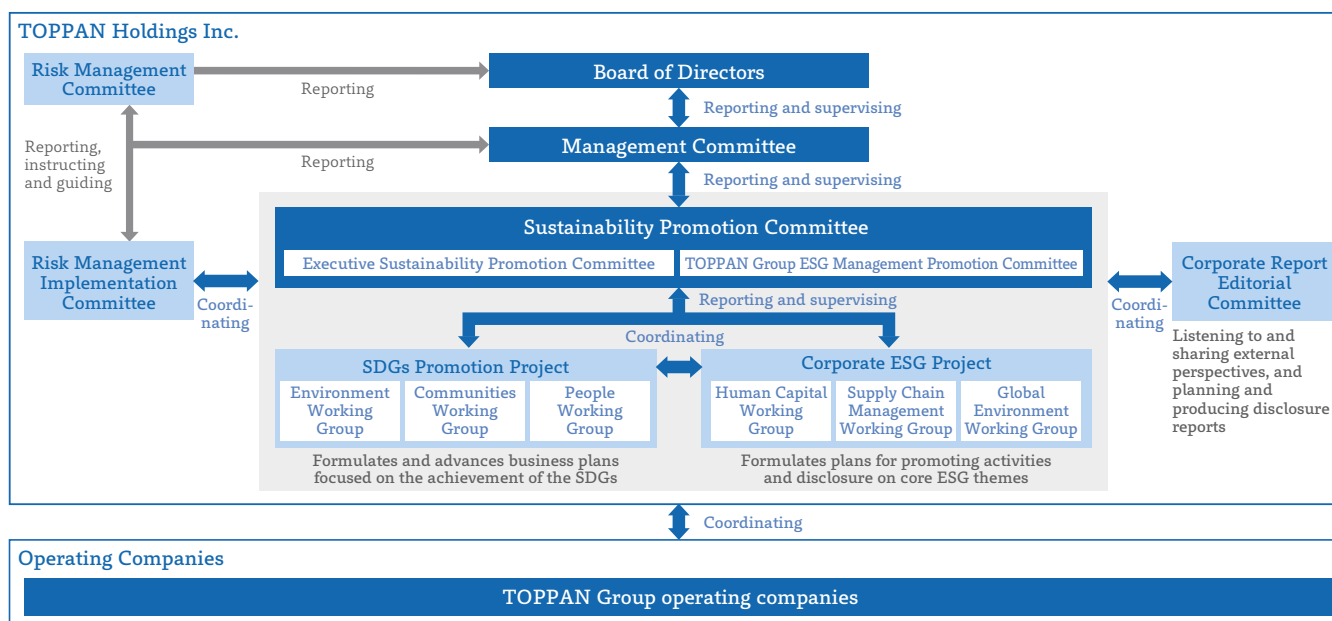
The SDGs Promotion Project primarily focuses on advancing sustainability initiatives in our business activities. It drives and monitors the progress of efforts for the themes of “Environment,” “Communities,” and “People,” the three areas of focus set out under Business Materiality in TOPPAN Business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

Promotion Structure for Sustainability Initiatives



5) Corporate Report Editorial Committee

To communicate the TOPPAN Group's approach and initiatives for value creation and sustainability to stakeholders, we have established the Corporate Report Editorial Committee. The committee plans and edits content for reports (securities reports, *Integrated Report*, *Sustainability Report*, etc.), facilitates dialogue with stakeholders based on disclosures, and shares feedback internally to drive a cycle of sustainability promotion and disclosure.

Sustainability Promotion Committee

We convened the Sustainability Promotion Committee five times, the TOPPAN Group ESG Management Promotion Committee four times, and the Executive Sustainability Promotion Committee once in fiscal 2024.

Sustainability Promotion Committee / TOPPAN Group ESG Management Promotion Committee Selected Meeting Agenda (Excerpt)

- Reports on fiscal 2023 working group activities
- Plans for fiscal 2024 working group activities and progress reports
- Disclosures in line with TCFD and TNFD recommendations and our human capital policy
- Workshops led by outside experts (Themes: TNFD, GX, human capital management, sustainability management, etc.)

The main activities and challenges to address 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 our Human Rights Policy and continued to conduct training for employees at Group companies inside and outside Japan.
- Analyzed the Group's human rights risks based on due diligence conducted in fiscal 2022 and 2023.
- Provided guidance on correction and mitigation to 23 companies identified over the past two years' surveys as possibly having negative human rights impacts.

Challenges to address going forward:

- Human rights risk mitigation and remediation and provision of related information based on assessment results.
- Expanding opportunities for dialogue with individual companies through onsite assessments.
- Continuous dialogue with external organizations and use of external assessments.
- Response to new human rights issues and disclosure frameworks.

 [Human Rights \(see page 32\) >](#)

2) Supply Chain Management Working Group

Main activities:


- Ensured business partners are fully aware of the TOPPAN Group Sustainable Procurement Guidelines by driving a PDCA cycle of planning and selecting partners, requesting questionnaire responses and written declarations of agreement, checking risks, giving feedback, and rectifying issues.
- After providing explanations to procurement staff, 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 12 business partners whose activities required confirmation.

Challenges to address going forward:

- Continuing, expanding, and enhancing the PDCA cycle for driving agreement with and full awareness of our Sustainable Procurement Guidelines.
- Obtain written consent to our Sustainable Procurement Guidelines from 100% of key business partners by the end of fiscal 2025 (fiscal 2024 result: 82.1%).

 [Supply Chain Management \(see page 74\) >](#)

3) Global Environment Working Group

Main activities:

- Reviewed TCFD transition risks (impact of carbon tax).
- Identified risks and opportunities under TNFD, evaluated financial impact, and considered countermeasures.
- Partially integrated TCFD/TNFD disclosures.

Challenges to address going forward:

- Review global risk scenarios under TCFD.
- Strengthen TNFD disclosure and complete TNFD early adopter disclosures.

 [Disclosure in Accordance with the TCFD and TNFD Recommendations \(see page 104\) >](#)

SDGs Promotion Project

The SDGs Promotion Project monitors progress of TOPPAN Business Action for SDGs, publishes results for each fiscal year, and assesses the feasibility of target achievement aligned to the Medium Term Plan and consistency between

activities and indicators. While keeping an eye on general sustainability-related trends and the progress of our DX and SX businesses, the team also considers 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.