

Strategy

Approach to Providing Solutions to Social Issues through Business

Based on the Group philosophy of TOPPAN's Purpose & Values and the key concept of "Digital & Sustainable Transformation," the Group aims to help shape a sustainable society and enhance corporate value as a leader in providing solutions to social issues worldwide through DX and 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 foundation, and expanding ESG initiatives.

Under the Medium Term Plan that takes fiscal 2023 as its first year, we are advancing 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.

From the perspective of expanding ESG initiatives with a long-term outlook through to 2030, we have incorporated the three themes of Business Materiality—"Environment," "Communities" and "People"—as well as their focus areas, defined in TOPPAN Business Action for SDGs, and the Companywide Materiality themes of "environmentally friendly & sustainable production" and "employee health & job satisfaction" into our Medium Term Plan. In tandem with the business portfolio transformation of the Medium Term Plan, we will further promote these efforts and contribute to achieving fulfilling, sustainable living.

Materiality

Selecting the Material Issues

To further accelerate our efforts to address social issues, 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.

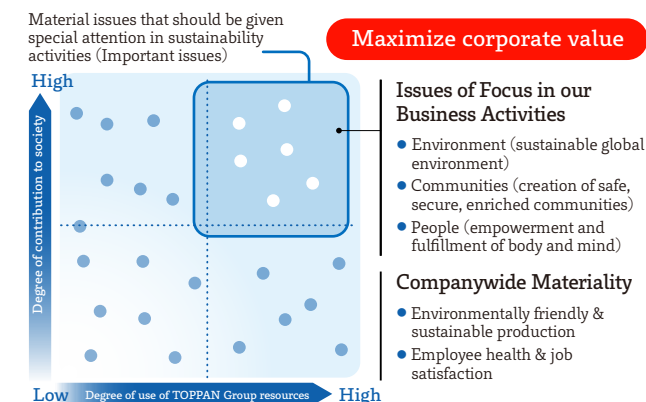
Selection Process

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

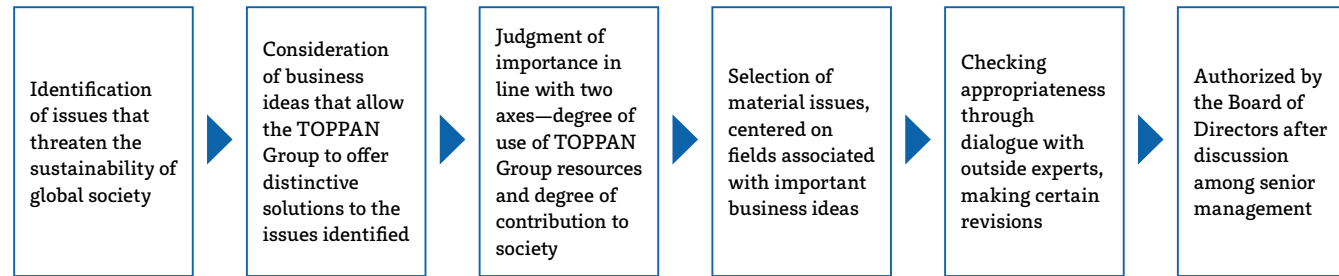
finalized them with authorization from the Board of Directors.

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



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

- 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.

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.

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, and accelerated specific efforts.

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

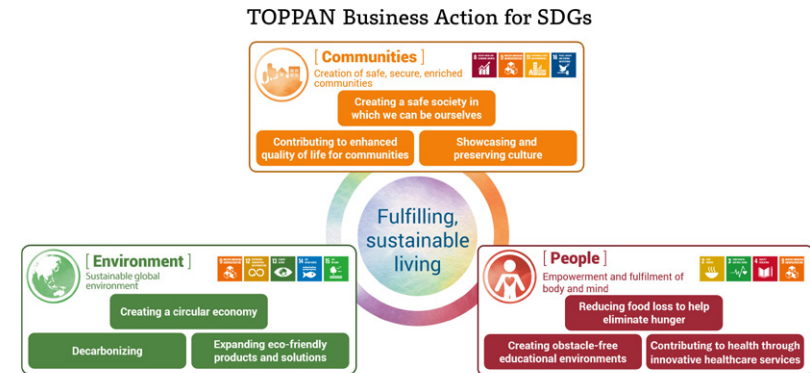
Many social challenges will impact communities in the future, including those arising from security needs as a result of digitalization as well as population decline and increasing urbanization in Japan. With advanced digital and security technology as well as advances in VR and other media development, 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 selection of material issues under Business Materiality, 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



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



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)



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



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*



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

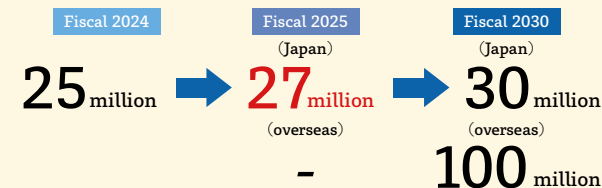
↑ Number of local authorities providing residents services optimized for the community*



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)



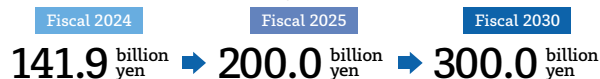
Create a society in which anyone can learn anywhere and anytime by providing a global platform combining educational software and translation technologies.

Expanding eco-friendly products and solutions

Percentage of packaging sales accounted for by sustainable packaging



SX priority theme sales



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*



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*



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 of “Services Contributing to Greenhouse Gas Reduction”

Acquisition of J Blue Credit® Certification for Mozuku

Blue carbon credits, which allow carbon absorbed by photosynthetic organisms such as seaweed, seagrass and mangrove forests to be credited and traded against CO₂ emissions, are gaining attention as a measure to combat climate change.

Okinawa Prefecture, which accounts for over 90% of production of mozuku seaweed in Japan, has been facing challenges such as shortages related to labor and succession, unstable production due to climate change, and massive drifts of pumice into aquaculture sites following the seafloor volcanic eruption in the Ogasawara Islands in 2021.

To resolve these issues, TOPPAN Digital, Uruma City in Okinawa and the Katsuren Fisheries Cooperative jointly launched the “Future Fisheries Project for Mozuku with Natural Mozuku Seeding and Seagrass Conservation in Uruma City, Japan’s Top Production Area,” and as part of this project, they obtained the first domestic certification for mozuku’s “J Blue Credit®*1.” In addition to aiming for efficiency and stability in mozuku production operations via the fisheries DX solution “InnoReef™*2,” TOPPAN Digital supported the acquisition of certification by calculating the blue carbon volume through ICT-based collaboration at the next-generation DX development site “ICT KÔBÔ™ URUMA” and other locations.

By being on the end creating the credits this time, they received certification for 21.7 tons and are selling them through JBE*3.

The related sales target for 2030 is set at 3 billion yen, and efforts will continue for maintaining and expanding mozuku production volume, supporting seaweed bed conservation, driving regional carbon cycles, and implementing climate change measures. These achievements are also planned to be gradually applied to nori seaweed, wakame, kelp, and other products.



Seagrass bed area analyzed by image analysis at ICT KÔBÔ™

*1 Japan Blue Economy Technology Research Association (JBE) independently certifies, issues and manages credits following screenings and feedback from an independent third-party committee. Based on an objective methodology, it scientifically and rationally calculates the amount of CO₂ to be captured long-term (over 100 years) in coastal and marine areas, in line with general international standards, and certifies and issues these credits.

*2 TOPPAN Digital’s fisheries DX solution comprising a weight management app and quality assessment AI app https://www.holdings.toppan.com/ja/news/2024/02/newsrelease240226_1.html (in Japanese)

*3 JBE website <https://www.blueeconomy.jp/en/>

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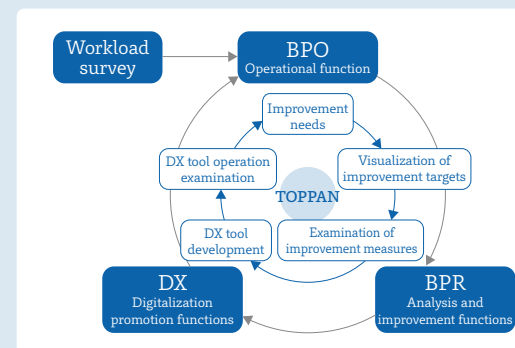
Contributing to Enhanced Quality of Life for Communities

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

Cross-functional Service Model that Comprehensively Supports the Operations of Local Authorities

In recent years, severe labor shortages are causing concern for future administrative management at local governments, creating the pressing need for fundamental improvements to operations, including DX implementation. To address these issues, TOPPAN utilizes its unique “Cross-Functional Service Model” to provide a system that supports municipal operations in a comprehensive manner. This model has already demonstrated excellent operational results in Sapporo City, Setagaya Ward, Fukuoka City, Kitakyushu City, Kumamoto City, and other municipalities.

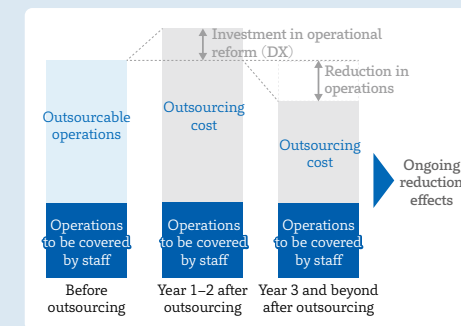
The model enables the flexible handling of multiple operations for which standalone outsourcing has limited efficacy and also allows for adjustment of work between peak and off-peak times, achieving results beyond single tasks or outsourcing within individual divisions. Unlike simple outsourcing, this approach cultivates an ongoing operational understanding through business process outsourcing (BPO), visualizes and examines measures with business process reengineering (BPR), and cycles these findings back into BPO operations, making it a major feature.



In Setagaya Ward, for example, responding to the diversifying needs of residents is causing an increase in work volume, and securing personnel into the future is presenting a challenge. By consolidating and outsourcing various cross-functional departmental operations, the ward aimed to achieve overall scale-related cost benefits while maintaining and improving services for residents, as well as operational improvement and efficiency. Before outsourcing, “As-Is” surveys of the status quo and “To-Be” effect estimations of expected outcomes were conducted to deepen operational understanding, followed by careful discussions with staff, resulting in emerging labor reduction effects for various operations.

TOPPAN’s Cross-Functional Service Model can be introduced by municipalities nationwide as one solution for bringing about transformation in public services. We believe the results generated by this system will lead to the maintenance and improvement of services for residents.

Illustration of Work Reduction Effect



TOPIC Creating a Safe Society in Which We Can Be Ourselves

Example of “Services Enriching People’s Lives”

| Card-type Security Module for Web3 Wallets That Anyone Can Use

Many Web3 wallets*¹ currently used for transactions and management of crypto assets like stablecoins, NFTs and digital certificates require users to write down and store recovery phrases*² offline, comprising a list of 12 or more words to restore a secret key, resulting in many people being inconvenienced and feeling concerned for security.

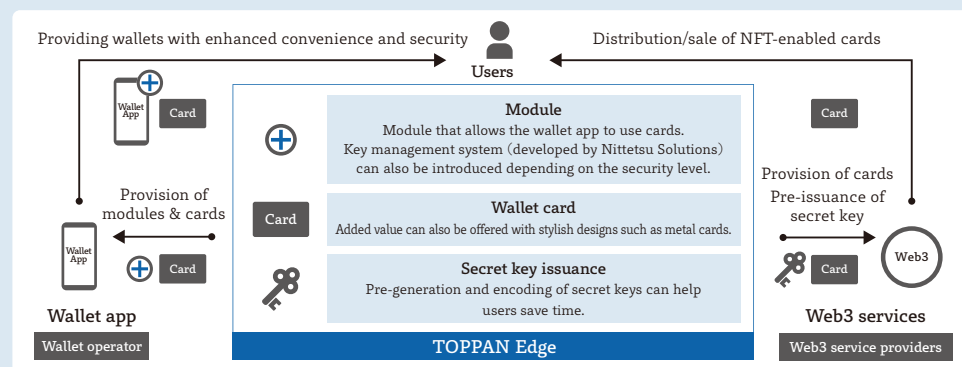
Drawing on its expertise and technology from years of card production and issuance, as well as experience in handling personal information, TOPPAN Edge has developed a card-type security module for Web3 wallets. Since part of the encrypted secret key is stored on the card, users do not need to keep it separately, thereby resolving the hassles of Web3 wallet creation and making wallets easy to use, even for beginners in crypto assets. Additionally, a card format familiar to consumers as a payment medium is used, and can be integrated into existing Web3 wallets.

With this, the TOPPAN Group believes that advanced security system technology should improve convenience for using crypto assets, eliminate constraints in investment and payment methods, broaden individual choices, and contribute to creating a safe society in which we can be ourselves.

Going forward, we aim to expand business in the field of digital trust with crypto asset issuers, and financial, payment, communications, retail, and distribution companies, targeting around 1.5 billion yen in sales including related orders by 2028.

*1 Web3 wallet: Application that allows cryptocurrency users to store and access digital assets

*2 Recovery phrase: A string required to regain access to a wallet if access has been lost. Comprises 12 or more words and is generated when the wallet is created



TOPIC Contributing to Health through Innovative Healthcare Services

Example of “Services that Contribute to Health”

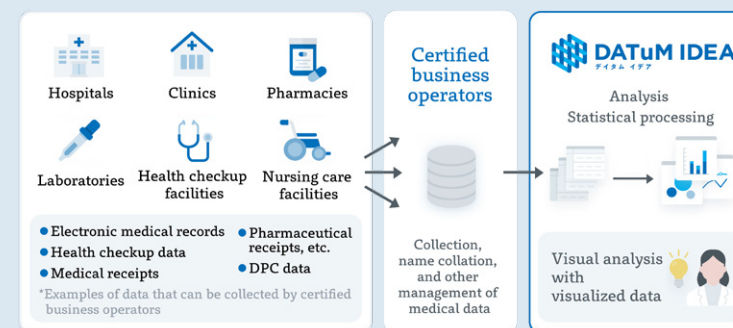
| Medical Data Analysis and Provision Service DATuM IDEA™: Maximizing the Use of Medical Big Data

In recent years, medical big data has been drawing attention for research and development leading to next-generation medical advancements, such as new drugs and cutting-edge medical treatments. In Japan, however, the effective use of test results—such as images and numerical data—for each person's medical information has not advanced at a sufficient pace.

Against this backdrop, TOPPAN Holdings developed the medical data analysis and provision service “DATuM IDEA™” in April 2022, and began offering it to pharmaceutical companies as well as academia and healthcare institutions. By analyzing data of anonymized electronic medical records, it is now possible to assess real-world situations without intervening in patient treatment, helping to speed up drug development and identify medical needs.

Furthermore, by 2025, in addition to existing information such as diseases, drugs, and tests, the ability to view surgical and procedural histories in chronological order was also added, enabling a more detailed analysis of the effects on treatment progress and outcomes. This enables analyses that reflect actual treatment practices in today's increasingly personalized healthcare. Also, with the addition of medical receipt data—which contains cost tables of medical fee points for each treatment—to the data of electronic medical records, it is now possible not only to use test information for outcome analyses, but also to analyze the cost-effectiveness of treatments. In this way, the value of medical technologies such as pharmaceuticals and medical devices can be evaluated in a systematic manner, making it possible to provide care and treatment tailored to each patient through more evidence-based practices.

Going forward, we aim to support longer healthy lifespans and efficient drug development through the provision of DATuM IDEA™, thereby helping to achieve a sustainable society.



Companywide Materiality: Targets and Results

● Environmentally Friendly & Sustainable Production

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 2023 Results	Fiscal 2024 Results	Fiscal 2030 Targets
Scope 1 and 2 GHG emission reduction (compared to the fiscal 2017 level)	Reduced by 32.7% (Renewable energy ratio of 2.5%)	Reduced by 28.7% (Renewable energy ratio of 3.5%)	Reduce by 54.6% (Renewable energy ratio of 25%)
Scope 3 GHG emission reduction (compared to the fiscal 2017 level)	Reduced by 17.3%	Reduced by 11.2%	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 2023 Results	Fiscal 2024 Results	Fiscal 2030 Targets
100% legality of raw materials procured for paper production	100%* ¹	79.7% (by weight)* ² 50% (by number of companies)* ²	100% in fiscal 2025* ²
Contribution to conservation of areas inside and outside the company in which humans coexist with nature* ³	4%	4%	10%

*¹ TOPPAN Inc.

*² Entire TOPPAN Group

*³ 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 2023 Results	Fiscal 2024 Results	Fiscal 2030 Targets
Final landfill waste disposal (compared to the fiscal 2017 level)	Reduced by 43.4%	Reduced by 50.0%	Reduce by 60%
Waste plastic material recycling rate (compared to the fiscal 2017 level)	Decreased by 6%pt.	Decreased by 1%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 2023 Results	Fiscal 2024 Results	Fiscal 2030 Targets
Number of sites with high water risk* ¹ at which water withdrawal reduction targets are achieved	0% (0 sites)* ²	0% (0 sites)	50% or more (4 sites)
Cases of action taken by authorities due to exceeding regulatory threshold values	0	1	0

*¹ Sites with water stress in excess of 40%

*² Risk assessment method currently under review

TOPIC Contributing to Decarbonization

Example of “Scope 1 & 2 GHG Emission Reduction”

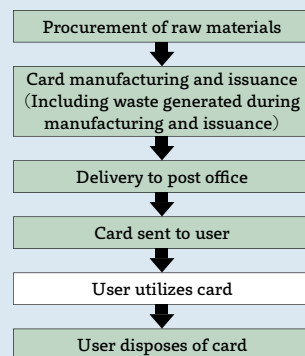
| Carbon Neutrality in Credit Card Manufacture and Issuance

The TOPPAN Group is working toward achieving a decarbonized society and is promoting initiatives to achieve the goals set forth in the TOPPAN Group Environmental Vision 2050.* As part of these efforts, TOPPAN Edge conducted a certification audit in accordance with the ISO 14068-1:2023 international standard, which provides principles, requirements and guidance for achieving and demonstrating carbon neutrality. As a result, it became the first in the world to obtain certification in the field of credit card manufacturing and issuance.

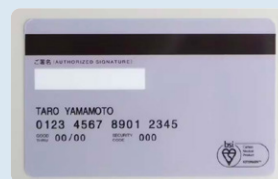
Specifically, the manufacturing and issuance operations of dual-interface credit cards at the Ranzan Plant and Asaka Securities Plant were specified as the targets for calculation. In addition to achieving carbon neutrality, the BSI Kitemark can now be shown on the credit card surface as proof of certification. As a result of estimating emissions from not only sourcing raw materials to card disposal, but also delivery to users, the greenhouse gas emissions for fiscal 2024 were calculated to be approximately 4,000 tons CO₂ equivalent. To offset these emissions, carbon credits are selected and purchased after considering governance, transparency and contribution to sustainable development goals (SDGs), thereby achieving an offset.

Through this initiative, we aim to reduce emissions in the stages of raw material procurement, production, distribution and disposal by 10% compared to fiscal 2022 by fiscal 2030 and by 73% by 2050. We will continue to promote energy saving and renewable energy use at our own plants, as well as strengthen supplier engagement, striving for further reductions in greenhouse gas emissions across all areas starting with our card business. In addition, by increasing the proportion of cards manufactured using recycled materials and further expanding the lineup and performance of environmentally friendly smart cards, we will contribute to achieving a decarbonized society.

*In addition to the declaration to achieve “net zero greenhouse gas emissions” and “zero emission of waste” by fiscal 2050, we established new fiscal 2030 environmental targets to accelerate contributions to the SDGs



Scope of carbon neutrality
(Green items included in scope)



The BSI Kitemark certification mark (bottom right) can now be shown on credit cards

TOPIC Optimal Water Use

Example of “Setting Water Withdrawal Reduction Targets”

| Selected as a Company Receiving Support for Target Setting in the Ministry of the Environment’s Nature Disclosure Practice Project

Since the release of the TNFD*1 disclosure recommendations in September 2023, interest and requests for nature-related information disclosure have been increasing both domestically and internationally, with a view to the restoration of nature (nature positive) for a sustainable society. On the other hand, when addressing nature-related issues, companies need a comprehensive and scientific understanding of the trade-offs and synergies with various environmental issues, including climate change. With many domestic companies facing challenges with specific target setting, the TOPPAN Group was selected as the only company to receive support for target setting in the Ministry of the Environment’s “Model Project for Supporting Nature-related Financial Disclosure Utilizing Climate-related Financial Disclosure (commonly called: Nature Disclosure Practice Project).”

For this target setting, the TOPPAN Group focused particularly on setting targets for freshwater volume and water quality based on the SBTs for Nature** Technical Guidance v1.0. For appropriate target setting, the Gunma Central Plant, which has a high proportion of surface water resources as well as high production amount and water withdrawal (intake source: Tone River), was selected as the target site, and a comprehensive basin evaluation was conducted. As a result of this project, appropriate targets based on this guidance are: for water volume, an 8% reduction in water withdrawal from the Tone River basin compared to fiscal 2023 by 2029; and for water quality, setting nutrient concentration as the target, with annual reviews of legal compliance and target values.

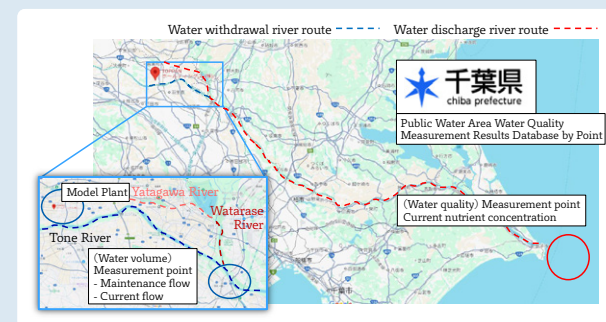


TOPPAN Gunma Central Plant

This initiative led to significant progress in setting specific environmental targets, and going forward, we plan to expand deployment to other sites, including those overseas. As many of the TOPPAN Group’s sites use groundwater as a source of water, following the publication of guidance for groundwater sources, we will utilize the knowledge gained with this initiative and work on setting targets for water resources. Furthermore, we believe it is important

not only for ourselves but also for involving stakeholders within the same basin in the sustainable use and management of water resources.

*1 Abbreviation of Taskforce on Nature-related Financial Disclosures. A taskforce to properly assess risks and opportunities related to natural capital and biodiversity
*2 Science-based target setting for nature. A framework for companies to assess the impact of business activities on nature and to set and disclose science-based targets



Water withdrawal route for Gunma Central Plant

Building of a Recycling-oriented Society (see page 134) >

● 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.

Metrics	Fiscal 2023 Result	Fiscal 2024 Result	Fiscal 2025 Target
Number of employees engaged in Erhoeht-X™*	5,664	5,941	6,000

*“Erhoeht-X™” is a concept in which the entire TOPPAN Group supports digital innovation throughout society and at companies, while also driving its own digital transformation.
*The data for fiscal 2023 and earlier are adjusted based on revised calculation methods.

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

Metrics	Fiscal 2023 Result	Fiscal 2024 Result	Fiscal 2025 Target
Percentage of women in management*	12.3%	12.9%	14.7%

*Entire TOPPAN Group, including overseas


Metrics	Fiscal 2023 Results		Fiscal 2024 Results		Fiscal 2030 Targets
Ratio of male and female employees working as managers and supervisors* ¹	Female 0.81 : Male 1.00		Female 0.79 : Male 1.00		Eliminating gender disparities
Percentage of eligible male employees taking childcare leave* ²	88.6%		88.8% 		80.0%
10-year retention rate by gender* ³	Female 1.00 : Male 1.00	Fiscal 2012 hires Female 0.86 : Male 1.00	Female 1.04 : Male 1.00	Fiscal 2013 hires Female 0.95 : Male 1.00	Eliminating gender disparities
		Fiscal 2013 hires Female 0.95 : Male 1.00		Fiscal 2014 hires Female 1.24 : Male 1.00	
		Fiscal 2014 hires Female 1.24 : Male 1.00		Fiscal 2015 hires Female 0.97 : Male 1.00	


*¹ At TOPPAN Inc., the fiscal 2024 result is the percentages of employees working as managers and supervisors, out of all current employees recruited as regular hires from 2006 to 2015 (as of March 31, 2025). 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., the fiscal 2024 result is a percentage calculated by dividing the number of male employees who took childcare leave in fiscal 2024 by the total number of male employees with children born from April 2024 to March 2025. (The method for calculating this percentage is based on the applicable Japanese act requiring disclosure of the percentage.)
*³ At TOPPAN Inc., the fiscal 2024 result is obtained by calculating the average 10-year retention rates by gender for regular hires from fiscal 2013 to fiscal 2015 (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 2023 Results	Fiscal 2024 Results	Fiscal 2030 Targets
Participation rate in Hagukumi Art Salon*	13.6%	30.7%	45.0%
Attendance rate of managers in Hagukumi Seminar*	75.1%	97.0%	100%
Participation rate in Hagukumi Circle*	9.3%	12.3%	10.0%

*TOPPAN Inc. standalone

 Diversity & Inclusion: Supporting Employees with Children (see page 61) >

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

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 2023 Results	Fiscal 2024 Results	Fiscal 2025 Targets
Engagement score* (compared to fiscal 2021)	0.3-point improvement	0.4-point improvement	Currently being revised to expand targets globally
Health risk value* (compared to fiscal 2021)	1.0-point improvement	2.0-point improvement	6.0-point improvement
Condition risk determination* (compared to fiscal 2021)	2.2-point improvement	0.0-point improvement	4.0-point improvement

*Consolidated TOPPAN Group companies in Japan

Prevention of Serious Illness

Metrics			Fiscal 2023 Results	Fiscal 2024 Results	Fiscal 2030 Targets
Employees	Risk of serious illness*	Obesity risk	28.0%	28.7%	20.0%
		High blood pressure risk	10.8%	10.7%	8.0%
		Diabetes risk	10.3%	10.8%	8.0%
		Lipid risk	28.7%	29.0%	28.0%
	Medical examinations*	Gynecological screening rate	78.7%	74.9%	75.0%
Families	Medical examinations*	Family health checkup rate	83.5%	83.8%	95.0%

*TOPPAN Inc. standalone

TOPIC Promotion of Diversity & Inclusion

Example Related to the “Percentage of Women in Managerial Positions”

“Torch Light”—A Program to Further Promote Women’s Empowerment



With women’s empowerment becoming a key policy in Japan, the TOPPAN Group has also valued D&I, turning differences into drivers of transformation. Yet in reality, the ratios of female directors and female management class employees are below the average for Nadeshiko Brand-selected companies. In light of this, starting from fiscal 2024, as a measure to strengthen efforts to develop more female upper management class and executive leaders, we launched the women-focused management and supervisory program “Torch Light.”

This program comprises “Networking” through talk sessions with guest speakers and discussions among participants, “Proposals” where results are linked to concrete suggestions, and “Mentoring” by executives for program participants. In “Networking,” through conversation, participants think about and verbalize the “barriers” hindering women’s performance in organizations and seek necessary changes for themselves and the next generation. In “Proposals,” participants summarize insights gained during networking and present suggestions to the Executive Officer Committee, which are then shared throughout the Company. In “Mentoring,” senior management who have completed sponsorship training serve as mentors, with mentees sought from among networking participants, and various support initiatives are provided to develop the next generation of female executives.

Through these initiatives, we aim to eliminate barriers to women’s career advancement, utilize lessons learned in management decision-making, and foster greater in-house engagement. We will continue to expand and pursue these initiatives throughout the Group.



[Diversity & Inclusion \(see page 63\)](#) >

Engagement

Basic Approach

The TOPPAN Group views the appropriate disclosure of corporate information to promote stakeholder engagement as important. We are communicating our views, listening to stakeholder opinions, and engaging in earnest dialogues to reach a mutual understanding with stakeholders. In recent years, our value chain has become increasingly globalized, as we have expanded our business, not only in Japan, but also worldwide. For us to maintain sustainable growth and development amid such circumstances, it is important to understand the demands of a changing society as well as the expectations and needs of increasingly diverse stakeholders, and to reflect them in our corporate activities.

Drawing on this approach, the TOPPAN Group is striving to enhance communication with all stakeholders, including customers, business partners, employees, shareholders and investors, society and local communities, and government and municipal authorities—especially those who have a significant influence on our business activities. The content of these engagements is fed back to management through relevant divisions and various committees.

The TOPPAN Group will continue to promote Groupwide initiatives to strengthen engagement, while ensuring compliance with laws and respect for diverse cultures in each country and region.

Activity Results

● 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.”

*The target is set to be equal to or greater than the combined percentage of “satisfied” and “somewhat satisfied” responses from the previous financial year.

*The data coverage for fiscal 2020 to fiscal 2024 covers operational categories that account for 90.9% of all product types in the Secure Media-related operations.

● 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.

[Declaration of Partnership Building \(in Japanese\) >](#)

<https://www.holdings.toppan.com/assets/ja/pdf/our-corporate-approach/toppan's-partnership.pdf>

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

● Relationship with Employees

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

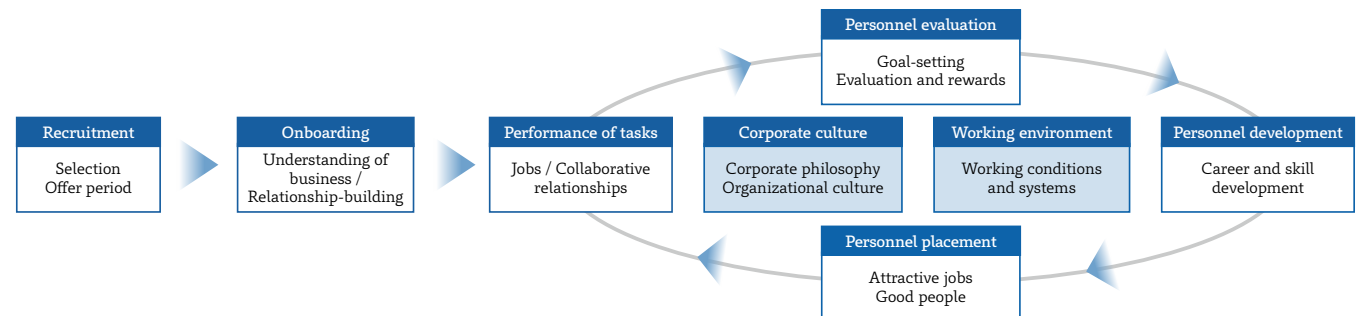
Surveying Employee Engagement

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, and to this end, recognize the importance of fostering an environment where employees feel a sense of purpose and fulfillment in their work, and are able to engage in their duties in a proactive manner. This approach helps build a foundation for effective human resource utilization, leading to greater performance for the TOPPAN Group and ultimately enhancing corporate value.

We launched an annual employee engagement survey in

fiscal 2021. The fiscal 2023 survey analyzed the responses of 30,925 employees at TOPPAN Holdings Inc. and 43 Group companies to assess the expectation-perception gaps in their experiences working within their organizations (16 areas surveyed; see the figure below), as we work on achieving the above goals. 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.

Survey Overview and Themes



<Issues identified and specific initiatives>

The following main issues have been identified in the TOPPAN Group through employee engagement surveys.

- “Setting targets”

Appropriate motivation enabled by achieving and supporting targets is required

- “Career” “Job Appeal”

Measures are required to identify meaning in work and support employees’ career development

To address the above issues, the TOPPAN Group is working on the following improvements to better harness our human resources. We are aiming to enhance employee job satisfaction and initiative, which will ultimately contribute to improved business performance.

- 1) Strengthen operation of the management-by-objective (MBO) system for both general employees and management class, increase acceptance of set targets through dialogue with supervisors, and thereby cultivate motivation to achieve them.
- 2) Create and publish the “Job Directory,” which clearly outlines each department’s work, MVV (Mission, Vision, Values), and competencies, to convey the appeal of careers and roles within the TOPPAN Group.
- 3) Introduce a permanent in-house recruitment program, the “Job Challenge System,” to facilitate job-matching and help employees achieve their own career visions and provide career support.

By continually implementing the PDCA cycle—identify issues, consider improvement methods, take action to make improvements, and verify effects—in each workplace, we hope to improve employee engagement and achieve further increases in corporate value.

Given that the overseas sales ratio is expected to exceed

40% in fiscal 2025, a challenge to address going forward is the aim of conducting a unified global engagement survey.

2024 Employee Engagement Survey Overview

Employees Covered	30,925 employees, from 44 companies within the Group
No. of Respondents (RR)	28,698 (92.8%)
Dates	From November 19 to December 24, 2024
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 2024 hires, bringing the total up to 133 questions.
Aggregated Index (EX score)	70.2 (0.4 increase compared with fiscal 2021) Medium-term target for fiscal 2025 under the Medium Term Plan: Currently being revised to expand targets globally *Reference score: Japanese manufacturing industry average is 64.9 *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.)

● 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. Our IR-Day was held again in fiscal 2024, with the executive responsible for each segment summarizing the businesses of the segment and explaining its strategies and plans, along with other IR-related information. In fiscal 2025, we are holding business strategy briefings for each business segment. We are also conducting facility tours for analysts and institutional investors to help foster greater understanding of the TOPPAN Group’s businesses.

By holding individual interviews and small meetings, participating in conferences sponsored by securities firms, and conducting overseas IR activities, we meet with institutional investors to explain our performance and strategies and glean how the market views us. Management also participates in these meetings to enhance dialogue with the capital markets.

Various ESG matters have also been raised with institutional investors to reflect their views into our management. We conducted about 300 interviews with analysts and institutional investors in fiscal 2024, to boost our engagement 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 “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 employees' 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
- Convening special committees to discuss pertinent issues of the day
- Holding labor-management events
- 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

- Meeting of shareholders
- Briefing shareholders and investors on financial results
- Business strategy briefings
- Facility tours
- Arranging meetings and briefings for institutional investors on financial performance, participating in conferences and overseas IR
- Issuing the *Integrated Reports* and TOPPAN Story newsletters
- Posting IR information on the TOPPAN corporate website
- Answering surveys from environmental, social, and governance rating agencies

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
- Operating TOPPAN Hall
- Holding the Graphic Trial exhibitions

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