

"Fulfilling, Sustainable Living"

Designed by TOPPAN

TOPPAN SDGs
STATEMENT

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TOPPAN and the SDGs

Evolving as a company that creates social value

Since its founding in 1900, Toppan has striven to expand business based on printing technology while responding flexibly to the changing demands of society. In 2000, marking its 100th anniversary, Toppan launched TOPPAN VISION 21, setting out a Corporate Philosophy of “contributing to a fulfilling lifestyle as a mainstay of information and culture.” Toppan has continued to evolve by redefining its business fields in 2016 and strives to be a company that creates social value.

We are on the brink of a major turning point. Companies must make every effort to address and find solutions to climate change and other growing global challenges. When we examined how we should approach and contribute to resolving by 2030 the issues set out in the Sustainable Development Goals (SDGs), it renewed our belief that the goals align with Toppan’s history and our vision for the Company in the future. The interface between the challenges that the SDGs set out and our four growth fields for becoming a company that creates social value provides a clear picture of the company Toppan strives to be and gives impetus to our further growth.

In the Toppan SDGs Statement, we have selected goals (material issues) from the 17 SDGs for Toppan to focus on. Based on these, Toppan will strive to become a company that creates social value by working earnestly toward their achievement by 2030.



Hideharu Maro
President & Representative Director
Toppan Printing Co., Ltd.



TOPPAN SDGs STATEMENT

The aims of the Toppan SDGs Statement are to share with stakeholders the SDG-related material issues Toppan has selected, the thinking that underlies their selection, and the story for achieving the corresponding goals, and to accelerate Toppan's evolution as a company that creates social value through SDG-related efforts.

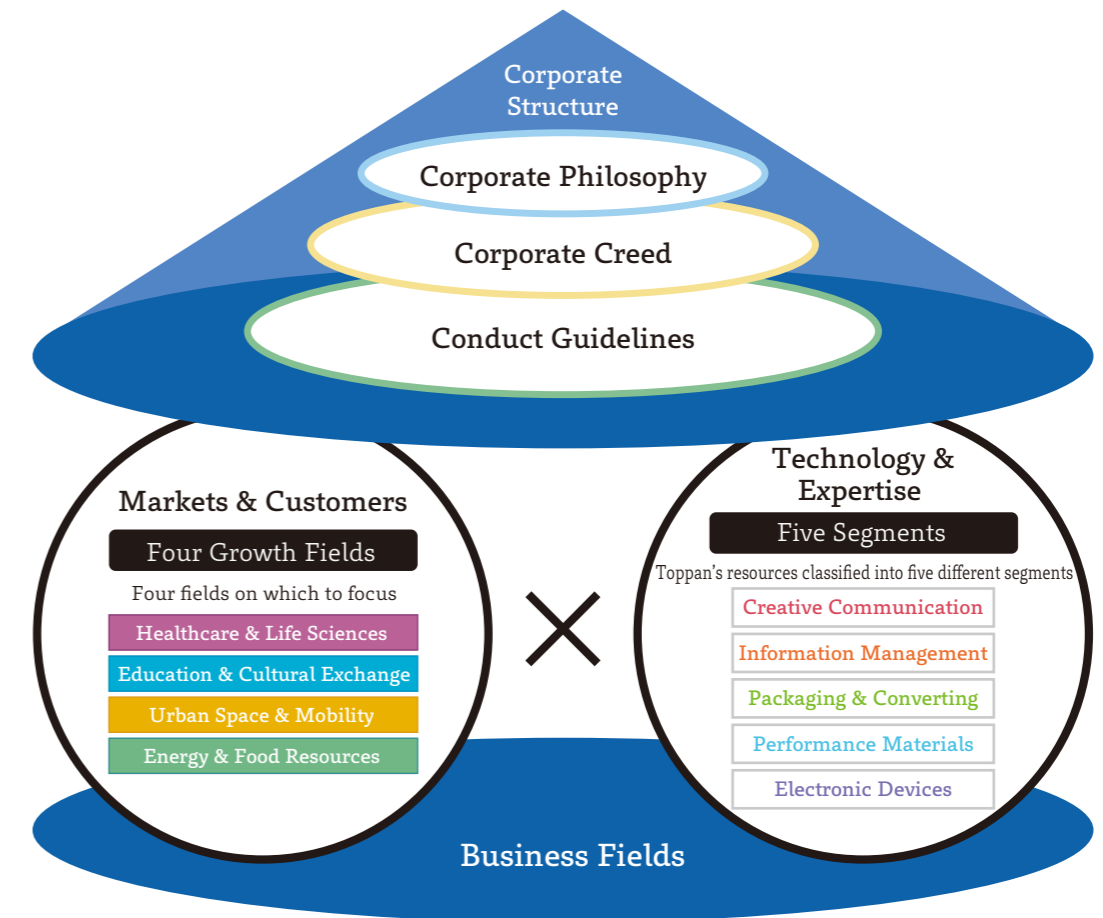
The SDG material issues we are announcing here are aligned with Toppan's Corporate Structure and four growth fields. They have been selected from areas in which we can create new value for all of our stakeholders by leveraging Toppan's technologies and expertise. Going forward, we will drive strategic approaches to the material issues at each Toppan division and follow up and review these efforts on a regular basis. We have disclosed the system for this follow-up and review as the Toppan SDG Promotion Framework.

At Toppan, we aim to be a company that creates social value and contributes to fulfilling living based on the philosophy expressed in this statement.



TOPPAN VISION 21

TOPPAN VISION 21 expresses the values every employee of the Toppan Group should place importance on and helps us share common goals. It is comprised of the Corporate Structure, which expresses our fundamental values, and Business Fields, which express our future direction.



Our Corporate Philosophy expresses Toppan's fundamental approach of "reciprocating our customers' continued trust" and "contributing to a fulfilling lifestyle."

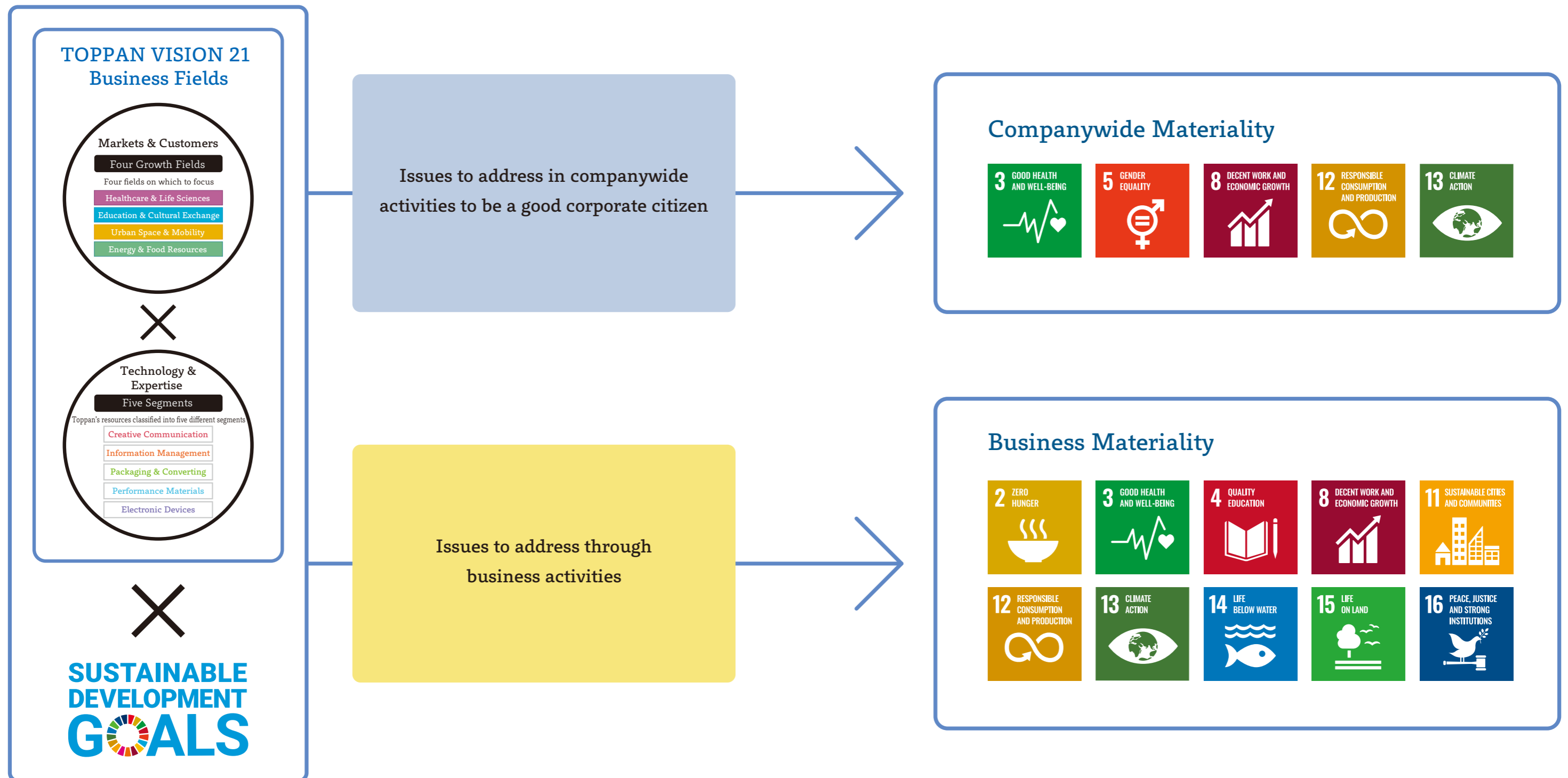
The Corporate Creed states that we promote our corporate activities from the five perspectives of social responsibility, harmony with the global environment, corporate activities that are fair and open, a corporate culture conducive to job satisfaction, and continuous development of the Group.

We believe that the Corporate Structure is in harmony with the vision for the Company informed by the SDGs.

*For more information about Toppan's Corporate Philosophy, Corporate Creed, and Conduct Guidelines, visit <https://www.toppan.com/en/about-us/philosophy/>

Selection Criteria

In selecting the material issues, we incorporated the concepts of the SDGs that present global social issues from a long-term perspective based on the Corporate Philosophy, Corporate Creed, and Conduct Guidelines set out in TOPPAN VISION 21, the starting point for our activities. Based on this, we have classified issues to be addressed in the activities of the Company as a whole as we aim to be a good corporate citizen under Companywide Materiality and issues to be addressed to contribute to the achievement of the SDGs through business activities under Business Materiality.



Selection Process

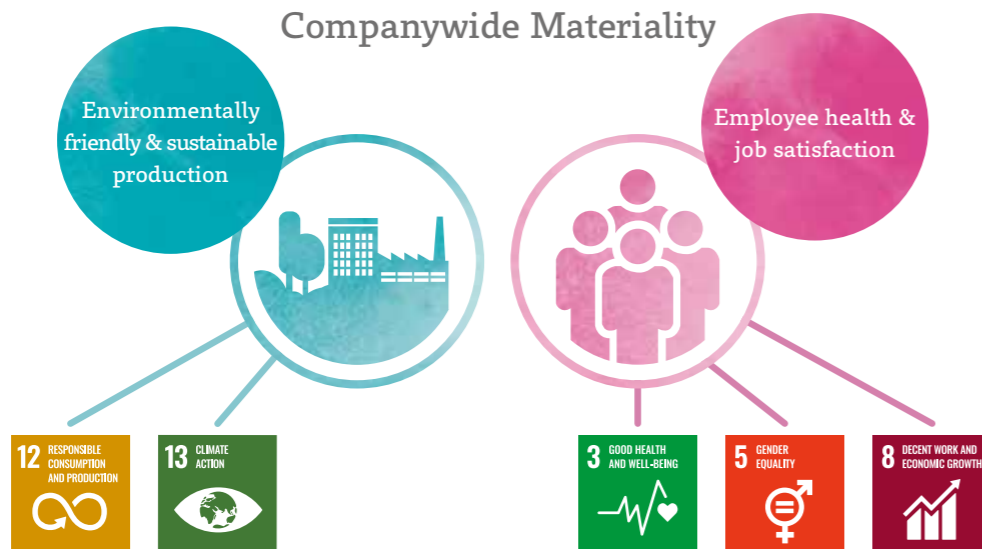
Based on the selection criteria, we selected material issues through a comprehensive assessment of corporate activities informed by discussions with departments within the Company and evaluated their validity through dialogue with outside experts and stakeholders. The selection was then approved by the Board of Directors after discussions with senior management.

"Fulfilling, Sustainable Living" Designed by TOPPAN

Business Materiality



Companywide Materiality



We believe that a society reflecting this statement is one that enables fulfilling, sustainable living.

This is Toppan's goal for 2030, the target year for achieving the SDGs.

To achieve this, we have classified the relationships between the material issues as follows.

◇ Companywide Materiality

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

◇ Business Materiality

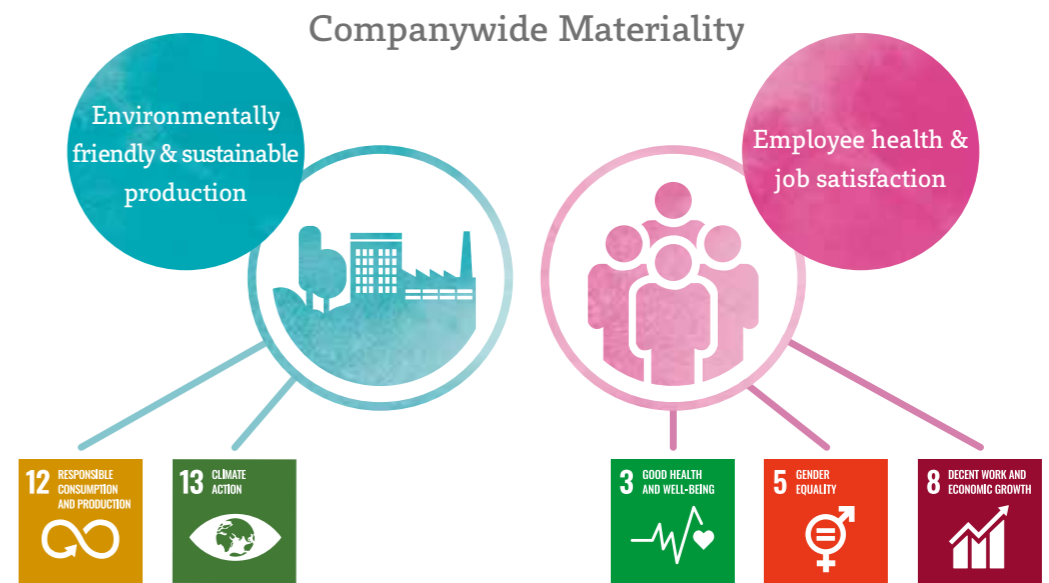
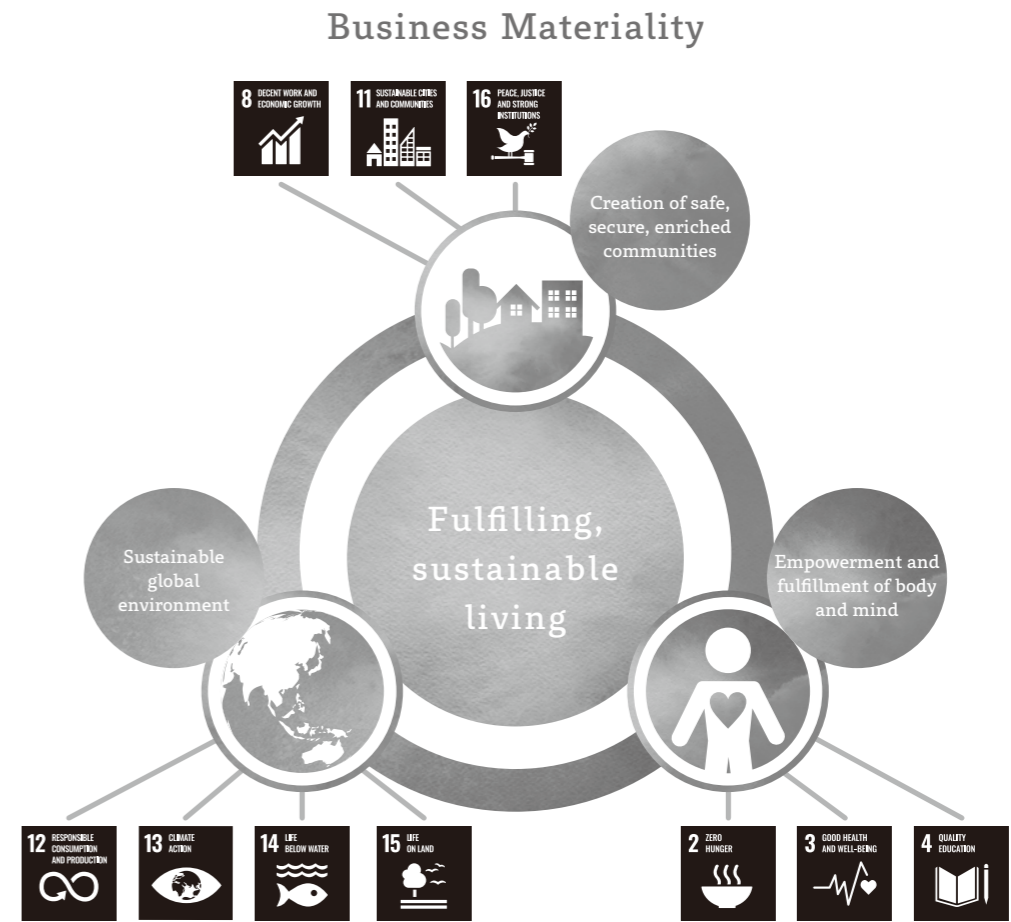
- Environment (sustainable global environment)
- Communities (creation of safe, secure, enriched communities)
- People (empowerment and fulfillment of body and mind)

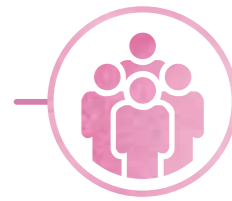
The two themes for companywide materiality provide a platform that supports the three themes for business materiality.

Each of the three themes for business materiality contributes to fulfilling, sustainable living.

We will further expand activities through connections between the themes to create a unique SDGs story for Toppan.

Companywide Materiality





The company Toppan strives to become

In 1992, Toppan established the Toppan Printing Declaration on the Global Environment as its basic philosophy for environmental conservation activities. With the aim of realizing a sustainable society where all life can thrive in the future, in April 2009 we updated this declaration to the Toppan Group Declaration on the Global Environment as the basic philosophy for the activities of the whole Group, and we actively promote corporate activities that take environmental conservation into consideration.

As expressed in the Declaration on the Global Environment, Toppan will maintain its commitment to “strive to realize a sustainable society through forward-looking corporate activities with consideration for the conservation of the global environment,” and will contribute to environmental conservation on a global scale as a member of the international community.

Targets

Medium-and-long-term greenhouse gas reduction targets for fiscal 2030

We have established greenhouse gas reduction targets for fiscal 2030 for the entire Toppan Group targeting Scopes 1, 2, and 3.* The targets have been approved by the Science Based Targets initiative (SBTi).

Greenhouse gas reduction targets for Scope 1 + Scope 2	Greenhouse gas reduction targets for Scope 3
Reduce by 30% compared to the fiscal 2017 level	Reduce by 20% compared to the fiscal 2017 level



*Scope 1: Direct emissions from owned or controlled sources
Scope 2: Indirect emissions from the generation of purchased energy
Scope 3: Indirect emissions excluding those in Scope 2

Medium-term environmental targets for fiscal 2020

We have established fiscal 2020 reduction targets for CO₂ emissions, final landfill waste disposal, and VOC emissions into the atmosphere for domestic operational sites subject to the Company's environmental targets.

1 Mitigation of global warming	2 Action for building a recycling-oriented society	3 Conservation of the atmospheric environment
Reduce CO ₂ emissions by 30% compared to the fiscal 2008 level (751 kilotons --> 530 kilotons: reduce by 221 kilotons)	Reduce final landfill waste disposal by 95% compared to the fiscal 2008 level (1,584 tons --> 80 tons: reduce by 1,504 tons)	Reduce VOC emissions into the atmosphere by 70% compared to the fiscal 2008 level (7,326 tons --> 2,198 tons: reduce by 5,128 tons)

The company Toppan strives to become

Toppan values its employees as precious “human assets” and believes it is important that each employee be motivated, vigorous, and earnest in order to perform to their full potential.

In 2015, we established the Health Management Declaration based on this concept, and have worked to maintain and further improve employees' health. We have also undertaken various diversity management-based initiatives to create a corporate culture that allows diverse human resources to perform to their full potential and enjoy job satisfaction.

Looking ahead to 2030 and beyond, Toppan is strengthening its efforts toward its goal of creating workplace environments where employees can work in good health for longer, fulfill their potential, and gain job satisfaction.

Targets

Maintaining employees' health so they can work in good health until they are 70

Serious illness prevention (fiscal 2030 targets)

We have established target values for reducing the risk of serious illness among employees and percentages of employees and family members undergoing regular health checkups.

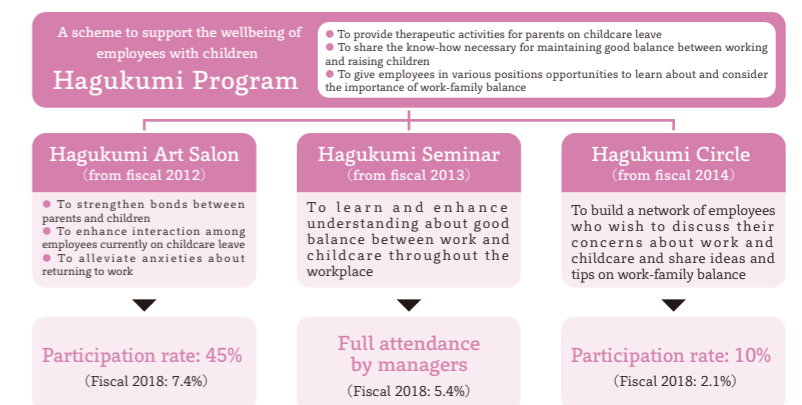
Item		Fiscal 2030 targets <small>Values in parentheses represent variance compared with fiscal 2018</small>	Japanese government statistics*	
Employees	Risk of serious illness	Obesity risk	20.0%(down 4.7% pts.)	
		High blood pressure risk	8.0%(down 2.5% pts.)	
		Diabetes risk	8.0%(down 2.3% pts.)	
		Lipid risk	28.0%(down 5.9% pts.)	
Medical examinations	Gynecological screening rate	75.0%(up 14.3% pts.)	Breast cancer: 44.9%, Uterine cancer: 42.4%	
Families	Health checkups	Family health checkup rate	95.0%(up 12.3% pts.)	48.7%

*Source
Figures from the Ministry of Health, Labour and Welfare of Japan

Diversity management

Supporting a balance between working and childcare (fiscal 2030 targets)

We have established fiscal 2030 targets for Toppan's Hagukumi (nurturing) Program for supporting a good balance between working and childcare, and will engage in initiatives to create a corporate culture that enables a wide variety of human assets to work at the Company for long periods.



Eliminating gender disparities (fiscal 2030 targets)

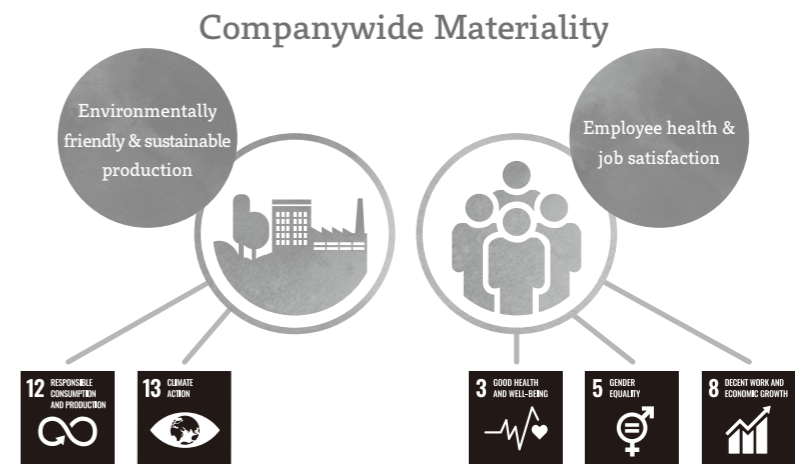
Ratios of managers and supervisors by gender	Proportion of eligible male employees who take childcare leave	10-year retention rate by gender
Eliminate disparities in manager and supervisor ratios by gender	Proportion of eligible male employees who take childcare leave: 80%	Eliminate disparities between men and women in 10-year retention rates

(Reference) Fiscal 2018
Ratio of managers or supervisors among employees who joined the Company between 2000 and 2009:
Female: 54.4%, Male: 77.3%

(Reference) Fiscal 2018
Proportion of eligible male employees who took childcare leave: 59.5%

(Reference) Fiscal 2018
10-year retention rates for employees who joined the Company in 2009
Female: 62.2%, Male: 69.8%

Business Materiality





Issues around the world and the company Toppan strives to become

Climate change, ocean pollution, deforestation, and other phenomena are having a profound impact on the lives of people around the world. Marine plastic and food loss, in particular, have become global problems. These problems are also significant challenges for Toppan, which has been engaged in the packaging business since its founding in 1900.

Toppan's packaging business has developed and provided a wide variety of environmentally friendly packages to this day, including GL BARRIER transparent barrier film and the Cartocan paper-based drink container. Our décor materials business engages in eco-friendly manufacturing and provides a lineup that includes environmentally friendly products, such as the 101 Eco Sheet series.

With environmentally friendly manufacturing as one of our strengths, we will continue to set our sights on creating new businesses through combination with our service-based capabilities in such areas as marketing and promotion. We will contribute to a sustainable global environment to enable enriched lives through 2030 and beyond.

New business ideas for a sustainable global environment

idea01

Promote the spread of packaging recycling systems

Contribute to the creation of systems for easier recycling through co-creative efforts with businesses and local governments and promote their widespread use. Develop new materials and packaging designs that are better suited to recycling systems.



idea02

"Photosynthetic homes" that reduce CO₂

Endow décor materials used in building interiors and exteriors with photosynthesis functions that use optical energy to absorb carbon dioxide. Build houses that reduce the amount of carbon dioxide in the atmosphere.



idea03

Develop smart distribution supply chains that reduce food loss

Develop smart distribution supply chain systems that make inventory and delivery information easily visible in food industry supply chains and thus enable highly accurate inventory management and demand forecasting.

idea04

Issue environmental technology reports relating to packaging materials

As a packaging manufacturer, leverage our expertise and know-how on plastic waste, food loss, and other global environmental issues strongly linked with packaging materials, and regularly publish related environmental technology reports based on scientific knowledge.

idea05

Create mechanisms for sustainable sales —Shampoo vending machines

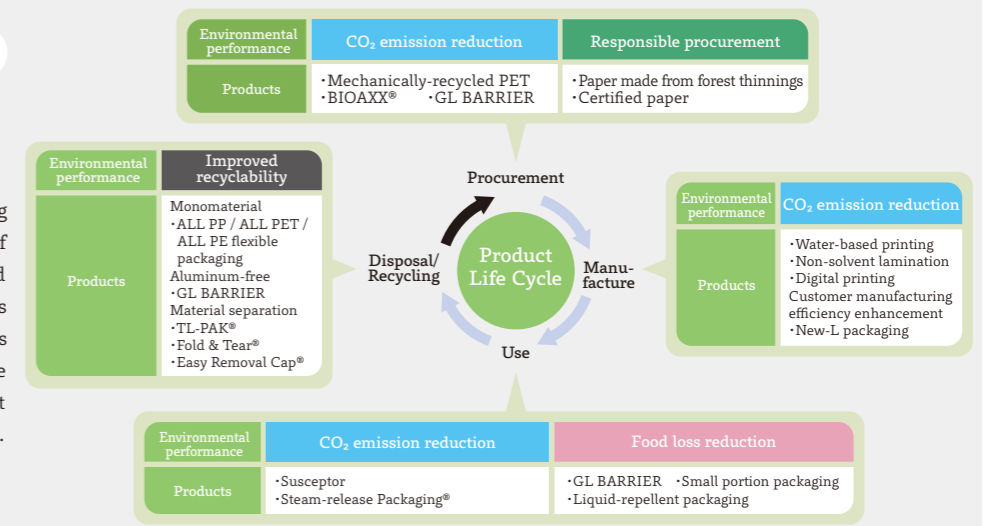
Create sustainable product sales mechanisms that use the bare minimum of packaging by installing shampoo vending machines used by consumers who bring their own containers.



Examples of initiatives

Sustainable Packaging Solutions

Toppan's Sustainable Packaging Solutions provide a range of containers, packaging, and technologies that help address global environmental challenges at every stage of product life cycles, from procurement through disposal and recycling.



Column 01

Connecting the environment to communities and people

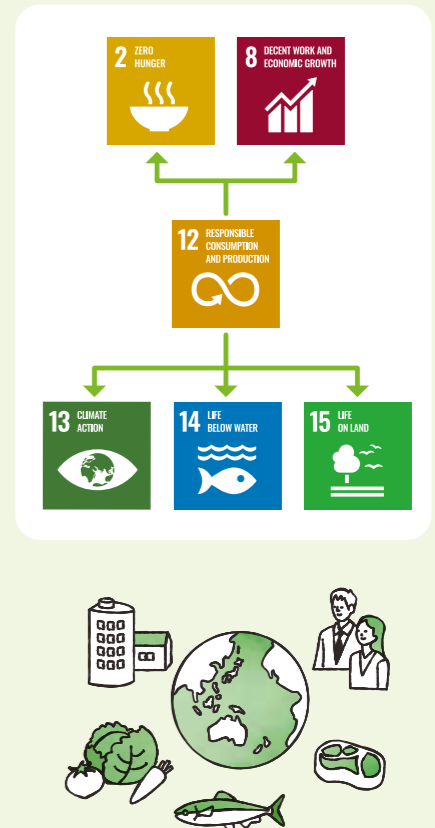
Smart distribution supply chains that use data to reduce food loss

In recent years, food waste has become a significant social problem, particularly in developed countries. This is also a major issue for Toppan because we handle food and beverage packaging materials. One of the business ideas we came up with to solve this issue is a smart distribution supply chain.

To date, Toppan has done business with more than 20,000 client companies in various industries around the world. By using this network to combine the various data generated in the supply chain with local event and climate information, we can enable a dynamic pricing system and accurate demand forecasting to help reduce food loss.

If we could produce and ship only the volumes that are really needed, it would lead to reduction in greenhouse gases and packaging materials. Such a sustainable food production system would also contribute to improving working environments by reducing unnecessary work for producers, processing companies, logistics providers, retailers, and waste treatment companies.

Connecting everyone from producers to consumers will solve the global issue of food loss. This is the story Toppan is envisaging.



Creation of Safe, Secure, Enriched Communities



Issues around the world and the company Toppan strives to become

Japan is experiencing a declining birthrate, an aging population, and the concentration of the population in cities. The country thus faces many issues with respect to the future of its communities. Furthermore, the challenge of building communities that are safe and resilient against disasters is a critical issue not only in Japan but all over the world. Through the years, Toppan has provided a variety of services to address the issues communities face. We are actively engaged in developing better communities through initiatives including multilingual speech translation services to support communication with foreign workers and visitors to Japan. Toppan also undertakes preservation of temples, shrines, castles, and other historical buildings using virtual reality (VR) technology, as well as promotion of their use as tourism resources. This VR technology is also used for disaster evacuation drills and to provide safety training at plants and construction sites. Toppan will continue to leverage the knowledge and know-how it has cultivated over the years to contribute to the creation of safe, secure, enriched communities.

New business ideas for creating safe, secure, enriched communities

idea01

Intangible cultural asset-based interactive VR that simulates traditional performing arts

Archive everything, including people's movements, and then reproduce it in VR. Develop tourism spots offering people "virtual experiences" of intangible elements of culture, such as traditional performing arts and festival dances.



idea03

Establish new personal authentication technologies for ensuring safety in a super smart society

Introduce personal authentication technologies to society based on data from records of actions, such as commuting to work and school. Support convenient and secure living by freeing people from the hassles of memorizing passwords or having them stolen.



idea02

Services that connect the people living in communities

As communities made up of a wide variety of people develop and the connections between residents weaken, more attention is drawn to the importance of local communities where people can live comfortably and with peace of mind. We will provide various services that support the formation of local communities by using multilingual communication technologies and working in collaboration with those communities.

idea04

Support the development of resilient communities in terms of both tangible and intangible aspects

In addition to highly flame-retardant and non-flammable décor materials and new disaster prevention materials, provide systems that guide people to optimal escape routes during disasters, content that raises the disaster awareness of local residents, and services that enable them to help one another when necessary. Support the creation of communities that are highly resilient to disasters in terms of both tangible and intangible aspects.



Examples of initiatives

VoiceBiz® speech translation service

VoiceBiz® is a speech translation service that supports multilingual communication with visitors to Japan and foreign workers. The service's speech translation engine utilizes neural machine translation (NMT) technology incorporating deep learning, which is being developed by Japan's National Institute of Information and Communications Technology (NICT). The service can be customized to be even more user-friendly by registering proper nouns and fixed phrases on a translation server.

When users speak into the service's dedicated smartphone app, it translates their speech into one of 30 different languages and then outputs the translation as speech or text. The service is being adopted predominantly by local governments and schools.



Column 02

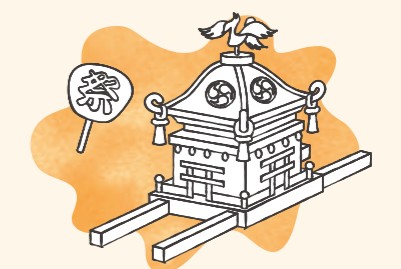
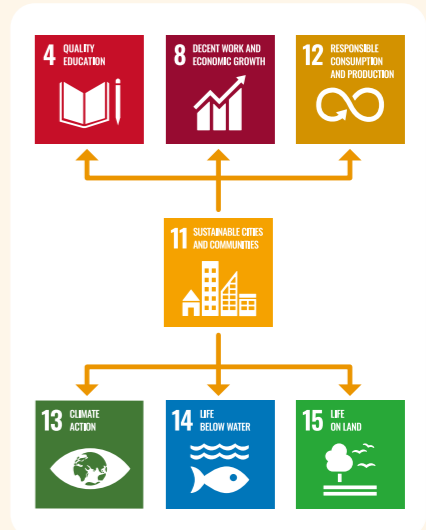
Connecting communities to people and the environment

Preservation and restoration of intangible culture stimulate communities and enrich people's lives

Regional revitalization is a major issue for Japan, where populations are increasingly concentrated in cities and declining in rural areas. Toppan has contributed to regional revitalization by combining meticulous academic research with VR technology to preserve and restore historical buildings and cultural properties and also use them for tourism.

Preservation and restoration are not limited to tangible cultural properties. They extend to intangible elements of culture, such as dialects, regional cuisine, festivals, and local customs. Toppan aims to spur exchange between people inside and outside various regions by creating interactive content based on intangible cultural assets to be handed down to future generations. Age-old local customs are filled with the wisdom of the Japanese people, who have lived in harmony with nature for centuries. Leveraging expertise in communication technologies and education-related business, Toppan plans to deliver content effectively, so that people of all ages can learn about their communities, develop an affinity for nature, and enrich their lives.

We aim to communicate the cultures of each region to future generations, stimulate communities, and help people live richer lives. This is the story Toppan is envisaging.



Empowerment & Fulfillment of Body and Mind



Issues around the world and the company Toppan strives to become

For societies with declining birthrates and aging populations, it is important to keep people healthy both physically and mentally as well as to prolong life. Toppan has actively driven businesses associated with education and childcare while also being involved in such initiatives as health point programs that support the enhancement and maintenance of the health of local residents.

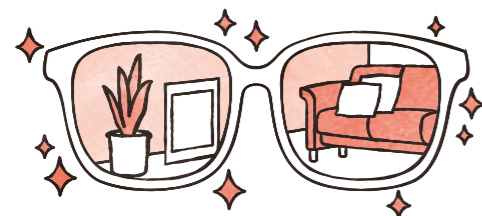
Going forward, we will continue to advance this approach in an effort to contribute in a unique way to empowerment of people and fulfillment of the body and mind. We will do this by providing services that take advantage of our educational content development capabilities and color-related technologies to support physical and mental wellbeing, as well as systems that support the health of the people working in companies and other organizations.

New business ideas for empowerment and fulfillment of the body and mind

idea01

Education programs that cultivate life skills

Develop new education programs to foster non-cognitive skills that cannot be measured by knowledge assessment tests but are essential for physical and mental health, such as perseverance, social skills, and self-esteem.



idea02

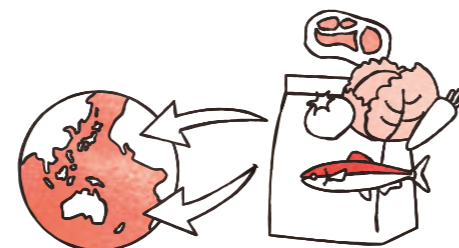
Color spaces for promoting healthy living

Utilize our color-related technologies to provide services that identify optimal colors for providing physical and mental relief in consideration of each person's condition and then replicate comforting spaces using wearable devices shaped like glasses.

idea03

Global rollout of food packages that help people suffering from hunger

In order to provide safe food to people suffering from hunger, develop outstanding, highly durable packaging materials capable of preserving foods for very long periods of time and provide such materials globally.



idea04

Create online pharmacies that allow people to get prescriptions and instructions for medication at home

With the goal of improving access to medication not only for people living in cities, but for all patients, including those living in regions where pharmacies and pharmacists are scarce, create online pharmacies from which people can get prescriptions and instructions for medication at home.



Examples of initiatives

Clinical Art program

Clinical Art* is a unique art program and method developed jointly by doctors, artists, and counselors. The program enables participants to stimulate their hearts and minds through creative activities with qualified clinical artists. Our aim is to enable a richer, more active society by using the program to prevent or improve symptoms of dementia, reduce stress among working people, and foster the artistic and other sensibilities of children.



*The Clinical Art program is a service provided by the Institute of the Formative Art Co., Ltd., which is a member of the Toppan Group.

Column 03

Connecting people to communities

Online pharmacies and health promotion programs create a brighter future for communities

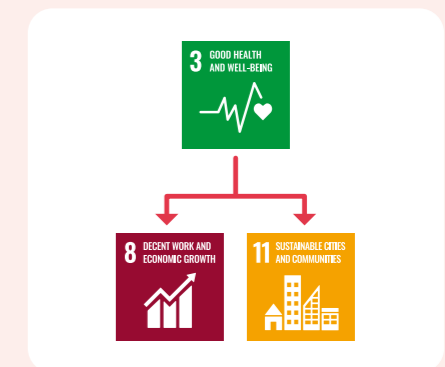
Japan boasts an average life expectancy of 84 years. However, it has become difficult for people to receive satisfactory hospital and pharmacy services due to the increasing number of elderly people living alone and the contraction of the public transport system due to depopulation.

Online pharmacies are one of the solutions for ensuring that everyone can reliably receive hospital and pharmacy services.

By automating and putting online conventionally human-driven processes from prescription issuance to preparation and provision of medication, we can improve convenience for patients and help hospitals and pharmacies operate more efficiently. This will help regional governments in areas with limited numbers of medical institutions overcome problems caused by aging and depopulation.

If you have access to an online pharmacy, you do not have to go to a busy hospital or pharmacy. One proposal for using this additional time effectively to lengthen healthy lives is the health promotion programs provided by Toppan. Our health promotion programs are designed to stimulate communities by involving local shopping streets and other elements of the communities in such activities as walking events focusing on local tourist attractions.

The expansion of online pharmacies and health promotion programs will lead to a sustainable future that leaves no one behind. This is the story Toppan is envisaging.



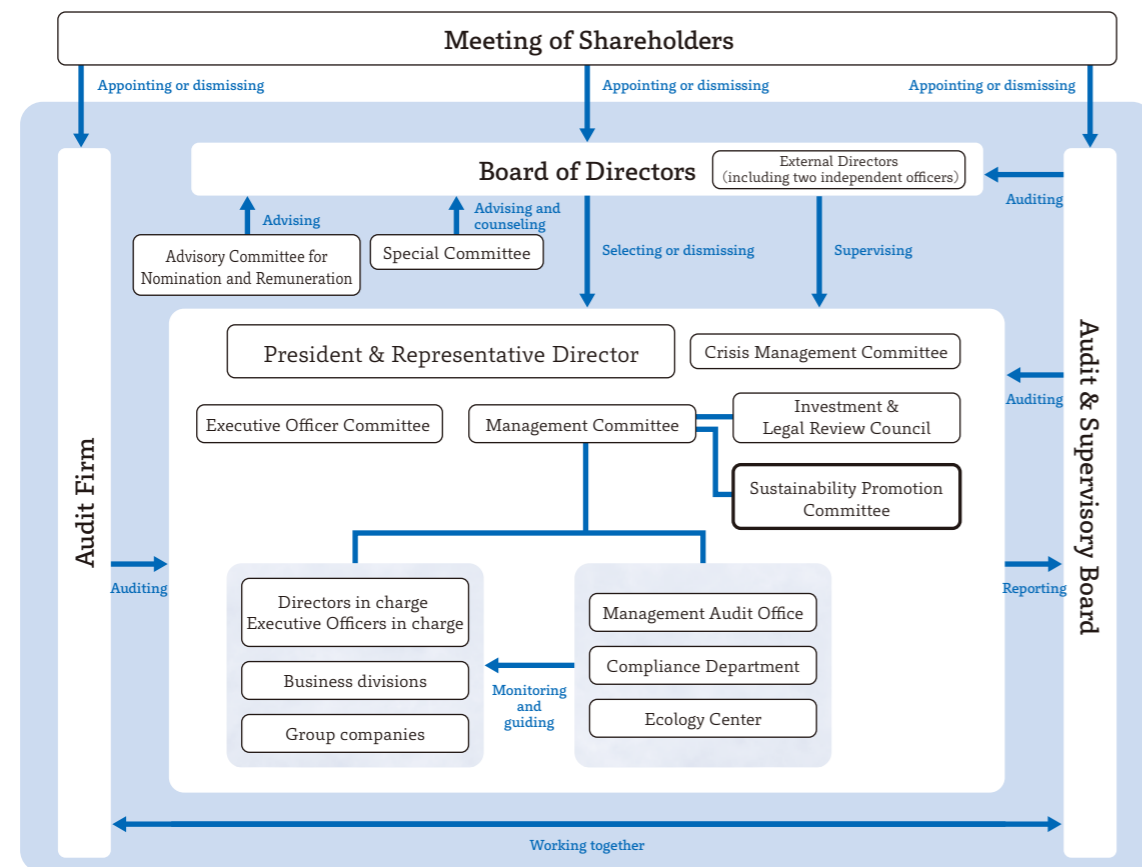
SDG Promotion Framework

We have established a framework to strategically promote the SDG-related material issues expressed in this statement in each division of the Company and to regularly follow up on and verify progress.

Promotion Framework

To promote the SDGs, we have established a Sustainability Promotion Committee chaired by the President & Representative Director. The Promotion Committee is comprised of officers in charge of relevant divisions. It discusses progress and the future approach for each of the material issues and submits reports and recommendations to the Board of Directors through the Management Committee. Based on decisions made by the Board of Directors, the Promotion Committee advances the planning and execution of measures by relevant divisions.

Positioning of the Sustainability Promotion Committee in the corporate governance system



Sustainability Promotion Framework incorporating the SDGs



Risk Checking

Toppan engages in corporate activities that take human rights and the environment into consideration in accordance with the Conduct Guidelines included in TOPPAN VISION 21. Going forward, we will continue to improve the sustainability of the entire supply chain by assessing companies we invest in and suppliers in accordance with the SDG-related Risk List when making decisions on investments and contracts.

SDG-related Risk List

Areas	Principles and Items to Check	
Human rights	Act to maximize the individuality and capabilities of every individual based on the concept of respect for all human beings. Respect basic human rights, protect personal dignity in all situations, and never engage in discrimination of any kind.	
	Labor	Prohibit child labor, forced labor, discrimination, and harassment of any kind.
Environment	Strive to reduce environmental impact through compliance with environmental laws, prevention of air, water, and soil pollution, and continuous measurement and assessment of resource use and emissions.	
	Energy	Clarify improvements in power consumption when upgrading or replacing equipment.
	Air	Comply with air pollution control laws when engaging in capital investment.
		Clarify CO ₂ reductions, NO _x reductions, and VOC reductions when upgrading or replacing equipment.
Water	Comply with water pollution prevention and sewerage laws.	
	Clarify values for improvement of water quality (BOD, COD). * BOD: Biochemical Oxygen Demand * COD: Chemical Oxygen Demand	
Societies and communities	Comply with laws and regulations relating to noise, vibration, and odors.	
Anti-corruption	Prohibit bribery, corruption, provision or receipt of inappropriate profits, extortion, embezzlement, etc.	

Looking to 2030

Society and the Earth are changing rapidly and we are facing a series of diverse problems. Evolving technologies may provide a path for solving these problems. In these circumstances, it is important that we constantly strive for new solutions to meet needs that change day to day.

Likewise, our approach to the issues presented in the SDGs should also change continuously as times change.

While we continue to work on the initiatives mentioned in this statement on a daily basis, we will redefine issues to match societal changes and continuously engage in activities for developing them into more specific targets.

Furthermore, we will promote sustainable business activities by continuing to consider SDG targets from a long-term perspective, sharing the targets across the entire Toppan Group, and incorporating the perspective of sustainability into our management strategy.

We will continue to report the results and progress of these activities to all of our stakeholders via integrated reports and sustainability reports.

