

Compliance

Basic approach

Compliance activities of the Toyo Ink Group are based on the belief that it is important that every single employee should be aware of compliance. We discuss compliance in daily operations, aiming to steadily instill within the Group an awareness of the importance of compliance with laws and regulations.

Policies on Compliance Activities in FY2022

We will implement compliance measures to strengthen governance toward sound and sustainable growth based on our corporate philosophy—the unchanging pillar of our company transcending every era—to build a solid, trusted corporate foundation, as the basis for achieving our TSV2050/2030 sustainability vision.

1. Guiding compliance activities that foster a sound corporate culture for the Group
2. We will reinforce and monitor the system for addressing domestic / overseas legal risks.
3. We will provide compliance education with an emphasis on preventing the occurrence of serious legal risks.

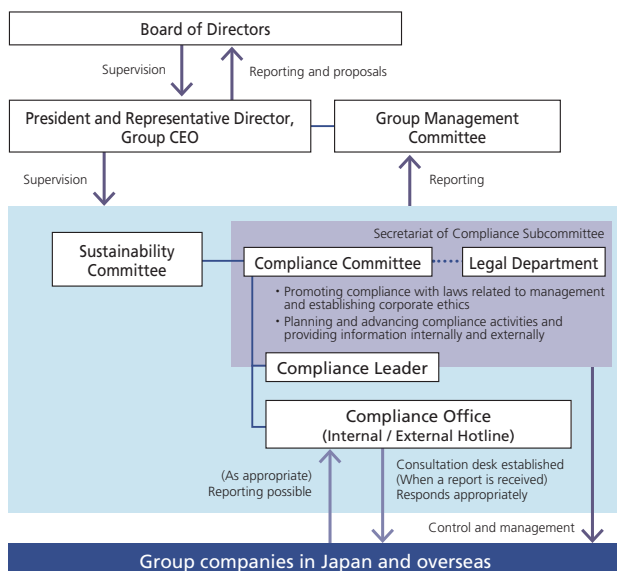
Compliance system

We are disseminating the way of thinking about compliance and providing education on regulations throughout the Group, with the leading role played by the Compliance Subcommittee under the Sustainability Committee. We are also proactive in creating opportunities to deepen our awareness of compliance related to daily operations, with the central role played by compliance leaders in each operation site.

Whistleblowing system

We have established internal / external Compliance Office as a consultation desk for compliance. We have also established the “Operating Regulations of Compliance Office” to ensure fair

Compliance system (FY2022)



* Excerpts and additions from P.37 Sustainability promotion system (FY2023)

and proper operation of the Office. Consultations and reports mainly cover violations of laws and regulations (including corruption such as bribery and violations of the Antimonopoly Act) and violations of internal rules. We investigate the fact based on consultation, and take measures immediately if there is any concern of problem occurrence. In addition, we give maximum consideration to protection and confidentiality of whistleblowers. In consultations with the Compliance Office in FY2022, no issues were reported that could lead to serious risks.

Major activities in FY2022

• Compliance meetings in each site (from March to June)

We held meetings at numerous locations in Japan (3,663 participants,) using materials that are used Group-wide, to promote the identification of new compliance issues and the formulation and implementation of solutions.

• Compliance Improvement Month held in October

We held meetings at each operation site (3,896 participants.) We confirmed and studied response status of the issues identified at each site, as well as any newly occurred risks. In addition, we sent the Toyo Ink Group’s Code of Business Ethics and its explanatory materials, which are translated into local languages, to all representatives at overseas affiliates, and requested that they hold compliance meetings including local staff, and strengthen their awareness of compliance.

• Compliance education

< Programs tailored to each grade / level and job function >

Compliance seminar for new employees (held once a year)

Advance training for overseas assignments (held twice a year)

< Theme-based programs >

Antimonopoly Act seminar (11 sessions, 406 participants)

Subcontracting Act seminar (16 sessions, 365 participants)

• Compliance auditing, with the goal of creating an organization with integrity

In FY2022, we conducted a questionnaire—based on Q&A previously published by the Japan Fair Trade Commission—to check whether transactions are being conducted in compliance with the Subcontract Act, at all Group companies which engage in transactions subject to the Subcontract Act. As a result, we found no illegal transactions.

• Response to overseas legal risks

We also established external hotlines for overseas sites to facilitate whistleblowing and informed overseas representatives and local staff of these hotlines. Further, in China, we check the status of operations in the country every six months based on the “Bribery Prevention Regulations.”