

SHINSEI PULP & PAPER COMPANY LIMITED

CSR Report 2019

Corporate Social Responsibility



This is a work from "Paralym Art" that SHINSEI PULP & PAPER COMPANY support.

Top Message

Regarding the sustainability of our products

Our 5th three-year mid-term management plan started in April last year. Through proposal activities that take advantage of the material superiority of each of our main products—paper, cardboard, and film—we aim to create new added value and contribute to realizing a sustainable society.

With the growing awareness of marine pollution caused by plastics, the global movement to reduce plastic waste is accelerating and biodegradable materials such as paper pulp are once again attracting attention. Having worked with paper pulp for many years, we are intimately familiar with its properties and will continue making appropriate proposals to society regarding its usage.

Our company's food packaging film is also expected to reduce food waste, not only because it is a petrochemical product but also due to its ability to greatly extend expiration dates.

Business activities based on SDGs collaborations

Regarding our company's ISO14001 certification, each department has set environmental management targets that are directly linked to our core businesses, carried out these policies, and achieved results. Our business activities are closely linked to the 17 SDGs, and leading up to the year 2030, we will continue conducting business activities with these developmental goals in mind.

Reducing environmental impact by improving logistics efficiency

Due to factors such as driver shortages and overly long working hours, there is an urgent need to improve productivity in the transportation industry. Likewise, in the paper pulp industry, we are proactively working with MLIT and METI to improve logistical issues and realize efficient deliveries without any waste. Proposing eco-friendly material solutions and improving logistical problems are both important issues for our company.

With the "power of paper" once again in the spotlight and the "role of film" gaining increasing prominence, we will remain a company trusted by stakeholders by continuously providing unprecedented added value to the market and responding to the ever-changing needs of society. Moving forward, I ask for your continued cooperation in these matters.

President and CEO

加藤 康次郎
Yasujiro Kato



Philosophy

We respond to the changing times with a firm commitment to "innovation and challenges" and continue to grow with society.

Management Policies

1. We will continue to meet our responsibilities to create a rich society through eco-friendly corporate activities.
2. We will continue to grow as a company that is supported, needed, and chosen.
3. We will continue to pursue the infinite possibilities of wood-based natural materials starting with paper.
4. We will each maintain high aspirations and display our talents as professionals.

Code of Behavior

1. Total compliance with laws and regulations

Shinsei Pulp & Paper Company not only complies with laws and regulations but also abides by domestic and international rules and social codes, achieves trust from society and customers, and fulfills its responsibilities.

2. Consideration for the environment

Shinsei Pulp & Paper Company recognizes conservation of the global environment as a priority and seeks to pass a rich future onto the next generation.

3. Disclosure of corporate information

Shinsei Pulp & Paper Company actively and fairly discloses corporate information to shareholders and other stakeholders.

4. No relationships with antisocial forces

Shinsei Pulp & Paper Company consistently refuses any requests from antisocial forces and organizations.

5. Establishment of a safe and worker friendly environment

Shinsei Pulp & Paper Company respects each employee's personality and uniqueness and realizes a safe, worker-friendly environment.

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Sustainable Development Goals

The Sustainable Development Goals (SDGs) are 17 goals to change the world by 2030, agreed upon by the 193 member states of the United Nations. Shinsei Pulp & Paper Company (SPP) seeks to proactively contribute toward the SDGs through business activities relating to the distribution of paper, cardboard, and film.



Editorial policies

The CSR Report is an annual report explaining our environmental initiatives and other social corporate activities. This report covers the period of fiscal year 2018 (April 2018 – March 2019) with actual business figures. Some of the latest initiatives that began after April 2019 are also referenced. The editorial policy of this report is to communicate our CSR activities in an easy-to-understand manner. In addition, we designed the report to be warm and inviting, using Paralympic Art as a motif. We would like as many people as possible to learn about our CSR activities through this report.

Business activities covered by this report: Compiled mainly from social and environmental activities at domestic sales bases.
Referenced guidelines: Environmental Reporting Guidelines (Fiscal Year 2018 Version) published by the Japanese Ministry of the Environment; ISO26000
Publication: October 2019

About the cover

Paralympic Art is an activity carried out by the Shougasha Jiritsu Suishin Kikou Association to support the social participation and economic independence of disabled people through art. The picture on the cover is Misato Shikata's "Inner Ocean." Regarding this piece, Ms. Shikata has said, "The inner ocean is the spiritual mother sea that exists within all of us. In order to be calm and gentle in difficult times, it is necessary to know your own weaknesses. A truly strong person is someone who has made peace with their weaknesses."



SPP's Business Fields: New Value in Paper, Cardboard, and Chemical Products

We are a trading company that specializes in two main fields: Paper & Cardboard and Chemical Products. We strive to provide unlimited new value by listening to the various needs of our customers and adding value to paper, cardboard, and chemical products.

● The SPP Value Creation Cycle



Paper used for newspapers, magazines, and books as well as cardboard and craft paper used for wrapping and protecting things. We also push the envelope of innovation by dealing in new materials such as data processing paper, industrial paper, and functional paper. Our other business is the production of synthetic resin films, which are used for food packaging by a large number of manufacturers. These films have many functions including beauty, durability, and barrier properties and contribute to solving the current problem of food waste.

As a specialized trading company, we offer added value such as durability, lightness, texture, recyclability, safety, and antibacterial properties. Using our abundant creativity and design skills, we produce the paper, cardboard, and film required by our customers and the times.

● Overseas businesses

We are expanding our overseas network in order to quickly respond to customer requests, regardless of the location. We have bases in cities around the world, including Shanghai, Beijing, Taiwan, Bangkok, Melbourne, Kuala Lumpur, and Los Angeles. Our paper solutions are growing along with our global track record.



Corporate Overview

Company name	SHINSEI PULP & PAPER COMPANY LIMITED
Head Office	Central Branch 1-8, Kandanshikicho Chiyoda-Ku, Tokyo, 101-8451 Japan
Established	November 3, 1889
Incorporated	March 14, 1918
Capital	3,228,000,000 yen
Lines of business	Paper, pulp, chemicals, processed paper, architectural materials, machinery, equipment, etc.
No. of employees	590 (As of April 1, 2019)

Description of business

1. Sales and processing of paper, pulp, chemicals, and chemical products and sales of processed paper products
2. Sales and leasing of paper processing machines, printing machines, packing equipment, synthetic resin processing equipment, industrial electric equipment, transportation machines, communication equipment, office equipment, and accessories
3. Sales and leasing of packing, printing, bookbinding, architectural, and papermaking materials
4. Brokerage, wholesale, agency, and import/export of any of the above-mentioned items
5. Business system design, installation, supervision, and contracting for any of the above-mentioned items
6. Land development as well as sales, purchasing, leasing, and supervision of land and buildings
7. Room rental and parking lot services
8. Warehouse services and automotive transportation business
9. Interior finishing work
10. Investment in businesses associated with any of the above-mentioned items
11. Non-life insurance agency and insurance agency based on the Automobile Liability Security Law
12. Life insurance solicitation
13. Sales of books, magazines, and stationery
14. Power generation utilizing natural energy and supply, sales, management, operations, and mediation of electricity
15. Any business activities related to any of the above-mentioned items

Main banks

Sumitomo Mitsui Banking Corporation, MUFG Bank, Mizuho Bank, Norinchukin Bank, Shizuoka Bank, Jyoy Bank

Welfare facilities

Kiyosato Mountain Villa:
Takanecho, Hokuto, Yamanashi Prefecture
Tomiura Kodama Doms:
Tomiuracho, Minamiboso, Chiba Prefecture
Kisokoma Mountain Villa:
Kisocho, Kisogun, Nagano Prefecture
Yufuin Mountain Villa:
Yufuincho, Yufu, Oita Prefecture

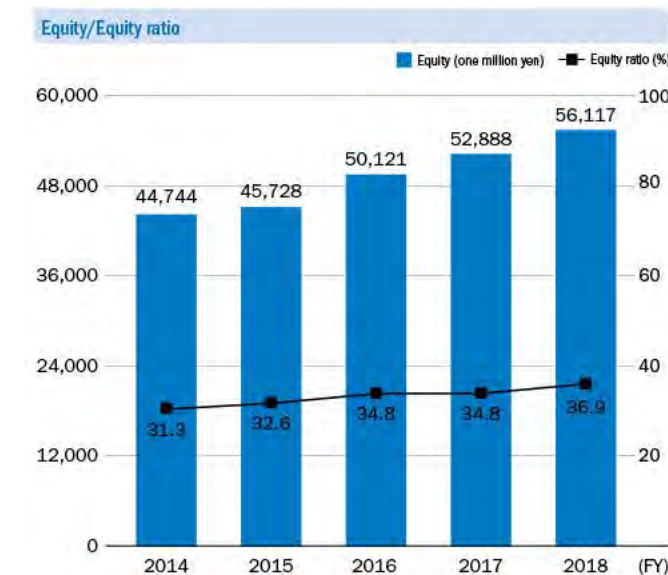
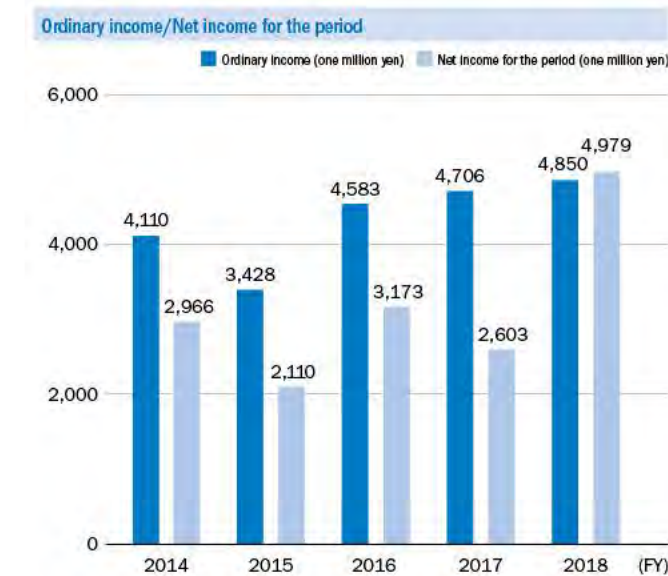
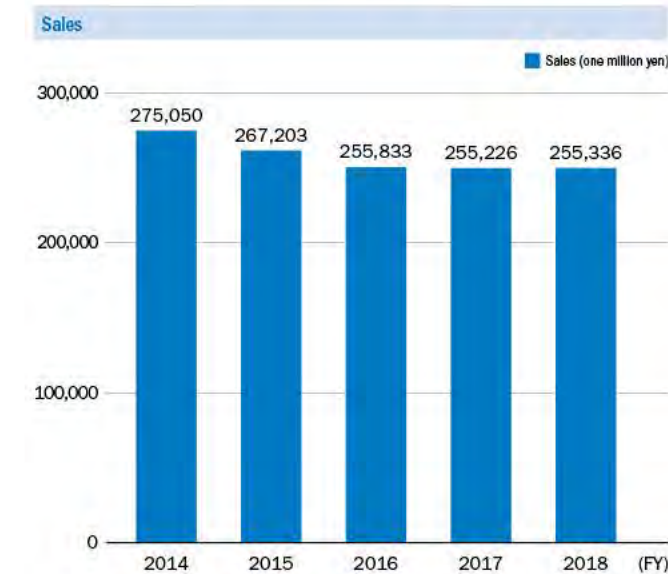
Financial and Non-Financial Highlights

Introducing financial and non-financial highlights for the period FY2014 – FY2018.

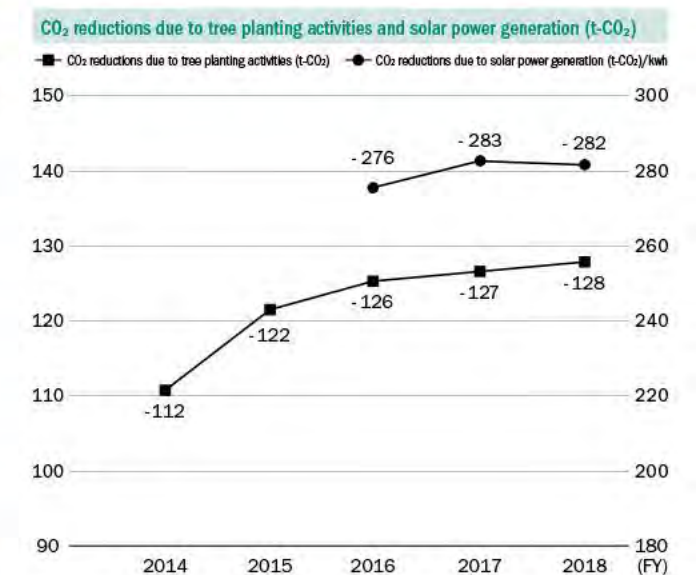
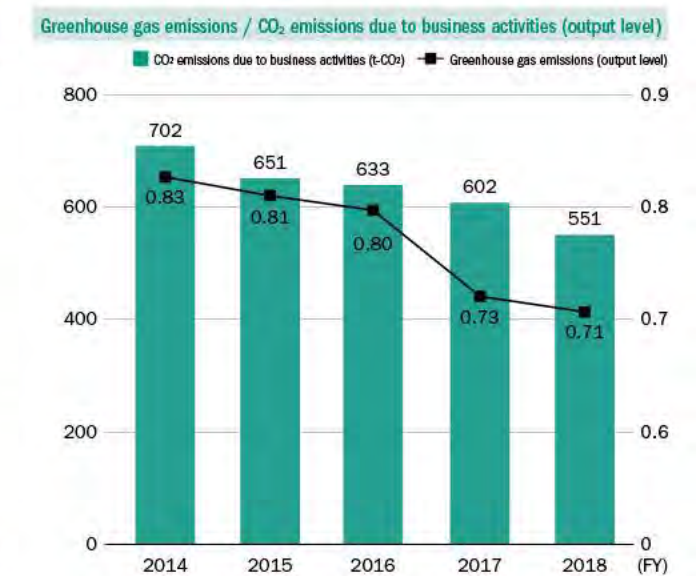
Financial Highlights		FY2014	FY2015	FY2016	FY2017	FY2018
Sales	(one million yen)	275,050	267,203	255,833	255,226	255,336
Operating income	(one million yen)	3,624	3,262	4,283	4,373	4,412
Ordinary income	(one million yen)	4,110	3,428	4,583	4,706	4,850
Net income for the period	(one million yen)	2,966	2,110	3,173	2,603	4,979
Total assets	(one million yen)	143,166	140,171	144,125	151,931	152,264
Equity	(one million yen)	44,744	45,728	50,121	52,888	56,117
Equity ratio	(%)	31.3%	32.6%	34.8%	34.8%	36.9%
Cashflow (consolidated) (one million yen)	Sales activities	1,419	4,401	6,766	5,048	4,560
	Investment activities	590	- 504	- 1,649	- 1,176	1,093
	Financial activities	- 1,086	- 1,130	- 2,220	- 4,049	- 4,141
	Closing balance	5,698	8,405	11,238	11,012	12,500

Non-financial Highlights		FY2014	FY2015	FY2016	FY2017	FY2018
Employees	Male	430	421	410	396	393
	Female	185	195	197	196	197
	Total	615	616	607	592	590
Greenhouse gas emissions (output level)		0.83	0.81	0.80	0.73	0.71
CO ₂ emissions due to business activities (t-CO ₂)		702	651	633	602	551
1% for Present Tree (number of trees planted)		10,422	10,826	11,207	11,554	11,922
CO ₂ reductions due to tree planting activities (t-CO ₂)		- 112	- 122	- 126	- 127	- 128
CO ₂ reductions due to solar power generation (t-CO ₂)		—	—	- 276	- 283	- 282

Financial Highlights



Non-financial Highlights



SPP Mid-term Management Plan

The mid-term management plan “Shinsei 5-3 Plan” began on April 1, 2018. This plan is based on our environmental management philosophy with the slogan of “One step—Changing daily life.”



We contribute to a rich lifestyle through proposals for materials suitable for growing markets in a contemporary society. It is because we can demonstrate the value of paper, cardboard and film in our daily lives that we can take “one step” forward.

Action strategies

1. Accelerating business innovation in the paper and chemical products businesses
2. Accelerating new business development in the paper, chemical products, and real estate businesses
3. Accelerating initiatives for next-generation businesses in new fields
4. Fostering a corporate culture to tackle the changing times with a spirit of innovation and challenge

CSR/Environmental activities

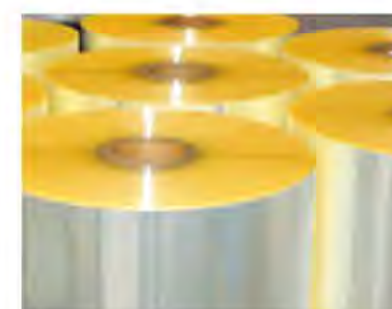
1. Supporting disabled persons through Paralymp Art
2. Supporting reforestation through 1% for Present Tree
3. Promotional activities for forest certified paper
4. Environmental contribution through sales of eco-friendly products and logistical system reviews

Eco-friendly Procurement and Sales Guidelines

The Shinsei Pulp & Paper Company contributes to the sustainable growth of society with the establishment of our Eco-friendly Procurement and Sales Guidelines based on the Basic Philosophy of the Environmental Policy.

Purpose	Based on the Basic Philosophy of the Environmental Policy, the Shinsei Pulp & Paper Company fulfills its social responsibility and contributes to environmental protection through proactive procurement and the sales of environment-friendly products.	
Scope	This guideline applies to all domestic and overseas bases.	
Procurement policy	1	Proactive approach to forest-certified paper
	2	Proactive approach to products complying with the Green Purchasing Law
	3	Proactive approach to recycled pulp products
	4	Proactive approach to elemental chlorine-free pulp
	5	Proactive approach to paper made from thinned wood
	6	Proactive approach to non-wood paper
	7	Proactive approach to chemical products based on impact categories
	8	Proactive approach to partners who advocate preserving high-value forests and rural environments
	9	Proactive approach to product transparency required by the law
Sales Policy	1	Providing products where the legality of manufacturers can be verified
	2	Providing products manufactured with sustainable resources
Relevant laws, regulations, ordinances, and standards	1	Guidelines for Private Sector Engagement in Biodiversity (Ministry of the Environment)
	2	Act on the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities (Green Purchase Act)
	3	Act on Promotion of Distribution and Use of Legally Logged Wood Products (Clean Wood Act)
	4	Substances prohibited from use: Attached Table 9 of Order for Enforcement of Industrial Safety and Health Act (Management of chemical substances used in products)
	5	Usage of chemSHERPA to communicate information regarding chemical substances in products (Management of chemical substances used in products)

Our company's eco-friendly products



Environmental protection in the chemicals field



Highly recyclable and eco-friendly packaging materials



Products made from thinned wood

The Sustainability of SPP in Figures

We are developing corporate activities with the aim of realizing a sustainable society. The following figures show how our activities contribute to a sustainable society. We will continue to take on challenges to improve these figures.

17 PARTNERSHIPS FOR THE GOALS
130 years

Company history

Our company was founded in 1889, and we have continued our business over the last 130 years. The third president, Kunihiro Okura had a strong desire to contribute to society. He believed in doing everything he could for the world and families, and making sincere judgements about everything. These days, that belief has taken root throughout the whole company.



From the Okura Institute for the Study of Spiritual Culture's collection

55.6%

Proportion of women employed

Our target employment rate of women is 50%. Based on "The Act on Promotion of Women's Participation and Advancement in the Workplace," we actively aim to provide opportunities to hire more women, and have put in place goals to create environments for women to properly display their individuality and ability. In 2019, 55.6% of our new hires were women.



Proportion of people with handicap in employment

We are working hard to provide employment opportunities for people with handicap. In FY2018, we achieved the 2.2% rate required by law.

2.2%



Reducing CO₂ emissions by planting trees

Since 2009, we have been carrying out an activity called "1% for Present Tree," in which we charge our trading partners 1% extra to buy and plant new trees. The trees that have grown reduce CO₂ levels and absorb 128t-CO₂ per year.

11,922 trees

1% for Present Tree



Ten years of planting trees

Since 2009, we have been carrying out an activity in which we charge our trading partners 1% extra to buy and plant new trees. In 2018, we reached the tenth year of this activity, and have planted a total of 11,922 trees. As well as growing various kinds of trees, we hope to protect the water and organic matter cycles in forests, rivers and the seas, and enrich ecosystems. By supporting places like fishing grounds, we can also indirectly contribute to local industry.



128 t-CO₂ per year



282 t-CO₂ / kWh

Reduction in CO₂ emissions since last fiscal year through solar power generation

Based on the amount of natural power generated from April 2018 to March 2019, CO₂ emissions were reduced by 282t-CO₂/kWh. Between spring and autumn, our CO₂ emissions fell to zero, and we also introduced undergrowth weeding through sheep that do not produce any plant residue.



Discussion with an Expert

Contributing to a Sustainable Society, While Passing Down Paper Culture to the Future

The SDGs (Sustainable Development Goals) are an unavoidable theme for Shinsei Pulp & Paper, as a company that handles paper and chemical products. How should we interpret the SDGs? How can we achieve them? We invited Mr. Soichi Ueda, who serves as Producer and Board Member of the NPO Think the Earth, to discuss these topics.

2015, the year of change

Suzuki We have been promoting the SDGs through the distribution of our paper and chemical products. Today, we would like to discuss the relationship between our businesses and the SDGs through a conversation with Mr. Ueda from the NPO Think the Earth. First, please tell

us about how society has reacted to the SDGs, and what activities have been implemented.

Ueda The SDGs were adopted by the United Nations in 2015. The Paris Agreement was also adopted in the same year at COP21, so I personally think that 2015 was a historically significant year. However, these topics never received much attention in Japan, and it was only in 2016

that the SDGs were introduced in The Asahi Shimbun newspaper as a special feature. After that, the Keidanren (Japan Business Federation) declared their support for the SDGs, and many companies started working on them. Japan has since become one of the most proactive countries in promoting the SDGs.

Ootani I can feel the companies' strong interest in the SDGs every day through my sales activities.

Ueda In the government curriculum guidelines that were announced in 2017 and 2018, there was a preamble that encouraged children to become the creators of a sustainable society. From 2020, the SDG chart will be published in various school textbooks. Only a few years ago, most people paid no attention to the SDGs, but in the near future, almost every child will know about them. Eventually, those children will grow up and start working, and companies will have to update their understanding of the SDGs to keep up with them. Companies are currently faced with an important decision.

Ishiuchi So, we are at a turning point.

Ueda Exactly. At Think the Earth, we have started working on an activity called "SDGs for School," where we support teachers and students that are working on the SDGs in various ways. Both the students and teachers are taking the activity very seriously. One junior-high student learned that children his age are forced to work at cocoa plantations in Ghana, and so he kicked-off some activities with his friends to achieve the SDGs' target 8.7, "elimination of child labor." It made me realize that children take action much quicker than adults.

Things that only a trading company can do

Ono It seems that people have already been working on SDGs quite actively. As we need to promote SDGs through the sales of our paper and chemical products, it is very helpful that there are so many activities that we



Profile
Soichi Ueda
 Board Member and Producer
 NPO Think the Earth
 Visiting Professor
 Tama Art University
 Born in Hyogo Prefecture in 1965. After working at an advertising agency, he went freelance and jointly developed "Earth Watch," a wristwatch that shows the Earth as seen from space, with Nippon Telegraph and Telephone Corporation. Taking advantage of the connections that were created through this project, he established the NPO Think the Earth in 2001. Since then, he has conducted various activities related to the SDGs and published books such as "Green Power Book" and "SDGs Idea Book—The Goal to Change the Future."

can refer to.

Ueda Speaking of the paper industry, I remember when activities for paper recycling began attracting social attention. My impression was that the paper industry was criticized every time an environmental problem was highlighted. You must have all been through some rough times! Climate change, floods, and landslides have become major crises in recent years. Forest conservation policies are strongly associated with these problems, and this involves the paper industry, as the circulation of wood is the main point of these policies.

Suzuki For another example, when a forest disappears, the quality of the water pouring into the ocean changes, and this eventually affects the marine ecosystem. When we trace back the roots of environmental problems, it always leads to forests.

Ootani I have participated in the 1% for Present Tree activity and did tree planting for two years. That experience helped me realize that trees are contributing to the natural cycle of the environment. It really made me

realize that trees take a long time to grow, and that nature is always moving in a slow cycle.

Ueda The Japanese used to live close to nature, as we used wood for fuel and construction materials. However, there was a period when cutting down trees and planting cedars was encouraged. Advertisements said things like, "it will pay you enough for a trip to Hawaii," and this completely transformed our forests. Various problems related to the global environment have surfaced in recent years, and it was during this time that the SDGs were created. The co-existence between mankind and nature is a critical theme, as it



Fumitaka Ono

Section Manager, 1st Section
 Direct Sales Department
 2nd Paper Division
 Osaka Branch

Atsuhiko Suzuki

Director
 Managing Officer
 Manager, Chemical Business
 Department, Tokyo Main Branch
 Officer in charge of chemical
 products at Sales Divisions

Soichi Ueda

Board Member and Producer
 NPO Think the Earth
 Visiting Professor
 Tama Art University

Motoyuki Ishiuchi

Manager
 Direct Sales Department
 3rd Paper Division
 Tokyo Main Branch

Yuki Ootani

1st Section
 Functional Paper Department
 Information-related Paper
 Division
 Tokyo Main Branch





Profile
Atsuhiko Suzuki
 Director
 Managing Officer
 Manager, Chemical Business
 Department, Tokyo Main Branch
 Officer in charge of chemical
 products at Sales Divisions

Joined in 1980. After working in accounting and purchasing, he was transferred to Sendai in 1989 to handle sales of chemical products. He was put in charge of chemical products in Tokyo in 2009 and promoted to Sendai Branch Manager in 2011. He assumed his current position in 2017. He is also in charge of creating synergies with Taibo Co., Ltd., a waste plastic recycling company.



Profile
Yuki Ootani
 1st Section
 Functional Paper Department
 Information-related Paper
 Division
 Tokyo Main Branch

Joined in 2017. Put in charge of purchasing for synthetic paper and PPC in the Information-related Paper Division. Since October 2017, she has been engaged in sales of functional materials. She is currently looking for ways to approach environmentally-conscious customers through sales of release and synthetic papers.



Profile
Fumitaka Ono
 Section Manager, 1st Section
 Direct Sales Department
 2nd Paper Division
 Osaka Branch

Joined in 1999. In addition to dealing with multiple customers at the Direct Sales Department, he is currently focusing on developing new products, finding new customers, and training up younger employees. He commercialized "Paralym Art," a CSR-linked social contribution initiative, by proposing it to a major calendar manufacturer in Osaka.



Profile
Motoyuki Ishiuchi
 Manager
 Direct Sales Department
 3rd Paper Division
 Tokyo Main Branch

Joined in 1994. After working in purchasing and wholesale operations, he joined the Direct Sales Department in 2012. He currently participates in various activities, not only as a Manager but also voluntarily. Together with our customers, he promotes 1% for Present Tree, a scheme where 1% of sales income is used for tree planting activities.

includes problems surrounding industries, people's lives, and regional revitalization. We need to work on this theme with the whole supply chain, and trading companies will need to play an integral role. I'm sure there are things that only a trading company can do. What initiatives are Shinsei Pulp & Paper undertaking?

Suzuki As the Manager of the Chemical Business Department, I am involved in sales of films for food packaging. We are promoting CO₂ and food waste reduction as central themes, and we consider our activities to be "Guarding the Earth," similar to Mr. Ueda's "Think the Earth." The volume of food waste in Japan a few years ago was approximately 646 tons, which equals the annual food consumption in Tokyo. I started thinking about what we could do with food packaging to improve this situation, and now we are implementing initiatives under themes like freshness preservation, extension of expiration dates, reduction of waste due to individual packaging, and improvement of packaging durability.

Ueda I hope consumers will understand the significance of using chemical products through your initiatives.

Suzuki We have also formed a capital alliance with Taibo Co., Ltd., a recycling company in Wakayama Prefecture. The SDGs have become an unavoidable theme for both

consumers and processing companies. We won't be able to survive in the future if we don't react appropriately. However, this could also be a business opportunity.

Ueda There are companies that provide chemical recycling services where they collect clothes, refine oil from them, and produce new clothes from the oil. This service has already been adopted by several famous fashion brands. I hope recycling becomes more popular as a business model. It would be wonderful if it could be applied to your paper products.

Changing paper consumption's negative reputation

Ishiuchi As a company that sells paper, I feel the SDGs make it easier for us to convey that our products are environmental-friendly. Back when I entered this industry, the environmental-friendly aspect did not have much credibility, but the situation changed after the SDGs became widely recognized. Likewise for the 1% for Present Tree activity.

Ono At company information sessions for students, I usually highlight that "being involved in the paper business is equal to being sustainable," and I can see the students' faces change when I mention words like

SDGs or sustainability. On the other hand, there is still a strong social image that that "consuming paper is a bad thing." I would like to change this negative reputation. Paper manufacturers invest their profits in conserving forests and provide work for people in the forestry industry. If we can promote that positive cycle, people will be able to understand that consuming paper is directly connected to protecting forests.

Ishiuchi Students and people in their 20s now are very conscious of these topics. We may be able to convey such information more effectively by using keywords like SDGs.

Ueda Children now learn about the environment at elementary school, and I hear that they have a positive image of social contribution activities because of it. Quite a lot of the students are even taking part in various activities focusing on overseas countries. I think that the environmental problems associated with Japanese paper manufacturers will resound with these children. By the way, I was surprised that Mr. Ono said paper consumption still has a bad reputation.

Ono It is not mainstream, but such opinions do still exist.

Ueda We are also publishing books at our association. I really like the distinctive feel of paper. E-books come in handy, but you won't be able to read them when the data is lost. Printed books will last a long time if you take good care of them. Papers played an important role in the history of mankind. I hope that the merits of paper will be widely recognized by society.

Suzuki It is the same with films. Japanese films are globally known for their high quality, and as I said earlier, this greatly contributes to society.

Ueda That is true. Most people tend to judge a material's value based on general reputation, without knowing the facts. We should try harder to convey the true situation, while promoting environmental-friendly initiatives.

The SDGs lead to trade-offs

Suzuki How do overseas countries, especially Southeast

Asian countries, view environmental problems?

Ueda It depends on the country, but generally, they do not take waste and environmental problems very seriously. In Southeast Asian countries, almost everything used to be made of disposable natural materials. In Bhutan, I actually saw someone throwing garbage out of a window. Their mindset is that waste is biodegradable, so there's no need to worry. However, in recent years, there are also many non-biodegradable products, leading to an increase in waste.

Suzuki I receive a lot of inquiries about biodegradation from chemical product customers, so I think people are becoming more aware of this issue.

Ueda However, when the recycling law was put into effect, companies started producing tons of plastic bottles. Once the effectiveness of biodegradable technology is proven, people might start over-relying on it and applying it to everything they produce. If that stance goes too far, it may result in a completely new problem. The SDGs always lead to some kind of trade-off. The important thing is to create a sustainable system, and the SDGs serve as a foundational principle for that.

Ootani I am involved with the sales of release papers, and I know they are difficult to recycle since they are polyethylene-laminated and silicone-coated. I am concerned about what will happen to this product when

Taibo's recycling business

In 2019, Shinsei Pulp & Paper agreed on a new capital alliance with a recycling business company called Taibo Co., Ltd. Taibo mainly recycles plastic waste. The collected wastes are mixed, granulated, processed, and molded into recycled materials. Their product portfolio includes

landscape materials such as resin multi-poles and resin imitation woods, as well as distribution materials. They will continue to contribute to a zero-waste society through their business, and Shinsei Pulp & Paper will leverage this partnership as a driving force for the SDGs.



Wood Burlico
(recycled resin imitation wood)



we start implementing the SDGs more actively. On the other hand, synthetic paper is very eco-friendly as it uses less water for production. We are also working on reducing CO₂ by incorporating biomass resin into the material. I would like to meet a wide range of customer needs with a varied product portfolio that only a paper trading company can provide.

Ueda I think your concern about release papers proves that you are really thinking about environmental problems



in your work, which is very important. Some advanced research institutes are already working on the problem you mentioned, so please don't give up and continue tackling the problem.

Transform with partners

Ootani The SDGs are supposed to be achieved by 2030. How do you think we can achieve this global goal?

Ueda The SDGs are not a set of rules to follow. They are goals to aim for. Once, President Kennedy of the United States declared that mankind would reach the moon during the 1960s, and this became a reality. Sometimes setting a goal helps one to achieve a dream, and I think this is the significance of the SDGs. "Transforming the world," which is the title of the SDG agenda, is a keyword. We need to "transform" the world—not change or shift it. We need to innovate to recreate our economic system and business models. In addition, the SDGs advocate "leaving no one behind." Global capitalism based on the principle of competition is being questioned. We are faced with an enormous challenge.

Ishiuchi We might be living in a period of drastic transition. I hope we can contribute to changing the world

1% for Present Tree and tree planting activities

Since 2009, Shinsei Pulp & Paper has been carrying out 1% for Present Tree, an activity to purchase saplings using 1% of sales revenue. More than 10,000 trees have been planted through this activity, and it has become an important activity for conserving forests and reducing the environmental burden.

Every year, employees of Shinsei Pulp & Paper participate in the tree planting. It provides a meaningful experience for young employees to learn about forest conservation, reforestation, and the paper cycle by planting trees with their own hands.



through grassroots activities like 1% for Present Tree.

Ootani What do you think will happen after 2030?

Ueda I hear there have already been discussions on a post-SDG world, but we still don't know what things will be like in 2030. However, if we can pass our knowledge and experience to a younger generation who are highly conscious of global problems and cooperate with them, we will be able to pave a path to the future. The current SDGs are not perfect; if you look closely, there are still items that the SDGs do not cover. For example, items covering the environment, economy, and society, but "culture" are completely omitted. Speaking of culture, paper has been a crucial media to pass down culture since ancient times. In the world after 2030, there may be problems that need to be considered from a cultural perspective. I am looking forward to the efforts of Shinsei Pulp & Paper and the paper industry.

Ono Our predecessor, Okura Magobei Paper Company, was established in 1889. It expanded from a color print store to a paper distributor, and later on, the third President Kunihiro Okura established the Okura Institute for the Study of Spiritual Culture using his own funds. He made a great contribution to education and culture. In this sense, you could say that Shinsei Pulp & Paper has been tackling the SDGs for a long time.

Ueda You can actually trace your company's history back even further to the establishment of Okamoto Co., Ltd. (Okura Magobei Paper Company's predecessor) in 1962. There are few companies that have lasted for over 300 years, and I think the knowledge accumulated over the years is an important asset. The SDGs are the goals for the future, but when we look at their essence, it leads us to the past, allowing us to see the philosophies of our predecessors and even the history of this planet in a new light. The SDGs help us extract our own DNA from the past and create the future based on it.

Suzuki Thank you for telling us about different facets of the SDGs. I have learned a lot from today's round-table.

Ueda The SDGs cannot be achieved by a single company. That is why the stances of trading companies in different industries are very important. In this regard, Shinsei Pulp & Paper can be considered a company that embodies the SDGs' Goal 17: Revitalize global partnerships for sustainable development. I hope that all of you will create good partnerships to realize a drastic transformation.

After the discussion



I learned a lot of new things, and it was a very meaningful discussion. As it is important to focus equally on business and society, I hope Shinsei Pulp & Paper will take on new challenges by creating good partnerships. (Ueda)



Companies need to recognize that the SDGs are a business opportunity. Among the 17 goals of the SDGs, our company must particularly focus on Goal 12: Sustainable consumption and production, Goal 13: Take urgent action to combat climate change, and Goal 14: Conserve and sustainably use the oceans. (Suzuki)



It was a good opportunity for me to contemplate the connection between my daily work and environmental problems and understand what other departments are doing. I will carry out SDGs-based activities, but also keep my eyes open for information regarding post-SDG times. (Ootani)



Shinsei literally means "born again." As the name implies, Shinsei Pulp & Paper is a company that was reborn through a merger. However, the times have changed, and now we need to become a company that creates new value. I hope to follow the ideas of the SDGs and fulfill our responsibility to the market. (Ono)



Through the discussion with Mr. Ueda, I realized that there is a high degree of affinity between our business activities and the SDGs. It is all about making decisions that better the future. The SDGs are common global goals that cannot be put off, and I will continue contributing through my sales activities. (Ishiuchi)

Aiming for a company that allows employees as individual members of society to have a sense of self-awareness and feel that work is worth doing.

We aim for a company that allows employees as individual members of society to have a sense of self-awareness and responsibility, and to continue working towards goals they feel are worthwhile. Through organizations that demonstrate teamwork to the greatest extent, we are contributing to society.

Aiming to increase business sustainability by opening up my field of view overseas

For 15 years since I joined the company, I was devoted to my position in sales aimed at publishing companies, but I made up my mind to register for a transfer to International Operations which handles a huge variety of products. I retaught myself English, and finally gained a chance to take up a position abroad.

These days, I am working at the local subsidiary in Thailand, engaging in the development of new sales avenues and searching for new suppliers for not just Thailand itself, but the surrounding countries too. While working abroad, I have felt strongly that there is a structure of good communication, where specialists from all divisions gather together and can freely discuss various things with each other at any time. As a result, even now I feel the reassurance of the company's network. Here, things that we assume to be normal goods are used by our customers in imaginative and creative ways that we never would have considered, and these flexible ways of thinking not seen among Japanese people both surprised me and gave me cause to think.

Overseas, and particularly in Southeast Asia with its astounding rate of development, the market changes so quickly that one can never guess what the situation will be like in six months' time. But this is also part of the excitement. I would like to continue to deepen my knowledge about various different products, and search for many more business opportunities.



Masashi Hashimoto
Transfer
Shinsei Pulp & Paper(Thailand)Co., Ltd.

Fulfilling chemical requirements, and solving society's problems

Owing to the one-third rule in the food retail industry, which divides the period between production and the expiry date into three parts, some food that is still in date is thrown away.

As a result, the demand for packaging that can extend the life of products is increasing. The converter companies, who are the primary purchasers of raw packaging film, are starting to ask more and more for films with barrier properties or for sample products.

As it is directly related to food loss, we are now making suggestions based on films made out of barrier materials. There is also the environmental issue of plastic products being disposed of in our oceans, and so ecological needs are also becoming more serious. In line with this, we are making various suggestions such as the use of paper products and gauging down film.

So that we can continue to meet the chemical requirements, I want to make sure we keep listening carefully, considering and selling the necessary products and services for our customers.



Tomoaki Yoneyama
Chemical Department, Chemical Business
Division, Nagoya Branch



Mitsuaki Tomita
Manager, 1st Section, Procurement
Department, General Affairs Division
Tokyo Main Branch

Pursuing business that is kind to the environment in various ways

These days, many companies are announcing the procurement of sustainable paper products, and the demand for paper bearing the responsible forestry mark is increasing. However, this by itself will not lead to greater levels of sustainability. For example, the use of lighter weight bulky paper for publications since 2000 is helping to reduce CO₂ emissions when transporting the products.

Task optimizations also improve business sustainability and results. In the Procurement Department, we are working on four areas. The first is the reduction of storage and logistics costs, and therefore lowered CO₂ through inventory reduction and space optimizations. Second is the encouragement of direct supply of products to customers from the production plant. Third is optimizing logistics through active efforts to lower product weights. The fourth is the curtailment of overtime, as well as the abolishment of early arrival and excess breaktimes. We are working particularly hard on the first and second of these as a way of resolving the logistics crisis we suffered last year caused by a shortage of drivers.

Recently, paper products are gaining dominance, as can be seen in the introduction of paper straws, for example. In my field of printer paper, there is no need to replace products made out of different materials, but we are carefully considering various policies to increase demand and improve sustainability.



Yayoi Yamaguchi
Information Related Paper Department,
Information Function Paper Division
Tokyo Branch

A changed perception of time after childcare leave and shortened work hours

Between May 2013 and March 2014, I made use of the childcare leave system. When my child was one and could enter nursery school, I returned to work, moving to my current department. At the beginning, I was fairly lost, but with help from those around me, I was able to make it to where I am today. Right after I returned to work, there were many occasions when I had to leave work or take days off to look after my child who was suffering from acute illnesses and I felt incredibly apologetic, but I am incredibly thankful that each time, people took over my work for me at short notice.

In terms of getting my work done, I ensure that I make use of all available time to try and make progress wherever I can. Previously, I had the sense that 10 minutes was too short to do anything, but now I have undergone a big change, and I feel that in 10 minutes, I am able to get various things done.

As for the work environment, before my child could enter school, I was totally saved by the shortened work hours system and the company-wide endorsement of using available paid holidays. There are mothers around me who make use of work from home and flex-time systems. I feel that if we were to slowly bring in systems like that at our company too, it would be an even more comfortable place to work.

Contributing to Society and Looking after Employees

We are striving to create a better working environment, maximize our teamwork, and draw out the potential of each and every employee.



General employer action plans

1 Action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children

(April 1, 2018 – March 31, 2021)

In order to promote a work-life balance, we have formulated an action plan to create a working environment that allows all employees to fully display their talents while balancing work and childcare.

- Ensuring that the ratio of annual paid leave taken by employees (days taken divided by newly acquired vacation days) is 50% or over**
 - In order to encourage systematic usage of paid leave, we have employees create paid leave taking schedules every 3 months and share them within the department. In addition, we will inform each branch manager (or general manager in Tokyo) of the achieved ratio and provide guidance to departments that do not achieve 50%.
 - We are encouraging taking of paid leave through a new system.
- Promoting productivity while sticking to regular working hours**
 - Senior personnel must keep track of staff members' performance and provide them with appropriate management and guidance to improve productivity.
 - We provide feedback to each branch manager (or general manager in Tokyo) with regard to overtime hours.

2 Action plan based on the Act to Advance Women's Success in Their Working Life

(April 1, 2018 – March 31, 2021)

We have formulated an action plan to encourage the hiring of female employees and to create an environment where they can fully display their individuality and talents.

- Ensuring that 50% or more of new hires are female**
 - Actively promoting our company toward female applicants.
 - Promoting the creation of a comfortable working environment for all employees including women.
 - Promoting the creation of a comfortable working environment for all employees including women.
 - Encouraging a balance between work and childcare or nursing. Additionally, we are considering various systems to support reemployment afterwards. (Expanding the job change system, creating a system to rehire employees who quit to raise a child or look after their parents, etc.)
 - Providing all employees with training to prevent harassment and creating a comfortable working environment that does not permit harassment.

Human resources system

We believe that employees are the lifeblood of a business and the creators of corporate value. By clarifying employees' goals and achievements, we aim to create a challenger culture through skills development and fair treatment of employees.

Human resources development

In order to continuing growing as a company that is supported, needed, and chosen by society, we focus on maximizing the potential of each employee as a professional. We conduct training sessions for new hires, new managers, and upper-level management so that employees can develop professionally and understand their roles at each career stage.



A seminar on sales skills

A comfortable working environment

Setting up a comfortable working environment leads to increased employee productivity and business development, and even contributes to society. We consider the physical and mental health of our employees to be of the utmost importance and strive to realize a comfortable working environment.

Promoting the employment of elderly people

Since the amendment of the Law for the Stabilization of Employment of the Aged, we have been rehiring employees who satisfy health requirements and wish to continue working up to age 65.

In light of the declining birthrate and aging of society, we recognize that it is going to become increasingly necessary to retain senior employees in the future. In order to understand the motivations and expertise of older employees and to clarify their roles in the workplace, we are implementing activities such as increasing opportunities to talk with supervisors and staff relocations.



Passing on knowledge to the next generation

Stress check

The EAP (Employee Assist Program), which allows employees to receive external counseling after performing a stress check, was introduced to prevent mental issues. Since 2016, we have been providing surveys, many of which are legally prescribed stress checks, and conducting activities to make employees aware of their mental burdens.

Promoting the employment of people with disabilities

We actively address the employment of people with disabilities as part of promoting diversification. We have fully satisfied the legal requirements for FY2018 (April 2018 – March 2019) and will continue expanding this initiative to establish a working environment where people with disabilities can work safely and securely.

Occupational health and safety

We believe that securing the health and safety of employees should be of the utmost importance for any company. Under the basic philosophy of respecting humanity, we are actively working on "establishing a workplace environment where everyone can feel secure, happy and healthy."

We have a monthly health committee meeting, which includes an industrial doctor and a health manager, to discuss and evaluate methods of promoting health and preventing health disorders. We strive to maintain health and safety in working environments, as exemplified by the fact that employees may consult an industrial doctor upon request.



A monthly health committee meeting with an industrial doctor and a health manager

Childcare and nursing leave system

In order to establish a working environment where employees can balance work and childcare, we allow for shorter working hours and limited overtime based on the individual circumstances and wishes of our employees, in addition to our childcare and nursing leave systems.

● Regular health checkups and maternity healthcare

We provide support for employees to maintain both physical and mental health. Employees over 30 undergo an annual lifestyle disease checkup, while employees under 30 undergo an annual health checkup. We also have maternity healthcare rules so as to create an environment where female employees can continue working in good health both before and after childbirth.

● Harassment countermeasures

We have stipulated rules on harassment in our employment regulations based on our stance of zero tolerance for all forms of harassment. We listen to the opinions of our employees and are working on employee compliance to prevent any inappropriate behavior that disturbs working conditions or inhibits work performance.

Harassment hotlines

Shinsei Pulp & Paper has established harassment hotlines at all branches (some branches share hotlines with the Tokyo branch) since 2016. These allow employees to report harassment while protecting their personal privacy.

● Cooperative relationship with Employee Association

At our company, we have organized an Employees Association to build and maintain smooth relations between the company and its employees. We believe that good employer-employee relations are indispensable for the development and wellbeing of the entire company and hold monthly meetings to exchange opinions on various projects.



Employees Association

● Club activities

We support club activities as places for internal communication and exchanges outside of the company. The clubs cover a wide variety of activities and help to invigorate employees as part of the overall welfare system. Whether a sports activity or a cultural lesson, we believe that these clubs are excellent for improving the health and education of employees.



Tokyo Main Branch basketball club



Osaka Branch tennis club

Paralym Art support activities for people with handicap



パラリンアートは、
「内閣府 東京オリンピック競技大会・東京パラリンピック競技大会推進本部事務局」
が管理する「beyond2020 プログラム」の認定事業です。

Paralym Art is an initiative conducted by the Shougaisha Jiritsu Suishin Kikou Association to promote the social participation and financial independence of people with handicap through art. The ultimate goal of the initiative is to eliminate barriers between handicapped and non-handicapped people by providing people with handicap with as many opportunities for social participation and business involvement as possible.

Through CSR-related PR activities using Paralym Art, we seek to maximize the value added to paper and bridge the gap between companies as a comprehensive agent. As a specialty trading company, we consider Paralym Art to be a CSR activity and plan to expand it nationwide.



Paralym Art in Queens Isetan

Sales

We sell reproductions of Paralym art for customers who want to keep the pictures with them on a more permanent basis.

Licensing

We license out works of Paralym Art for various applications, including brochures, CSR reports, catalogs, posters, and calendars.

Goods & novelty items

We are currently offering a 2020 Paralym Art Calendar as a novelty item to increase corporate value.



Rental art

We offer rental art for reception desks, waiting rooms, conference rooms, offices, and other uses.



Sincerely Facing Society and Managing a Healthy Organization

We have established a governance system based on our management philosophy and will continue performing our social duty.

● Corporate governance

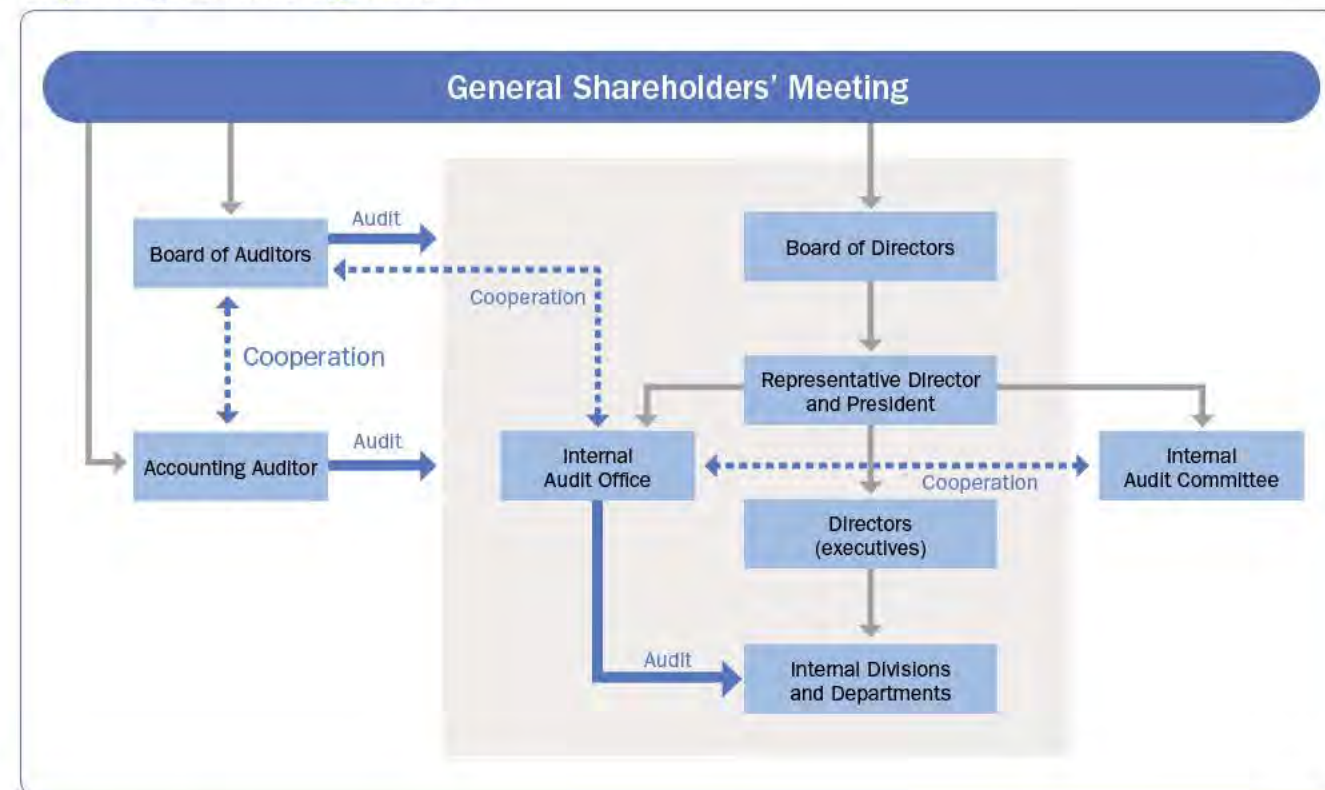
We will continue to grow as a company that is “Supported,” “Needed” and “Chosen,” as defined in our Management Policy, by establishing proper relationships with all stakeholders and increasing our value to society. For this reason, we continually strive to improve our auditing functions and transparency through our Shareholders, Directors, Auditors, and Accounting Auditors.

We hold meetings of the Board of Directors for the

approval of important management issues and the proper and prompt execution of all necessary measures. Our Board of Auditors is responsible for the establishment of an excellent corporate governance system to meet the trust placed in us by society and support healthy and sustainable growth. The Board of Auditors and the Accounting Auditor stay in close contact for auditing plans and results, ensuring a fair and effective auditing system.



Corporate governance organization



● Internal controls

1. Securing effectiveness and efficiency of corporate and business management
2. Ensuring accuracy of financial statements
3. Thorough compliance with all laws, regulations, and internal rules
4. Safeguarding of assets

● Compliance

Compliance is not limited to complying with laws and regulations. It also involves establishing and obeying internal regulations, manuals, ethical practices, and rules for conducting fair and proper business activities. In addition to conducting business in line with social norms and corporate ethics, we also regularly conduct training seminars based on actual case examples to raise employee awareness.



Credit Control Seminar



BCP Training Seminar

● Risk management

BCP=Business continuity planning

We have established a Business Continuity Plan (BCP) for the purpose of securing continuity of important business assets (including protecting life and property). This plan is regularly reviewed to ensure that we can speedily recover any assets (products/services, bases, client lists, etc.) in view of potential business risks.

Disaster Prevention Plan

We have established a disaster countermeasures manual that prioritizes securing employee lives. In the event of a disaster, we will confirm the location and safety of each employee using our Safety Confirmation System. We are also taking other measures such as conducting annual disaster training seminars and keeping 3 days' worth of emergency food and water on hand in case employees are unable to return home.



3 days' worth of emergency food and water



Disaster training seminar

Standards for the management of chemical substances in products

We have formulated control standards and established a system to meet the needs of our customers.

● Internal Audit Office

The Internal Audit Office was established under the direct supervision of the President as an office that is independent from the business lines. The Internal Audit Office assesses the risk situation to contribute to the optimal management of the company, verifies the efficiency and effectivity of functions to ensure proper execution of duties, accuracy of financial reporting, compliance with laws, and maintenance of assets, and regularly audits all departments to prevent issues and improve procedures.

● Handling of personal information

We have taken precautions and established safety control measures to ensure the proper handling of personal information. Below is the scope of our paperwork for the handling of personal numbers.

1. Paperwork relating to personal numbers of managers (including dependent family members)
2. Paperwork relating to personal numbers of non-managers

Additionally, we will properly handle personal information by establishing the following measures to secure control:

- Organizational safety control measures
- Human factor safety control measures
- Physical safety control measures
- Technical safety control measures

Passing the Blessings of Nature from Our Forests onto the Next Generation

We are contributing to the global environment by continuously carrying out activities to pass the blessings of nature, including forest resources, onto the next generation.

● Environmental Policy

Basic Philosophy

SHINSEI PULP & PAPER COMPANY recognizes the conservation of the global environment as one of its main priorities and aims to realize “an environment where people and nature live in harmony” through proactive activities to pass the blessings of nature onto the next generation. We also recognize that action associated with environmental conservation is an important responsibility assigned to each of us, and all of our employees do their best to maintain and enhance conservation.

Course of Action

As a paper distribution company, we are continuously aware of how the goods and services we deal with in our business activities impact the environment. We aim to minimize environmental burdens by setting environmental targets and doing our part to prevent environmental pollution and global warming. We also review environmental targets in response to changing conditions. Our environment policy is documented, disseminated to all employees, and disclosed to the public via our website.

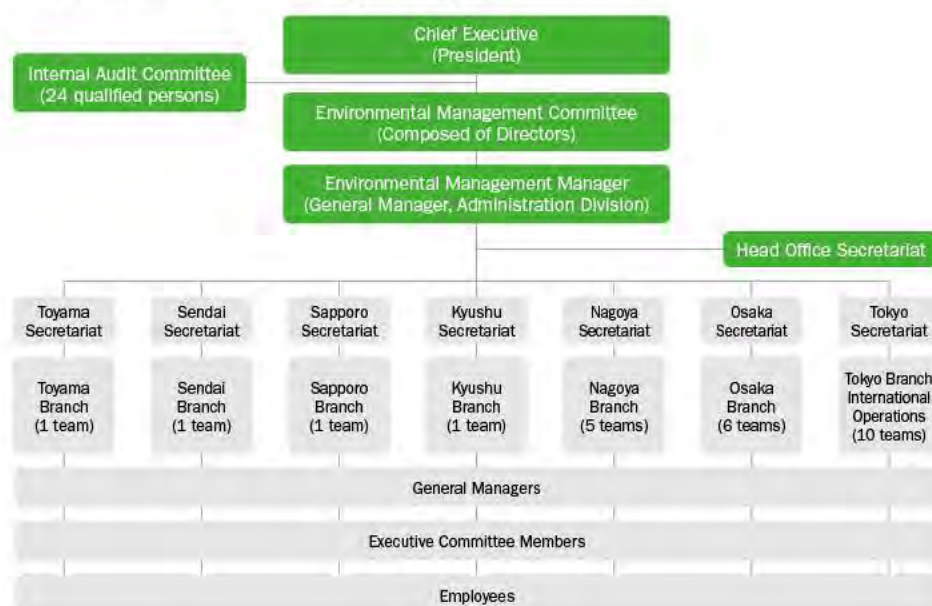
Environmental targets

1. We sell eco-friendly products and develop goods with low environmental burden.
2. When delivering goods, we strive to promote efficiency of logistics to prevent air pollution.
3. We promote recycling by sorting waste at our offices.
4. We actively purchase green products.
5. We actively save energy by reducing electricity usage.
6. We comply with environmental laws and regulations and other requirements that we have agreed to.

● ISO Environment Committee

We have an ISO Environmental Committee that reports directly to the President. We also have teams working in individual divisions and departments to promote employee awareness of ISO standards.

ISO14001 Environmental Management System



● Sales of forest certified paper

Shinsei Pulp & Paper acquired FSC™'s (Forest Stewardship Council®) CoC (Chain of Custody) certification in 2003, and the PEFC's (Programme for the Endorsement of Forest Certification) CoC certification in 2007. The logos indicate that we have acquired certification in all processes from the procurement of timber to the final product.



● Our Initiatives

Working on environmental preservation through reforestation

We consider preservation of the global environment to be one of our most important management goals. We will proactively take on activities in order to create an “environment where human and nature can coexist” and pass down that environment to the next generation. We are aware that environment preservation activities are an important duty and will make efforts as a company to maintain and improve these activities.

Every year, we implement activities where our employees can experience forest preservation, reforestation, and the paper and tree planting cycle. Our younger employees, who are the next generation, proactively engage in forest preservation.



1% for Present Tree*

Since 2009, we have added 1% to our sales prices and used this extra amount to support tree planting activities. We have planted over 10,000 trees through this initiative.



Number of trees planted	
2009	66 trees
2010	8,168 trees
2011	535 trees
2012	524 trees
2013	609 trees
2014	520 trees
2015	404 trees
2016	381 trees
2017	347 trees
2018	368 trees
Total	11,922 trees

● 1% for Revive Japan*

Since 2011, we have added 1% to our sales prices and used this extra amount to support restoration activities for the Great East Japan Earthquake of 2011.

*Conducted in partnership with NPO Environmental Relations.



We have adopted the Revive Japan scheme for our product Rescue Board Magnum and donate an amount for each unit sold.



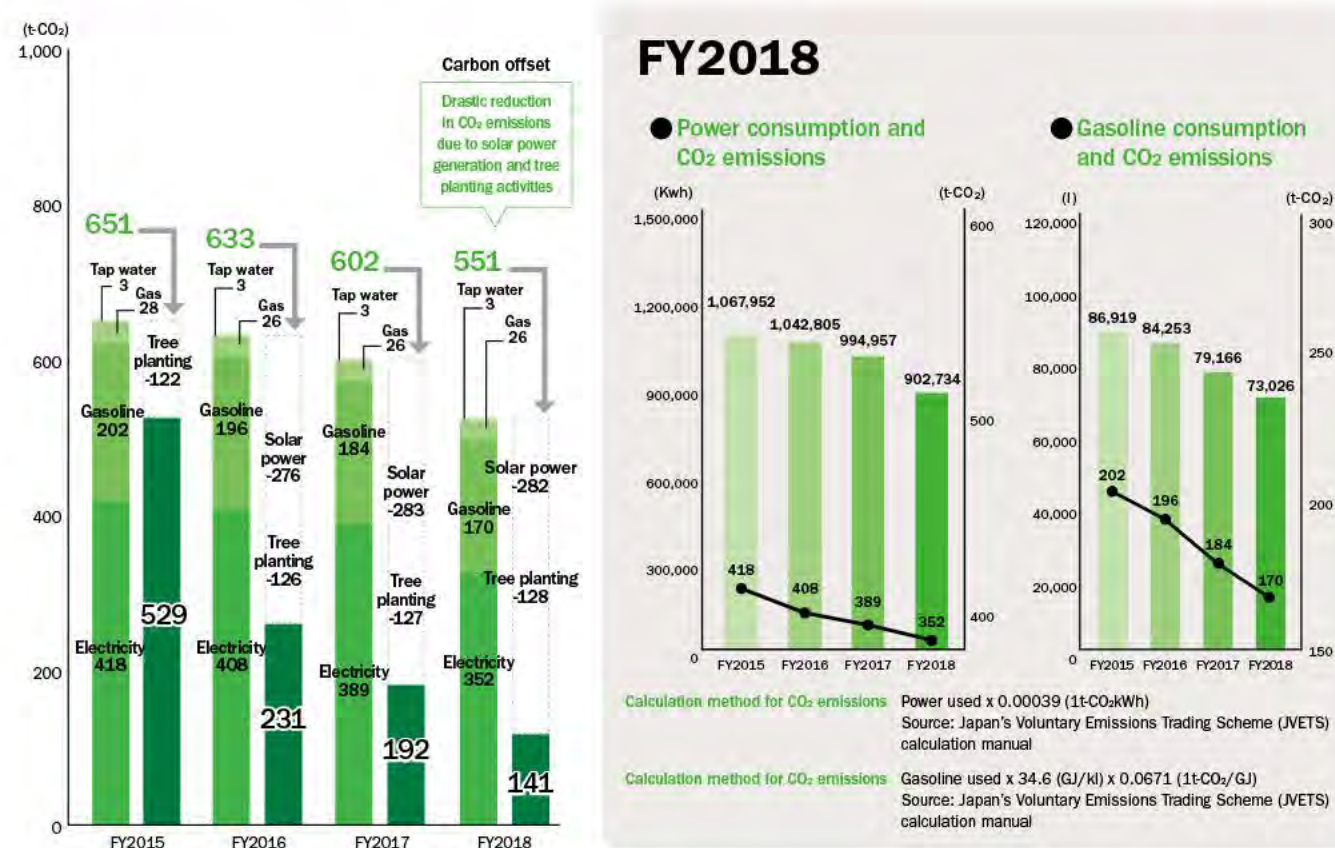
● Contributing to a sustainable society through cardboard sales activities

Cardboard is essential to our current lifestyles. Storage and transportation of fruits and vegetables, marine products, processed food, and industrial goods all require cardboard. We also use cardboard following disasters such as earthquakes or typhoons. In addition to packaging for emergency supplies, cardboard products are used as flooring, partitioning, and even as simple bedding in evacuation shelters to improve quality of life. In recent years, cardboard products made with eco-friendly materials are increasing. Not only recycled paper but also forest certified paper is seeing a dramatic increase in usage. In view of this trend, we will focus on selling cardboard made with eco-friendly forest certified paper.

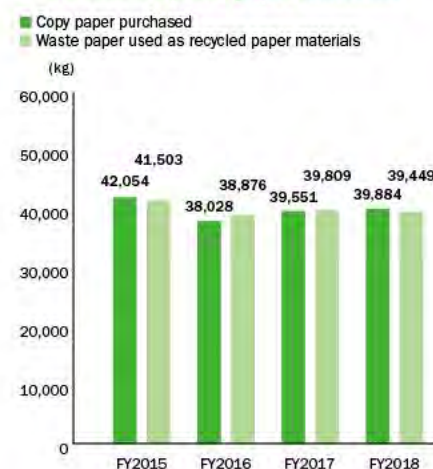
Fulfilling Our Corporate Mission Through Continuous Environmental Management

In accordance with the Basic Philosophy of our Environmental Policy, we have established an action plan and are proceeding with specific initiatives.

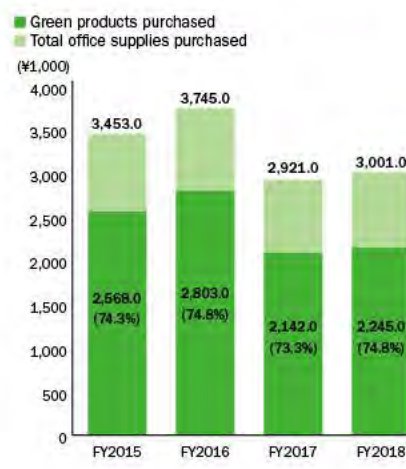
CO₂ emissions due to business activities



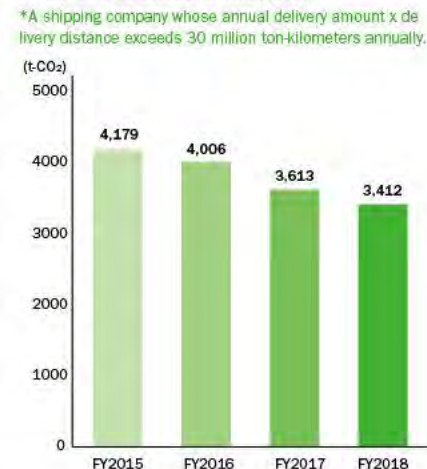
Copy paper purchased and waste paper used as recycled paper materials



Green products purchase ratio



Transportation results as a Specified Consignor*



Initiatives for ISO14001: 2015

We implemented activities based on the 2015 version of ISO14001 for one year starting from April 2017. Our goal was to conduct activities that are closely linked to our business by understanding the circumstances of our organization (internal and external issues), the risks and opportunities surrounding those circumstances, and the demands and expectations of stakeholders.

Organizational circumstances (Internal and external issues)



Risks and opportunities identified from organizational circumstances

Organizational circumstances	External issues	Internal issues	Stakeholders	Compliance obligations	Risks and opportunities	Planning of initiatives Underlined: Initiative effectivity assessment
Sales and developments such as forest certified paper and paper made from thinned lumber	○		○		Stable supply, social recognition, avoidance of environmental destruction	Developments and sales of products matching requirements of the times. Opportunities to raise awareness of eco-friendly products Increased sales and social responsibility
Measures against global warming/CO ₂ emissions reduction	○	○	○	○	Shortage of raw materials, under-valuation of paper usage, loss of opportunities to improve company reputation Recycled resources, recognition of material lifecycles, recycled paper	Active promotion, improvement of procedures, personnel training Recognition of paper industry, contributions to the future
Environmental destruction by natural and man-made disasters	○	○	○		Uncertainty about business continuity, loss of opportunities to increase sales	Procedures for strengthening monitoring and inspection systems based on risk assessment, personnel education Establishment of BCP and higher levels of trust from stakeholders
Solar power generation Tree planting activities		○			Environmental contributions, part of CSR activities	Raising awareness of environmental contributions among employees, trust from stakeholders Long term trust from society
Arrival of paperless age due to IT	○	○	○		Loss of business opportunities, rediscovery of paper's advantages	Human resource development Value creation for paper, information security Sustainability of paper, new developments

Specific actions for CO₂ reduction

For environmental protection, each and every employee voluntarily tackles what they can.

- Turning off air-conditioning in certain conditions
- Turning off fluorescent lamps during lunch breaks
- Implementation of CoolBiz and WarmBiz
- Stopping one elevator
- Introduction of LED lighting
- No working on holidays
- Encouraging usage of the stairs (in-house 3Up 3Down movement)
- Establishing summer vacation days

ISO14001 in FY2019

Target setting	Tokyo/Overseas	Osaka	Nagoya	Kyushu	Sapporo	Sendai	Toyama	All branches
Sales of eco-friendly products	15	5	6	2	2	2	2	34
Reduction of power consumption	4	1				1	1	7
Reduction of gasoline consumption through transport efficiency	7	2	2	1	1	1		14
Reduction of general waste emissions	1	1	5	1				8
Reduction in amount of copy paper used	1	1						2
Promotion of green product purchases		1	1		1			3
Promotion of stationary recycling	1							1
Promotion of operational efficiency	9	6	1	1	1	1	1	20
Total	38	17	15	5	5	5	4	89

For the FY2019 version of ISO14001, we created 89 goals for the 25 branch divisions. We are striving to achieve all of these goals. In FY2018, we achieved 81 out of 93 (87.1%) of our goals.

Local Contribution Activities

Deeply rooted in their community, each site is engaged in activities for environmental protection and society.



Tokyo Regular Cleaning Activity

Chiyoda-ku, Tokyo, the location of our Tokyo Main Branch, holds "Chiyoda-ku Cleanup Day" in the spring and fall each year. Elementary and junior high schools, as well as residents of the local community, join together for the clean-up activities. We regularly participate in these activities to show our support for the community. We also conducted clean-up activities in June for "Environment Month," where about 50 employees volunteered to participate.



Kyushu Hakata Gion Yamakasa

Hakata Gion Yamakasa is a traditional festival with more than 770 years of history held from July 1 to 15 every year in Hakata Ward, Fukuoka City. It has also been designated as an "Important Intangible Folk Cultural Property." Our Kyushu Branch sponsors the festival, contributing to exchanges in the local community by providing free tap water for use as kiorimizu, water sprayed on carriers during the festival.



Osaka Emergency Drills

Once every year at the Osaka Branch, we carry out anti-disaster drills. We also provide training on how to use AEDs so that even in times of emergency, all the employees are prepared to handle the situation. The General Affairs Department looks after the AEDs, and they are regularly serviced to ensure that they can be used at any time.



Sapporo Community Health and Safety Activity

The Sapporo Branch is a member of "Gobangal Shinkokai" and "Daigo Chonakai," and participates in activities related to lighting, decorations and advertisements, as well as traffic safety and environmental health issues. We also contribute to the development of the area as a tourism destination.



Nagoya Emergency Drills

The Nagoya Branch conducts emergency drills in the OP Nagoya Building every year. Our employees and other tenants of the building participate in regular disaster prevention training. To set up a cooperative system and get involved in firefighting activities in case a fire occurs in the area, we also conduct firefighting training.



Sendai Environmental Maintenance

Employees in the Sendai Branch conduct a clean-up activity every year to remove weeds from around the office building and the surrounding roadsides. As almost all of our employees join in the activity during their lunch break, it really helps raise environmental awareness across the entire branch.



Toyama Snow Removal and Resource Collection

At Toyama Branch, we conduct snow removal activities after heavy snowfalls. As our building faces a main street, we remove snow not only from the area in front of it but also from the sidewalk nearby to keep it passable for residents. Also, at Kosugi Office, we conduct resource collection activities three times a year with Kosugi-cho's kids club and local residents. We separate the resources into newspapers, flyers, and cardboard boxes, and load them onto our collection truck. The revenue earned through this activity goes toward funding the kids club's activities.



Together with the future of the Earth



Yuko Sakita

Journalist and Environmental Counselor
Chief Director, NPO GENKI Net for Creating a Sustainable Society
Representative Director, NPO Shinjuku Environmental Information Network

Profile

She graduated from Rikkyo University in 1974, following which she joined SHUEISHA Inc. Since 1985, she has been working as a freelance journalist, looking at environmental and energy issues, particularly the creation of sustainable recycle-based communities, from the viewpoint of everyday people. She belongs to many government committees, including the Central Environment Council of the Ministry of the Environment, and the Advisory Committee for Natural Resources and Energy of the Ministry of the Economy, Trade and Industry. She is also an adjunct researcher at Waseda University, a local revitalization specialist appointed by the Cabinet Office, Government of Japan, and chairperson of the "National Food Consumption Network Committee." She is also currently a member of the "Community Development and Sustainability Committee," "Sustainability Discussion Group," and the "Resource Management Working Group," which are preparing for the Tokyo 2020 Olympic and Paralympic Games.

Main works

Book: "Anyone Can Do It: The Waste Diet" (Japanese) (1999, Godo-Shuppan)
Thesis: "The Civic Role and Global Collaboration when Aiming to Realize a Cooperative Recycling Community" (Japanese) (2005, Environmental Research Quarterly)
Co-authored: "Electronic Waste: A Trip to Learn about the Frontline of Geological Disposal" (Japanese) (2010, Recycle Bunkasha)
Co-authored: "Making it Together: The Olympics and Paralympics" (Japanese) (2015, The Environmental News)
Serialization: "Environment Baton: Going Beyond 2020" (Japanese) (A series article in "Life and Environment" since 2018, Japan Environmental Sanitation Center)

At the G20 Summit held in June this year, Japan also made an official announcement concerning their long-term goals. As early as possible in the second half of this century, they will endeavor to reduce net CO₂ emissions to zero through revolutionary innovation, with the goal of achieving the Paris Agreement's 1.5 °C goal.

Japan, who started aiming to go carbon-free along with the international community, is not only working towards initiatives in the energy field such as the centralization of sustainable energy power supplies and research into hydrogen and fuel cells, but has also laid out plans for recycling plastic resources to alleviate the ocean plastic issue. Various concrete measures are now underway, such as discussions concerning the April 2020 introduction of a charge for plastic bags as part of a goal to control the disposal of plastic containers and packaging.

Regarding the necessity of tackling the great changes in the flow of society such as these, the President and CEO makes the comment in the Top Message at the beginning that as a company well-versed in the special qualities of paper and pulp, which have recently once again come into the global spotlight, this company must continue to make appropriate proposals to society. I am also greatly looking forward to seeing SPP engage in projects that create a sustainable society, such as their efforts to cut food loss through the use of efficient food packaging films, by making steady contributions towards the realization of SDGs.

Especially in the SDG experts' round-table

discussion, it is clear that as a sustainable organization which considers things from a number of different points of view, various opinions are being exchanged on the significance of SDGs. At the same time as being a sustainable and recyclable resource, paper is being rediscovered as a material with an ancient and deep history, and during considerations of the future management of the corporation taking into consideration the environment, finance, society, and culture, one can feel the growing pride of those who work at this 130-year-old company.

Through the reevaluation of the significance of the business, I hope that sustainable business management is pushed another step forward.

In last fiscal year's Message, I proposed that SPP become a company that developed and made use of people, and that played a useful role in the wider society. From April 2019, I hear that a new leave system was introduced as one part of efforts to improve employee health.

I am also honored to find that the company has been earnestly engaging in all other initiatives that I suggested, such as better management of chemical information and quantitative disclosure of non-financial data.

For the next fiscal year, based on the large expectations for paper's role in society, I hope you will let me stand by and closely observe what kind of business propositions you will unveil.

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