



Toyo Seikan Group  
**CSR Report 2015**

Corporate Social Responsibility Report

**CSR Office**  
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Published in December 2015

CSR | 2015  
REPORT



# Open Up and Be Inspired

**Toyo Seikan Group contributes to the solution of social issues through its business activities.**  
**All employees of the Group are aware of their social responsibility in daily operations and act accordingly.**

**Through these efforts, Toyo Seikan Group creates the values of “Open Up and Be Inspired”, and aims to become a company that contributes to creating a sustainable society.**

## Editorial Policy

Toyo Seikan Group, under the holding company system, promotes group management based on CSR management. This report was created with the aim of clearly communicating the CSR vision and activities of Toyo Seikan Group to its stakeholders.

The Group’s basic stance on CSR is to have a sincere dialog with all its stakeholders and respond to them. We would be happy to share your opinions and feedback. For additional information not covered in this report, please visit our website.  
<http://www.tskg-hd.com/en/csr/>

## Basic Report

### Scope of the Report

Domestic and overseas group companies including Toyo Seikan Group Holdings, Ltd.  
 Period covered: April 1, 2014 to July 31, 2015  
 Numerical data: April 1, 2014 to March 31, 2015

### Publication

December 2015  
 (Next publication scheduled for December 2016)

### Reference Guideline

ISO26000 (Guidance on Social Responsibility)

### Refer to the following for detailed activities of our operating companies.

- Toyo Seikan Co., Ltd.: Sustainability Report  
<http://www.toyo-seikan.co.jp/e/eco/>
- Toyo Kohan Co., Ltd.: CSR  
<http://www.toyokohan.co.jp/en/csr/index.html>
- Toyo Glass Co., Ltd.: Environment and Social Report  
<http://www.toyo-glass.co.jp/environment/report.html>
- Tokan Kogyo Co., Ltd.: Environment Report  
[http://www.tokan.co.jp/english/environment/environment\\_manage.html](http://www.tokan.co.jp/english/environment/environment_manage.html)
- Nippon Closures Co., Ltd.: Environment and Social Report  
[http://www.ncc-caps.co.jp/corporation/eco\\_report.html](http://www.ncc-caps.co.jp/corporation/eco_report.html)
- Tokan Material Technology Co., Ltd.: Environment Report  
<http://www.tomatec.co.jp/global/en/environment.html>
- Toyo Aerosol Industry Co., Ltd.: On Environment  
<http://www.toyoa.co.jp/environment/>

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### Cover Design

The cover page of this report was created by the design team of Toyo Seikan Group Holdings, Ltd. who designs the graphics (printing) and products (shape) of packaging containers and undertakes PR activities of the Group including advertisement.

### Design Concept

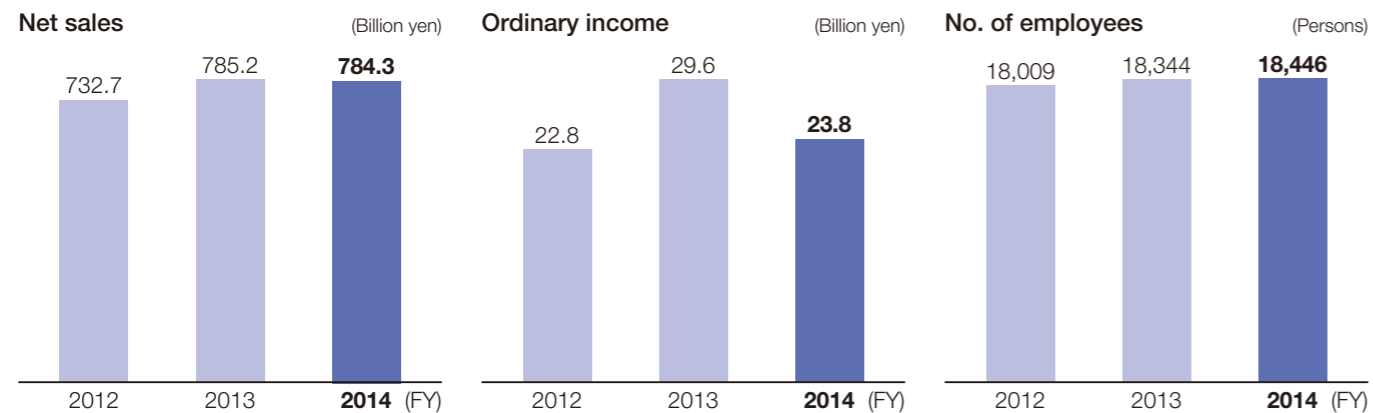
Under the concept of “packaging and nurturing”, the design expresses tender and transparent silk. This silk has color gradation effect which recalls the logo of Toyo Seikan Group. Its harmony of colors signifies the harmony of group companies.

Toyo Seikan Group will move forward in harmony with all stakeholders.

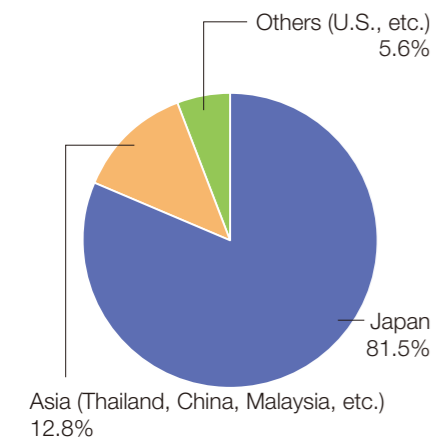
## Toyo Seikan Group Holdings, Ltd.

<b>Established</b>	June 25, 1917
<b>Representative</b>	Takao Nakai, President and Representative Director
<b>Capital</b>	11,094,600,000 yen
<b>Head Office</b>	Osaki Forest Bldg., 2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo, Japan
<b>Number of Employees</b>	390 (consolidated: 18,446) as of March 31, 2015
<b>Business Segments</b>	Packaging business, Steel plate related business, Functional materials related business, Real estate related business and Other businesses

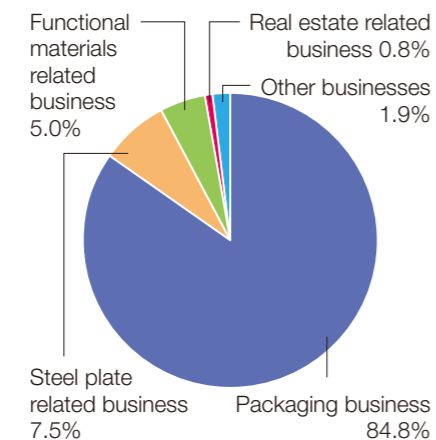
## Financial Data (Consolidated)



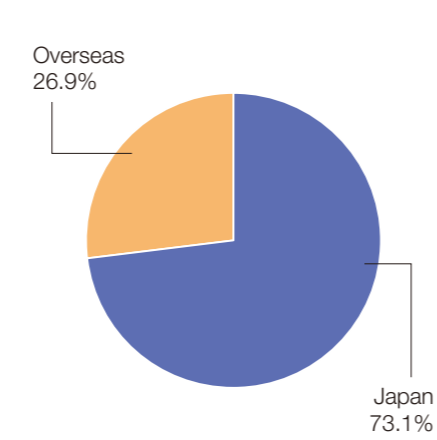
### Net sales by region



### Net sales by business segment

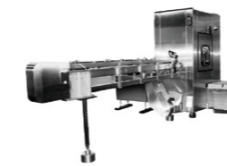


### No. of employees by region



## Packaging business

This segment primarily manufactures and sells various packaging containers to support people's daily lives, such as metal cans, plastic containers, caps, bottles, paper containers and aerosol products.



### • Machinery and equipment

Manufacturing and sales of machinery and equipment related with packaging containers, such as container manufacturing equipment and filling & seaming equipment.



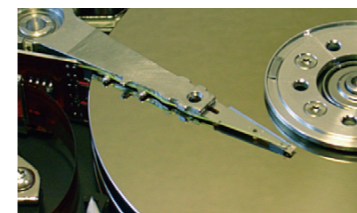
### • Logistics

Motor truck transportation and warehousing mainly for group companies.



## Steel plate related business

This segment primarily manufactures and sells various steel plate materials that play a key part in every phase of daily life, such as materials for cans, materials for electrical and electronic components, materials for automotive and industry machinery parts, construction materials and materials for household electrical appliances.



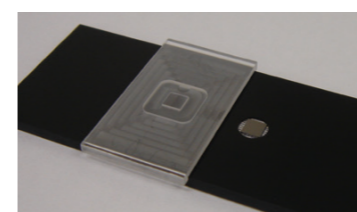
## Functional materials related business

This segment primarily manufactures and sells materials with various functional properties, such as aluminum substrates for magnetic disks, functional films for optics, glass, trace-element fertilizer, pigments and gel coats.



## Other businesses

In addition, the Group manufactures and sells hard alloys, machinery and appliances and raw material products for agriculture, sells petroleum products, and engages in non-life insurance agency business and real estate management business.



## New businesses

By leveraging our core technologies, we are expanding into new business areas such as IT, energy, life science and nanotechnology.



# Message from the President



## Looking back Year 2014

Japan's economy in 2014 followed a gradual recovery accompanied by improvements in corporate profits and employment and income environments despite a temporary downturn in consumer spending due to adverse effects including consumption tax increase. Meanwhile, it was a harsh year for Toyo Seikan Group. Domestic sales primarily of beverage containers declined, affected by the rise in the consumption tax rate and unseasonable weather in summer despite favorable sales from overseas subsidiaries, steel plate related business and functional materials related business. Operating income declined mainly reflecting higher raw material and energy prices due to yen depreciation and an increase in depreciation expenses. As a result, net sales were almost on target set under "Toyo Seikan Group Third Mid-term Management Plan" while the operating income unfortunately fell far below the target.

## Towards strengthening profitability

In view of the actual performance versus projection under the Plan, we expect to achieve net sales mostly in line with the Plan for 3 years. However, operating income was in line with the Plan only for the first year, and our top priority is to increase profitability. To achieve the targets set under the Fourth Mid-term Management Plan to be formulated and "Growing 2022", the Group's 10-year vision for growth, we will address these initiatives by leveraging the Group's collective strength.

In developing our existing business, we will cultivate new markets by developing high-value-added products and promote structural reform to increase profitability given the shrinking demand associated with a lower birthrate and aging population in Japan.

We have continued investments in overseas markets. We will vertically expand the packaging business and the machinery and equipment business further, conduct selection and focus in our businesses and redistribute our management resources as per regional market environment.

In developing new businesses, we are pursuing R&D activities in the areas of "life science and medical care", "electricity/electronic, information & communication and energy" for creating next-generation core businesses. We are steadily developing and promoting cell culture system business, genetic testing business and optical fiber lens business, and aim to expand net sales in these areas.

## Share the founding spirit which nurtures growth and promote diversity

Each member of the Group should share the common mindset and join forces together towards demonstrating collective strength as a group. We have the "Fundamental Principles" and "Work Rules for Employees" that were proclaimed in 1933, after 16 years of establishment. They outline the goals and direction for the company and employees. To summarize, the following is stated therein: 1) Our objective is to bring happiness to mankind, 2) Purpose of our business is not just to gain profit. Profit is a result of our hard work and not our main aim, 3) Each of us must incorporate a sense of service in our work, 4) Our products must be better in quality, lower in price and must be supplied more quickly, i.e., pursue QCD (Quality, Cost and Delivery) and 5) To be satisfied with only a small success is to take a step backwards. Our primary duty must be at all times to work without losing our youthful vitality and courage. The above incorporates target vision of modern management. I believe our growth is built on understanding and realizing this founding spirit.

The business environments surrounding us are dramatically changing. We need to keep launching innovative products and ideas as a driving force for growth in response to changing environment. To achieve this goal, involvement of innovative and versatile employees beyond nationality and race would be indispensable. We aim to become a corporate group where diverse employees can fully demonstrate their capabilities, and their expertise is actively utilized in every business area by promoting a deeper understanding of diversity within the Group.

Since its establishment, Toyo Seikan Group has,



under the fundamental principle of "contributing to the happiness and prosperity of mankind" through packaging technology, demonstrated creativity and contributed to the society by offering a wide variety of products, systems and services.

By leveraging high-quality products and technology accumulated over our long history, we endeavor to help achieving comfortable and rich life for all stakeholders by offering products we use in our daily life.

We thank you for your continued support and guidance in the future.

中井隆夫

Takao Nakai  
President and Representative Director  
Toyo Seikan Group Holdings, Ltd.

## Toyo Seikan Group Products awarded in FY2014

The packaging products developed by Toyo Seikan Group companies were highly appreciated both at home and abroad also in FY2014. Products which pursue better “functionality and ease of use”, “environmental friendliness” and “design” won many awards. We will continue to offer products that meet customers’ needs by demonstrating the Group’s synergy.

- Kinoshita Awards (R&D Award)
- Aoki Katashi Innovation Award

Toyo Seikan Co., Ltd. and Toyo Seikan Group Holdings, Ltd. were jointly awarded with Ajinomoto General Foods, Inc.

- Japan Packaging Contest “Package Design Awards”
  - Asia Star Award
- A joint award between Ajinomoto General Foods, Inc. and Toyo Seikan Co., Ltd.

### Fine Cellular Foamed PET bottle “Fi-Cell”

A recyclable PET bottle with white pearl-like glossy appearance formed by fine-cellular foaming method and equipped with a light barrier property which blocks 90% of UV and visible rays.



- Japan Packaging Contest “Accessible Design Packaging Awards”

### Squeeze-Hinel-Bottle Tokan Kogyo Co., Ltd.

A combination of an easy opening plastic cap, “Hinel (Twisting Off) Cap” and a squeezable plastic bottle (by just pressing its shoulder part) enables users to easily control discharging quantity irrespective of liquid viscosity.



### Most prestigious International Packaging Design Competition

- Pentawards 2014 “BRONZE”

Eda beans (edamame) container  
Toyo Seikan Group Holdings, Ltd.



### Toyo Seikan Group's contribution to Tohoku Revitalization

- Packaging Tohoku Products Exhibition 2014 “Excellent Award”

Tamura Farm  
Label graphics for “Sparkling Apple Beverage 100%”  
Toyo Seikan Group Holdings, Ltd.

The glass bottle is manufactured by Toyo Glass Co., Ltd. and the cap by Nippon Closures Co., Ltd.



- FY2014 Awards for Resource Recirculation Techniques and Systems

“Award of Director-General of Industrial Science and Technology Policy and Environment Bureau of Ministry of Economy, Trade and Industry”

- The 2nd Food Industry Mottainai Awards, “Award of Director-General of Food Industry Affairs Bureau”

### Newest Filling System (NS\* System)

A joint award between ITO EN Co., Ltd. and Toyo Seikan Co., Ltd.

The newest aseptic filling system jointly developed by ITO EN Co., Ltd. and Toyo Seikan Co., Ltd. which was appraised for its promotion of resource-saving and reduction of environmental impact.

NS\*: Non-Sterilant



- Good Design Award 2014



### Kitchen Deli, Potte

Toyo Sasaki Glass Co., Ltd.

Awarded for its stackability and easy-to-store functions.



Kitchen Deli



Potte

### Japan's top-ranking packaging contest

- Japan Package Design Awards 2015 “Awards”

Kewpie Corporation  
Styling sauce bottle shape  
Toyo Seikan Group Holdings, Ltd.



- Japan Packaging Contest “Appropriate Packaging Awards”

A hanging display preventing box distortion  
Nippon Tokan Package Co., Ltd.

Enhanced hole position to pass through strings and slit position prevent distortion of a hanging box and the products can be taken out easily.



- Japan Packaging Contest “Package Design Awards”

A display tray for persimmon  
Nippon Tokan Package Co., Ltd.

A manually assembled tray for persimmon designed to improve stability during column-stacked transportation and stackability.



A persimmon-shaped window also enhances product visibility.

### Profile of each award

**[Kinoshita Award]** Sponsored by Japan Packaging Institute and awarded to those who made excellent achievements in R&D, improvements and rationalization of packaging and generated new opportunities.

**[Aoki Katashi Innovation Award]** Sponsored by Japan Society of Polymer Processing and awarded to those who have achieved highly unique and creative polymer processing technology.

**[Japan Packaging Contest]** Sponsored by Japan Packaging Institute and Japan's largest contest of packaging held for further developing and disseminating superior packaging and packaging technology.

**[Asia Star Award]** Sponsored by Asian Packaging Federation for introducing superior packaging developed in Asian countries to the world. Only the packaging design awarded in each country can participate in the competition.

**[Awards for Resources Recirculation Technologies and Systems]** Sponsored by Japan Environmental Management Association for Industry and aim at encouraging and promoting remarkable projects and efforts by industrial groups with outstanding technologies or systems, contributing to the control, reuse and recycle of waste.

**[Food Industry Mottainai Awards]** Sponsored by Japan Organics Recycling Association and widely awarded to companies, company groups and individuals who excel in promoting initiatives for global warming prevention and energy saving such as “effective use of heat”, “efficient transportation system”, “food waste reduction”, “collaboration across companies” and “collaboration with consumers” towards achieving sustainable growth of the food industry.

**[Good Design Award]** Sponsored by Japan Institute of Design Promotion and awarded to “a good design” that enriches life, industry and the whole society.

**[Pentawards]** An international design competition sponsored by Pentawards for fostering packaging technology and packaging design.

**[Packaging Tohoku Products Exhibition]** A design competition sponsored by Tohoku Bureau of Economy, Trade and Industry and by Japan Graphic Designers Association for supporting the reconstruction of Tohoku region through packaging design.

**[Japan Package Design Awards]** A design competition sponsored by Japan Package Design Association for improving the public understanding of package design.

## New group companies

Toyo Seikan Group will grow along with local societies.

### Opening of Takatsuki Logistics Center

Toyo Mebius Logistics Co., Ltd.

Takatsuki Logistics Center, a multi-tenanted center equipped with various functions including distribution, manufacturing and processing was established in Takatsuki, Osaka in January 2015.

Takatsuki is located between Osaka and Kyoto and “Takatsuki Interchange” of Shin-Meishin Expressway is scheduled to open in 2017. The center will grow as a logistic site of Kansai region together with Takatsuki City which aims to revitalize the area. It will also serve as a temporary shelter in time of disaster for the local society and people.



Takatsuki Logistics Center

- Japan Packaging Contest “Packaging Transportation Awards”  
Paper Packaging (12 paper packs), Easy-to-open Case  
A joint award between ITO EN Co., Ltd. and Nippon Tokan Package Co., Ltd.

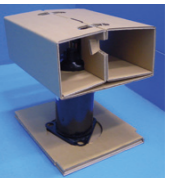
An improved package which can be opened from the side whereas conventional package can be opened only from the top. Can be opened just by pulling a tab and the products can be taken out easily even in the refrigerator.



- Japan Packaging Contest “Industrial Packaging Awards”  
Cardboard packaging for a compressor

A joint award among Nippon Tokan Package Co., Ltd., Panasonic Corporation and Mihama Corporation

A supporting pad is standardized so that products in different sizes and shapes can be fixed.



Signing ceremony ( from right Mr. Tsan Tan Lin, President of YONG JI XING ENTERPRISE CO., LTD., Mr. Eiji Tsutsui, President of Tokan Kogyo Co., Ltd., and Ms. Wendy Lin, Director of WELL DRAGON CO., LTD.)

# CSR Management of Toyo Seikan Group

Toyo Seikan Group has contributed to the society through its business operations focused on packaging. Under the Group's CSR management vision of "Continue contributing to the happiness and prosperity of mankind through faithful and fair business activities", we will establish a globally trusted Toyo Seikan Group brand while facing with all stakeholders sincerely.

## Toyo Seikan Group Management Vision



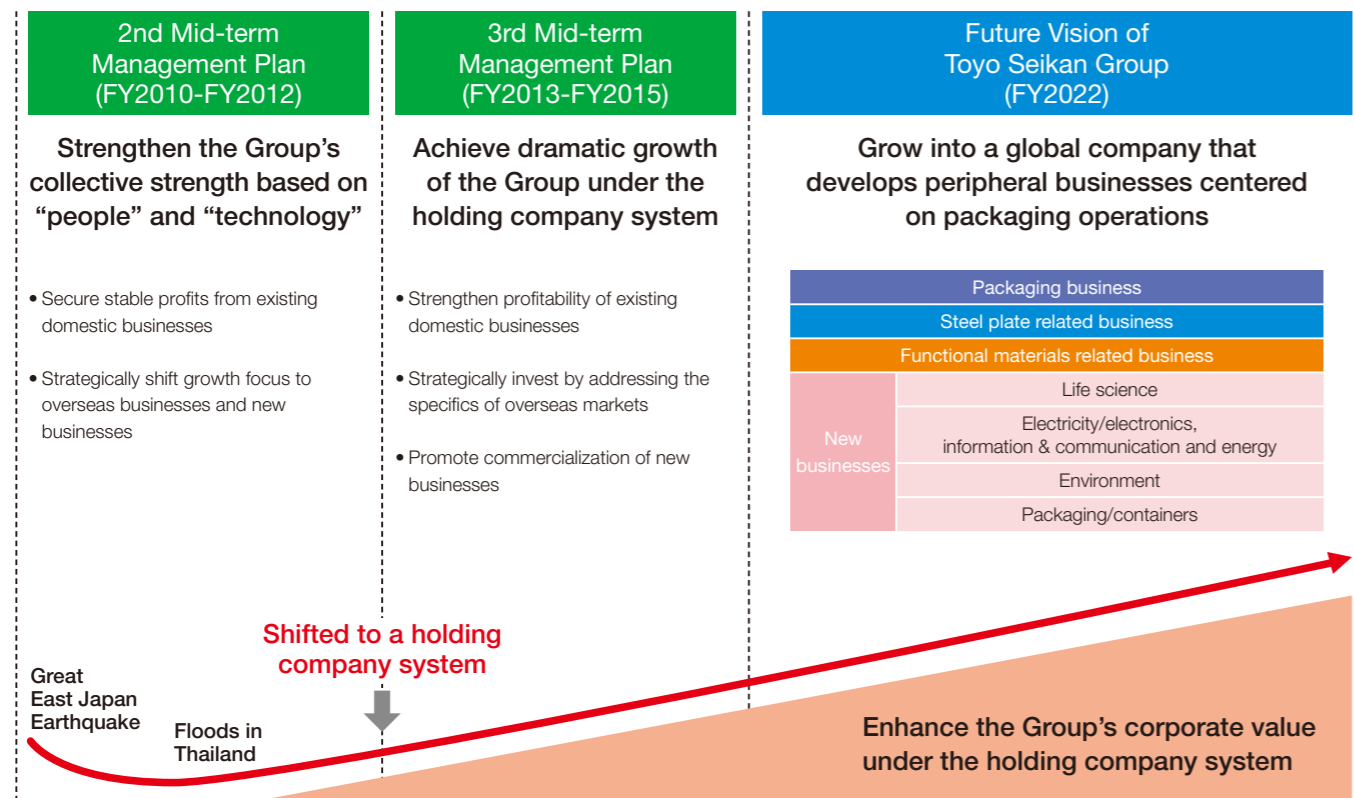
**Aim to be the world's leading professional company that contributes to the happiness and prosperity of mankind with a key focus on "packaging technologies"**

Toyo Seikan will

1. Pursue unlimited possibility of packaging containers that bridge the production and consumption
2. Become a corporate group that provides solutions with even more focus on environment in every phase of "production, filling & packaging, distribution, consumption and collection & recycling"
3. Become an unrivalled technology-driven company

## Toyo Seikan Group vision for medium-to-long term growth

We formulated "Growing 2022" in 2013, the vision for growth in the next 10 years and started the third "Mid-term Management Plan" for FY2013- FY2015 towards its achievement.



## Our basic philosophy

In 1933 our founder Mr. Tatsunosuke Takasaki documented the founding principles as basic philosophy in the handbook named "The Mission of Toyo Seikan", and distributed it to shareholders, employees, and industry participants. Since then, Toyo Seikan Group has fulfilled its mission based on such basic philosophy. The Group's essential CSR spirit is found there.

1. Our mission is to contribute to the happiness of people.
2. Profit is a byproduct of our business efforts and not our main goal.
3. We will work with a sense of service, promote such commitment in the company and strive to ensure the prosperity of our business partners as well as the company.

## Basic CSR policy of the Group

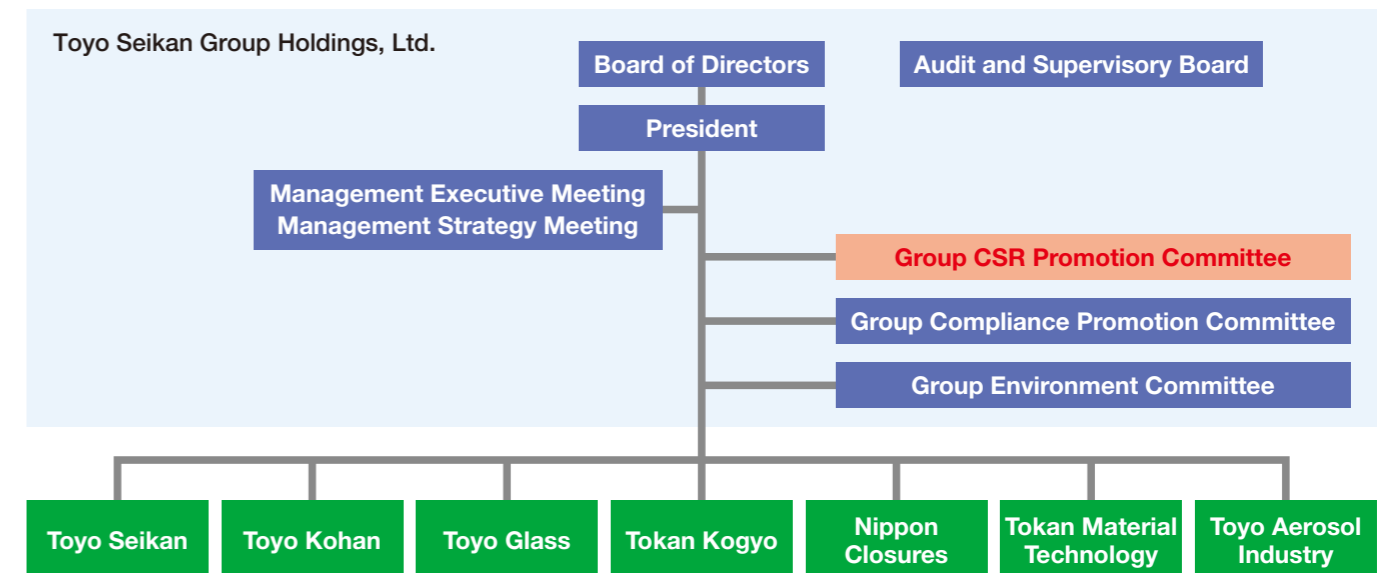
Toyo Seikan Group defines CSR as a commitment to contribute to the happiness and prosperity of mankind through sincere and fair business activities.

All employees of the Group understand its CSR initiatives and respond to all stakeholders.

<b>All stakeholders</b>	We will respect basic human rights and diversity of all people, communicate faithfully and act with such awareness.
<b>Customers</b>	We will provide safe and secure products, system and services to ensure customer satisfaction.
<b>Business partners</b>	We will conduct impartial, fair and transparent business activities always with good ethics.
<b>Shareholders and Investors</b>	We will strive to enhance corporate value, and manage and disclose information appropriately.
<b>Employees</b>	We will create a safe, hygiene and vibrant workplace.
<b>Local societies</b>	We will co-exist harmoniously with local societies and promote interaction with local communities.
<b>Global environment</b>	We will actively strive to preserve the global environment and improve environmental quality.

## Group CSR promotion framework

Group CSR Promotion Committee was established to supervise overall CSR activities of Toyo Seikan Group. The Committee is chaired by the President of Toyo Seikan Group Holdings, Ltd. and comprises of their senior executives and the Presidents of all business companies as committee members.



# Corporate Governance

We are striving to enhance corporate governance to conduct faithful and fair business.

## Concept of corporate governance

Toyo Seikan Group Holdings, Ltd. has, since its establishment, focused on enhancing its corporate value under the corporate philosophy of “contributing to the happiness and prosperity of mankind through packaging technology”. The Company places the enhancement of corporate governance as management priority to enable sustainable development and progress while flexibly addressing changes in business environment.

Further, based on Japan’s Corporate Governance Code introduced on June 1, 2015, we will further enhance the corporate governance and pursue sustainable growth and higher corporate value.

## Corporate governance system

The Board of Directors is composed of nine (9) Directors, including three (3) Outside Directors who are independent from the management of the Company. The number of Outside Directors represents one-third of the members of the Board of Directors. The names of all three Outside Directors are reported to the Tokyo Stock Exchange as Independent Directors of the Company. The Board of Directors generally meets once a month and holds extraordinary meetings when necessary to determine important issues in relation to the execution of business operations. To clarify the management responsibility of Directors and flexibly establish a management system to promptly respond to changes in the management environment, the term of office of Directors is one year. The Audit and Supervisory Board is composed of five (5) Audit and Supervisory Board Members, including three (3) Outside Audit and Supervisory Board Members. The Audit and Supervisory Board generally meets once a month and holds extraordinary meetings when necessary.

These Outside Directors and Outside Audit and Supervisory Board Members have actively expressed opinions at the

Board of Directors, and active discussions based on such opinions have enabled the effective operation of the Board of Directors. The Company ensures an appropriate monitoring of the management system by Outside Directors and Outside Audit and Supervisory Board Members who are independent from the Company’s management as well as monitoring by the shareholders who approve the election of Directors each year.

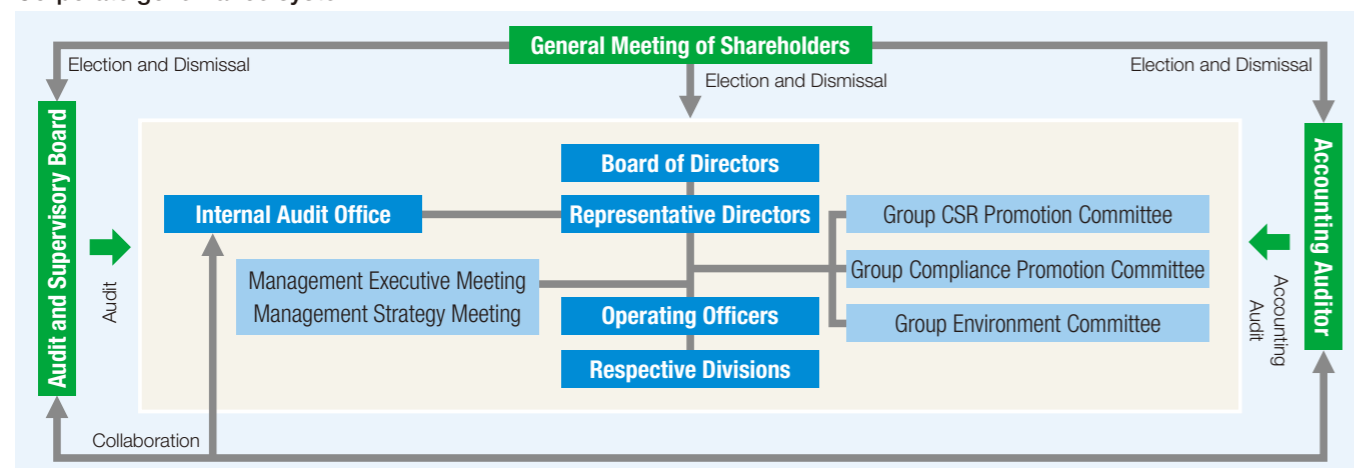
## Strategic planning and execution by the Management Strategy Meetings

The Company has implemented the Executive Officer System with the aim of clearly distinguishing the management’s decision-making and supervisory functions from the business execution functions, while ensuring management efficiency and flexibility. To appropriately and promptly establish basic management guidelines, determine various measures and aggressively promote management activities, “Management Strategy Meeting” is held once a month which comprises full-time Directors, CFO, CTO, Senior Executive Officers and Executive Officers. Further, “Management Executive Meeting” is held twice a month and attended by full-time Directors, CFO, CTO, Senior Executive Officers, the Presidents of core business operating companies and the Presidents of quasi-core business operating companies.

## Internal audit

To ensure that business activity fully complies with laws and regulations and to improve management efficiency, the Internal Audit Office is placed under the direct supervision of the President as an internal auditing department. We aim to improve the internal control function by periodically auditing the development and management of the internal control system at all Toyo Seikan Group companies.

## Corporate governance system



# Shareholders and Investors

We strive to enhance corporate value, and manage and disclose information appropriately.

## Information disclosure policy

Toyo Seikan Group Holdings, Ltd. strives to gain confidence from shareholders, investors and securities analysts by disclosing timely and appropriate information based on its Basic IR Policy.

### Basic IR Policy

**Basic Policy**  
Toyo Seikan Group Holdings, Ltd. (hereinafter, the Company) fully understands that the timely and appropriate disclosure of corporate information to all stakeholders including shareholders, investors and securities analysts forms the basis of a sound securities market. The Company will also issue corporate information in a timely, fair and accurate manner through active communications with its shareholders, investors and securities analysts, with the aim of gaining their confidence and appropriate evaluation of the Company.

## IR activities

The Company actively discloses corporate information in forms such as releases containing information on financial position and results.

The Company also holds financial results briefings for the mass media and analysts as well as one-on-one meetings with domestic and overseas institutional investors as part of its efforts to gain their understanding of the Group’s corporate value.

### Main Activities in FY2014

Target group	IR activities
Mass Media Analysts Domestic Institutional Investors	<ul style="list-style-type: none"> <li>Financial Settlements Briefings (Mid-term and Year-end)</li> <li>Individual IR Meetings</li> </ul>
Overseas Institutional Investors	<ul style="list-style-type: none"> <li>Individual IR Meetings</li> <li>Participation in conferences held by securities companies</li> <li>Publication of Investor’s Guide</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Publication of Reports (Mid-term and Year-end)</li> </ul>

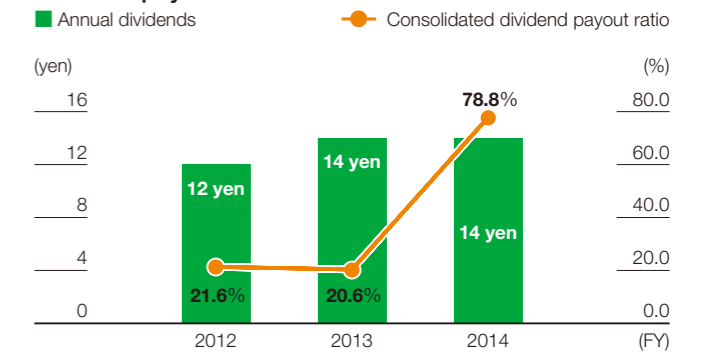


## Shareholder return policy

By improving business performance of the Toyo Seikan Group, the Company has been continuing its efforts to steadily increase returns to shareholders and share profits. The Company’s policy on returns to shareholders or distribution of earnings to shareholders is as follows:

- (1) Pay dividends to its shareholders in a stable and sustainable manner, based on the consolidated payout ratio of 20% or higher
- (2) Apply retained earnings, in a positive and flexible manner, to growing areas such as overseas business and new business from the medium and long-term perspectives
- (3) Flexibly purchase treasury shares in response to stock market conditions and financial circumstances.

### Dividend payments

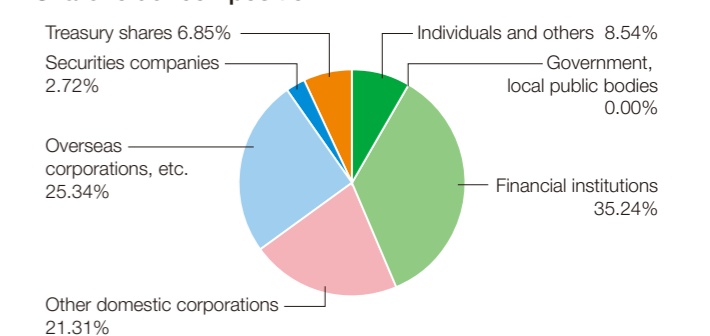


## Shares

(As of March 31, 2015)

No. of shares authorized to be issued: 450,000,000  
No. of shares issued: 217,775,067  
No. of shares per unit: 100  
No. of shareholders: 6,820  
Listed on the first section of the Tokyo Stock Exchange (Stock code: 5901)

### Shareholder composition





# Local Societies

## We will co-exist harmoniously with local societies and promote interaction with local communities.

The entire Toyo Seikan Group interacts with everyone in local communities as a member of those communities. Leveraging the features of group companies, we will start CSR activities from what we can do.

### Participation in “Shinagawa Eco Festival”

Toyo Seikan Group participated in “Shinagawa Eco Festival” held on May 25, 2014 in the Shinagawa Central Park in front of the Shinagawa City Hall. This was a good opportunity to help those who visited the exhibition of eco-friendly packaging containers and attended the lesson of handicrafts using containers to better understand the ecological aspects of containers which are used daily with less attention.



Shinagawa Eco Festival

### A night rescue training with a ladder truck

Ibaraki City Fire Dept. used part of the premises of Toyo Seikan Ibaraki Plant to practice night rescue operations with a ladder truck against a mid to high-rise building in May 2015. A night rescue drill with a ladder truck was held to rescue people trapped in high places using an emergency entrance.



Rescue training from a ladder truck

### Participation in environmental events

PET Refine Technology Co., Ltd. participated in the exhibitions “Earth Environment Fair 2014 in Adachi Ward of Tokyo” and “Kawasaki International Eco-Tech Fair 2015”. PET Refine Technology distributed to the visitors at each event venue PET bottled water produced by Japan Bottled Water and designed by the Marketing Center of Toyo Seikan Group Holdings, Ltd. These PET bottles use chemically recycled PET made from used PET bottles. This bottled water drew much attention from the visitors and became part of the social contribution activities.



The three dragons (“Mily”, “Doly” and “Lily”) considering the environment of Adachi Ward



PET bottled water distributed at “Kawasaki International Eco-Tech Fair 2015”

### Paper cup collection activities

Tokan Kogyo Co., Ltd. proposes paper cup collection carts to assist paper cup collection activities at venues, such as event halls and stadiums where paper cups are used. Such waste separation activities appeal to visitors and supporters.



A paper cup collection cart placed in the NACK 5 Stadium in Omiya

### Plant tour

Toyo Glass Co., Ltd. has been holding a plant tour over many years to visitors, mainly elementary, junior high, and senior high school students as well as local citizens, to understand the life cycle of glass bottle from manufacturing to recycling. This helps the visitors learn more about environmental issues.



Toyo Glass employees explaining about glass bottles

### Plant visit by senior high school students

Hiratsuka Plant of Nippon Closures Co., Ltd. welcomed senior high school students in Tokyo to help them with their summer holiday home work. They had a Q&A session followed by a plant tour. The staff enjoyed simple questions raised by students and their straightforward reactions.



Nippon Closures R&D staff being interviewed

### Initiatives by overseas Group companies

#### Visit to a children's nursing home in Thailand

Bangkok Can Manufacturing Co., Ltd. (BCM) carries out volunteer activities around the anniversary of its establishment. In 2014, BCM staff visited the children's nursing home in Pathumthani Province to donate food and coloring books to the children. They enjoyed the sweets they received and colored the pictures together with BCM staff who were greatly encouraged by their smile despite not having parents.



BCM staff visited the institution and had a good time with children

### Clean-up activities in local areas

All Toyo Seikan Group's offices and plants carry out clean-up activities in the local areas surrounding their offices and plants. From time to time, they contribute to regional cleanup in cooperation with other corporations and local residents.



Clean-up activities around Osaki Forest Bldg. (Toyo Seikan Group Holdings, Toyo Seikan, Toyo Glass, Tokan Kogyo, Nippon Closures, Nippon Tokan Package, Honshu Seikan, Toyo Aerosol Industry, Tokan Shoji, Tokan Kyoei)



Nippon Closures Co., Ltd. Sales Dept., West Japan



Toyo Kohan Kudamatsu Plant



Tokan Kogyo Co., Ltd. Komaki Plant

# Global Environment

We will actively strive to preserve the global environment and improve environmental quality.

## Environmental Promotion System

### Toyo Seikan Group Environmental Policies

Toyo Seikan Group established its Group Environmental Policies in 2002. All Group companies conduct their businesses in accordance with the basic philosophy.

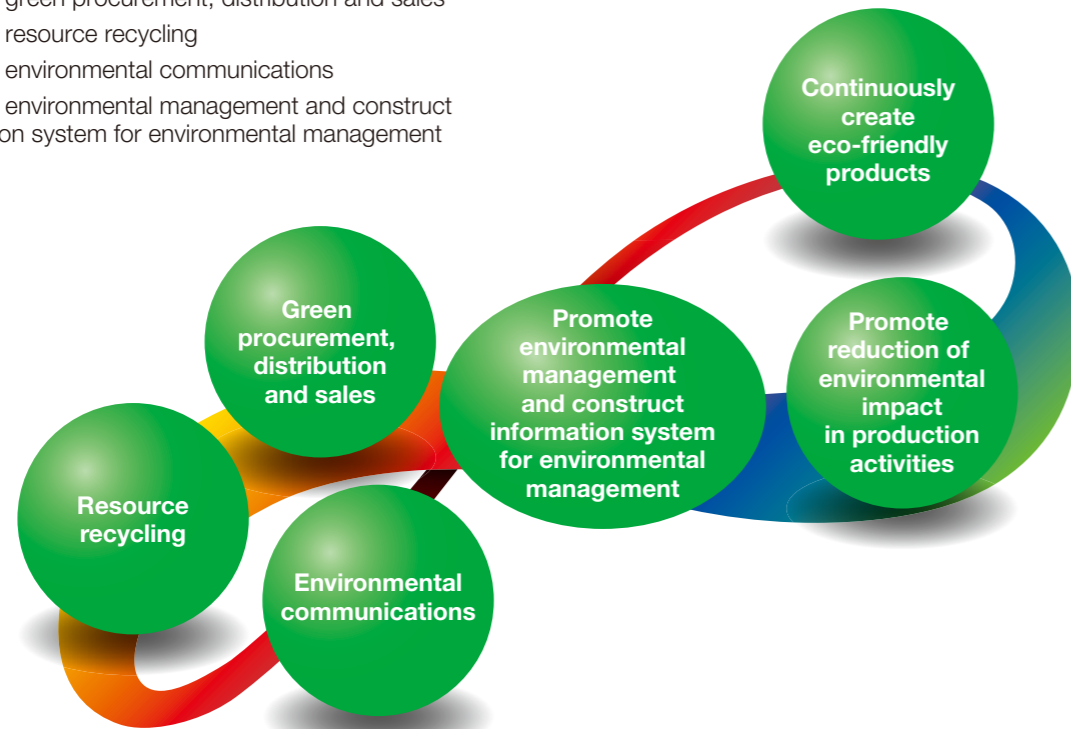
### Basic Philosophy

All Toyo Seikan Group companies are keenly aware that preservation of the global environment and qualitative improvement of the global environment are the most important issues facing all humanity. We strive to ensure that all aspects of our business are environmentally friendly and sustainable, and contribute to the improvement of human life and culture.

### Group Environmental Vision

Toyo Seikan Group established the Group Environmental Vision comprising six key priorities in May 2004 to facilitate environmental management. All Group companies strive for “harmony between packaging and the global environment” in their procurement, manufacturing, logistics, consumption, disposal, and recycling activities as well as in the entire supply chain. We will promote environmental management through the participation of all our employees.

- I. Continuously create eco-friendly products
- II. Promote reduction of environmental impact resulting from production activities
- III. Promote green procurement, distribution and sales
- IV. Promote resource recycling
- V. Promote environmental communications
- VI. Promote environmental management and construct information system for environmental management



## Eco Action Plan 2015

Toyo Seikan Group companies focus on achieving their targets based on the Eco Action Plan which sets forth specific environmental targets and mid-term action plans for achieving the Group Environmental Vision.

### Eco Action Plan 2015

Since 2006, Toyo Seikan Group has formulated its Eco Action Plan, which lists mid-term goals for the next five years. Under the Eco Action Plan 2015 established in FY2011, group-wide efforts are implemented to realize environmental management by expanding the scope to cover all domestic Group companies.

### FY2014 Activity Report

The results of FY2014 activities are shown in the table below. Four of the nine items were achieved while five remain unachieved.

FY2014 activity results under Eco Action Plan 2015

Environmental Vision	Specific items and environmental targets	FY2014			FY2015 Target	
		Target	Results	Assessment		
Promote reduction of environmental impact resulting from production activities	Reduce primary unit of energy consumption	7.6% reduction	9.7% reduction	Achieved by promoting energy-saving activities	8.5% reduction	
	Reduce CO <sub>2</sub> emissions (vs. FY1990)	19% reduction	8% reduction	Implemented renewal for restructuring of production system, planned high efficiency equipments. But target unachieved due to increases in production and increases in power CO <sub>2</sub> emission unit.	20% reduction	
	Reduce primary unit of material input	2.9% reduction	3.5% reduction	Achieved through lightweighting, etc.	3.3% reduction	
	Promote waste reduction and zero emissions	(1) Reduce the quantity of landfill waste	48% reduction	22% reduction	Unachieved due to higher production of various materials although wastes were thoroughly separated and recycling method was reviewed	48% reduction
		(2) Increase the number of zero emission sites (recycling rate of 99% or higher)	120 sites	129 sites	Achieved by promoting recycling	131 sites
	Chemical compounds management	(1) Reduce the primary unit of release and transfer of chemicals under the PRTR Law	10% reduction	15% increase	Release and transfer amount increased due to higher production of various materials	12% reduction
(2) Reduce the release and transfer amount of toluene, xylene and other organic solvents		14% reduction	1% increase	Further shift to water-based, solventless coatings and adhesives remains unachieved.	16% reduction	
Promote green procurement, distribution and sales	Reduce the primary unit for CO <sub>2</sub> emissions in the distribution process	8% reduction	9% reduction	Achieved due to more efficient operational system with less workers.	9% reduction	
Promote resource recycling	Increase the material recycling rate	94%	93%	Nearly achieved due to strict separation of waste, etc.	94%	

Assessment index: ★★★ Achieved ★★ Partially unachieved ★ Initiative insufficient  
 Target: All sites of domestic Group companies

Base year: FY2009