



SHINSEI PULP & PAPER  
COMPANY LIMITED  
**CSR Report 2012**  
Corporate Social Responsibility



## Introduction

Based on one of its management policies of “continuing to meet responsibilities to create a rich society through eco-friendly corporate activities,” the SHINSEI PULP & PAPER COMPANY actively promotes environmental conservation activities, while conducting business. As a vehicle to report our business activities and other efforts for corporate social responsibility (CSR), we published the “CSR Report 2012.”

In preparing the 2012 Edition, we paid attention to enable readers to understand our activities as plainly and in an easy-to-understand manner as possible. We are committed to continue to disclose and communicate our internal and external activities as widely as possible, while enhancing and improving the contents of the report.

## Management Philosophy

**We respond to the changes of times  
with firm commitment to  
“innovation and challenges”  
and continue to grow with society.**

## Management Policies

1. We continue to meet our responsibilities to create a rich society through eco-friendly corporate activities.
2. We continue to grow as a company that is “supported,” “needed” and “chosen.”
3. We continue to pursue infinite possibilities of wood-based natural materials starting with “paper.”
4. All of us individually have high targets and continue to exert our full power.

## Code of Behavior

### 1. Total compliance with laws and regulations

The SHINSEI PULP & PAPER COMPANY complies with not only laws and regulations but also domestic and international rules and social codes, achieves trust from society and customers, and fulfills its responsibilities.

### 2. Consideration for the environment

The SHINSEI PULP & PAPER COMPANY recognizes the conservation of the global environment as one of its first priorities and to pass on a rich future to the next generation.

### 3. Disclosure of corporate information

The SHINSEI PULP & PAPER COMPANY actively and fairly discloses corporate information to shareholders and other stakeholders.

### 4. No relationship with antisocial forces

The SHINSEI PULP & PAPER COMPANY consistently refuses any requests from antisocial forces and organizations.

### 5. Establishment of safe and easy-to-work working environment

The SHINSEI PULP & PAPER COMPANY respects each employee’s personality and uniqueness and realizes a safe and easy-to-work environment.

## Editing 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 2011 (April 2011 - March 2012), mainly describing actual figures. With regard to the latest information, some initiatives after April 2012 are referred to. We compiled the report in consideration of communicating our CSR activities in an easy-to-understand manner.

### Business activities covered by this report

Compiled mainly from social and environmental activities at domestic sales bases

### Referenced guidelines

Environmental Reporting Guidelines “Towards a Sustainable Society, (Fiscal Year 2007 Version) published by the Japanese Ministry of the Environment”

### Publication

December 2012

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# Toward an “environment where people and nature live in harmony” through activities leading to the future



## Identifying the needs of society and reflect them on the shape of a company demanded

Corporate social responsibilities have changed over time. It was once said that if a company made profits and paid its taxes, it was regarded as a company that contributed to society and met its responsibilities. However, in modern times, companies need to conduct a wider range of activities. Our company is grappling with the challenge to be a company respected and regarded as a company to be caught up with.

We believe that participation in various standards and systems required by society display our attitude toward CSR. As part of these efforts, we acquired ISO14001 certification in 2002. Throughout the company, we have built and operated a mechanism to eliminate or reduce loads on the environment.

We are also aware that not only paper but also their raw materials, i.e. forests, are valuable assets. We are now living in an age in which the presence of forest certification systems for sustainable use and the protection of forests are widely recognized, and CoC certification is the standard. Of course, our company has been CoC certified, dealing with certified products.

The paper industry has addressed eco-friendly activities even before environmental issues became widely popular. Paper is essentially an eco-friendly material. For example, the Japanese paper industry started to utilize used paper in the 1950s after the Second World War. Our track record of tackling environmental protection early on is a source of pride, as paper is our business.

## Identify the changes of times and address new challenges

In the advertisement and publication industries where a large amount of paper has been used, media has diversified along with the evolution of IT. In offices, the digitization of

documents has made great progress, and the business conditions for the paper industry could be considered to be getting tougher. Paper, however, also assumes a role in packaging. It not only contributes to sales promotion with its beauty and attractiveness but also functions as a means of preservation of goods and protection during transportation. We focus on packaging products in addition to paper for advertisements and publications.

In particular, in food packaging where chemicals are used as raw material, safety has top priority, as the packages cannot cause any adverse effect upon the food. To assure safety, we request manufacturers to conduct quality tests over and over in certain cases. Repeated testing may be a burden upon manufacturers, but we consider this to be a means of letting them understand end users' needs. Thanks to such initiatives, we can propose products with absolute confidence in terms of safety. We believe it is our significant responsibility to society to lead products to a level of standard that both manufacturers and users are convinced of and offer products that satisfy safety requirements as demanded by society.

The wave of globalization has also been sweeping the paper industry. We regard this as a new challenge and will continue to grow by taking advantage of the experience and know-how we have cultivated. Looking at styles of business different from domestic markets and with difficulties in communication, we cannot tackle the challenge with conventional approaches. Whatever changes come, however, our foundation will never be shaken. We will continue to offer safe products fitting market needs.

## Comfortable working environment draws out good work from employees

We require each employee to be a good citizen and family member. We believe that a company and a family are interactive. If you do a good job, you can go home with



a smile, and that smile will please your family. A cheerful and happy family will lead to motivation for work. To turn such a virtuous cycle, the company must be a place where employees can work with peace of mind. We have firmly built a system and organization to achieve this goal, and strive to maintain an easy-to-work working environment.

Paper is a medium to inherit culture as people's assets and to create and communicate new cultures. Publishing is a field with a lot of weight in our business. Anecdotes about, for example, the printing of a piece of work by a famous writer using our paper has of course been passed down from generation to generation, developing employee pride in the company. As a company dealing in paper that has been closely associated with cultural developments, we will continue activities that are suitable for the support of culture.

We believe that paper is a one and only presence. We feel in it not only the impact it has on society but also other infinite possibilities. With commitment to “innovation and challenges,” we develop new business as “branches and leaves” from a “thick trunk” as a trading company specializing in paper, advancing toward the future.

若林紀生

NORIO WAKABAYASHI

President and CEO

# Aiming to contribute to global environmental conservation as a trading company specializing in paper

We are striving to be a company that passes on the blessings of nature represented by forest resources and contribute to the global environment.

## Environmental Policy

### Basic Philosophy

The SHINSEI PULP & PAPER COMPANY recognizes the conservation of the global environment as one of the main priorities, targets realizing an “environment where people and nature live in harmony” through activities leading to the future, and actively take action to pass on a rich future to future generations.

We also recognize that action associated with environmental conservation is an important responsibility assigned to each of us, and all employees do their best to maintain and enhance conservation.

### Course of Action

As a paper distribution company, we continually grasp how goods and services we deal with in business activities, impact the environment, minimize environmental loads by setting environmental targets and promote the prevention of environmental pollution and global warming. We review environmental targets in response to changes in conditions where appropriate.

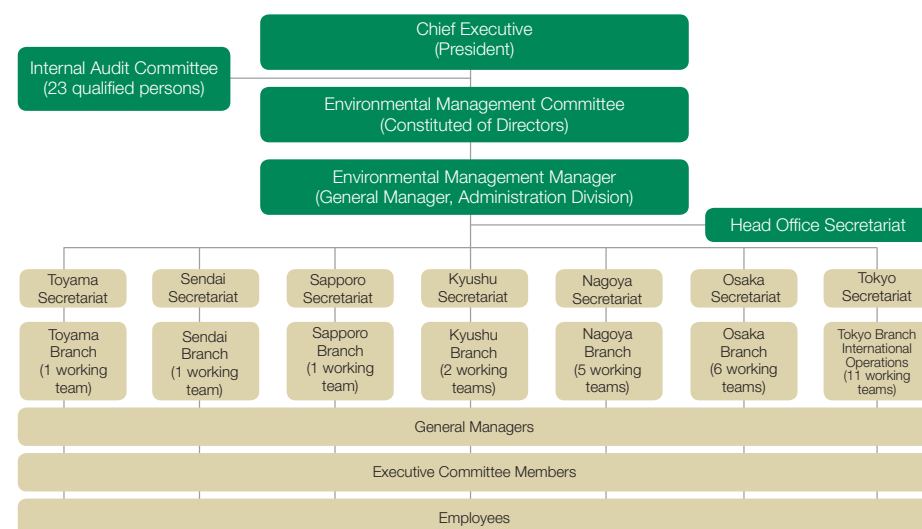
#### Environmental targets

1. We address positive sales activities of eco-friendly products and the development of goods with little environmental load.
2. In delivering goods, we strive to promote the efficiency of logistics to prevent air pollution.
3. We promote recycling by sorting waste at our offices.
4. We positively purchase green products.
5. We actively address energy saving by reducing the use of electric power and other energy.
6. We comply with environmental laws and regulations in addition to other requirements we agree with.

## ISO Environment Committee

We have an ISO Environmental Committee directly reporting to the President. We also have working teams in individual divisions and departments to promote employee understanding of ISO.

### ISO14001 Environmental Management System



# To create an environment where people and nature can live in harmony through paper product transactions

As we deal with paper made from forests closely related to the global environment, we propose eco-friendly products.

### Our six initiatives

	Name	Overview
1	ISO14001 (Environmental Management System)	Certified in 2002; efforts at all offices and branches
2	Forest certification (CoC) FSC® PEFC	Efforts at all offices and branches Acquired in 2003 Acquired in 2007
3	ISO9001 (Quality Management System)	Certified in 2005; Electric Materials Industry Section, Head Office
4	Specified consigners Subject: business owners with freight transportation (in ton-kilometers) of 30 million ton-kilometers or more	Enforced in 2007. We are subject to this category and satisfy the figure required by the government.
5	1% for Present Tree*	Since 2009, we have conducted this tree planting activity in which we make a contribution of 1% of actual sales. We have planted about 9,000 trees through this initiative.
6	1% for Revive Japan*	This is an activity to make a contribution of 1% of actual sales to support disaster-stricken areas since 2011.

\*are conducted in partnership with certification NPO corporation, NPO Environmental Relations.

## Sales of forest certified paper

Since 2003, we have continuously acquired the CoC (Chain of Custody) certification by FSC® (Forest Stewardship Council). We have also acquired CoC certification by PEFC (Programme for the Endorsement of Forest Certification) since 2007. These logo marks mean we have acquired certification covering all processes for wood procured from certified forests, made into final products.



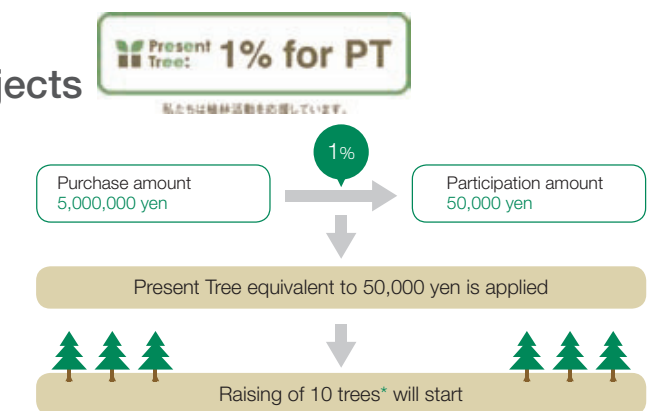
## Environmental protection in chemicals field

We market our key products in the chemical field as eco-friendly products. Food packaging films are used for protecting contents from physical, chemical, biological, human, and other factors.

We set item reference points based on environmental effects (waste reduction, air/water/soil pollution prevention, global warming prevention, etc.) and based on the scores, we position eco-friendly products and sell goods contributing to environmental protection.

## 1% for Present Tree Participation in eco-friendly projects

As a trading company specializing in paper, we propose a new eco-friendly scheme, “1% for Present Tree.” In this initiative, we add 1% to the purchase amount of paper and film from our company, and this amount of 1% is used to support a tree-planting project operated by NPO Environmental Relations. Participating media are authorized to display the registered trademark of this certification NPO.



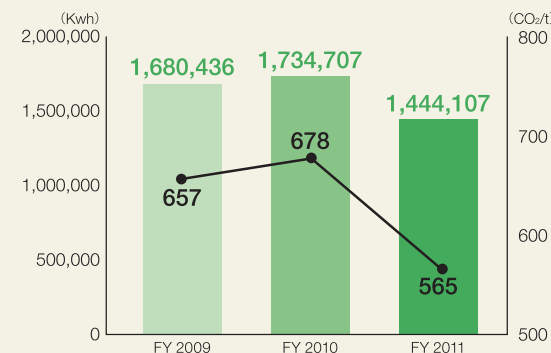
## Accumulating daily activities and doing the best for global environment conservation

The SHINSEI PULP & PAPER COMPANY has established a Course of Action based on the Basic Philosophy of the Environmental Policies and proceeds with concrete activities.

The following four items are relevant to our Environmental target number 5 (We actively address energy saving by reducing the use of electric power and other energy).

The following four items are relevant to our Environmental target number 2 (In delivering goods, we strive to promote the efficiency of logistics to prevent air pollution), 3, (We promote recycling by sorting waste at our offices) and 4 (We positively purchase green products).

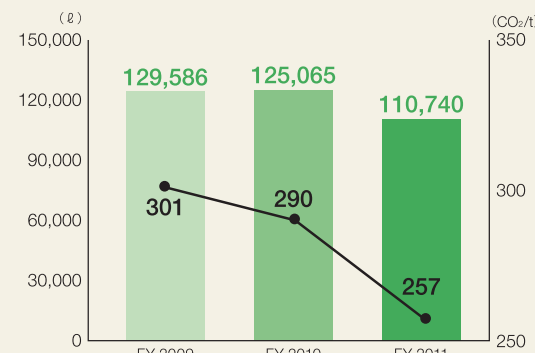
Power consumption and CO<sub>2</sub> emissions



**Calculation method of CO<sub>2</sub> emissions**

Amount of power used x 0.00039 (1t-CO<sub>2</sub>/kWh)  
Source: Calculation Manual, Japan's Voluntary Emissions Trading Scheme (JVETS), Ministry of the Environment

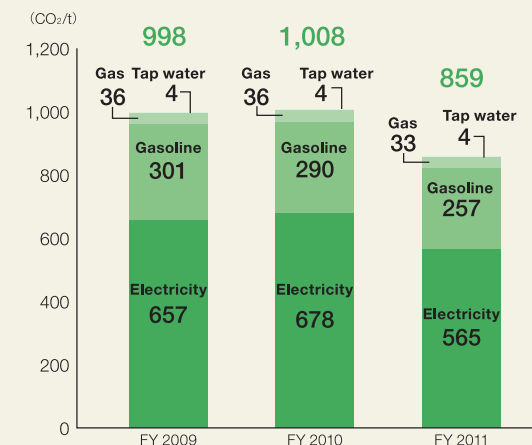
Gasoline consumption and CO<sub>2</sub> emissions



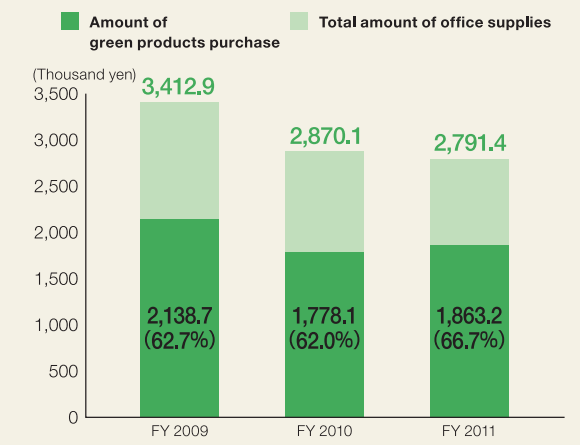
**Calculation method of CO<sub>2</sub> emissions**

Amount of gasoline used x 34.6 (GJ/kl) x 0.0671 (1t-CO<sub>2</sub>/GJ)  
Source: Calculation Manual, Japan's Voluntary Emissions Trading Scheme (JVETS), Ministry of the Environment

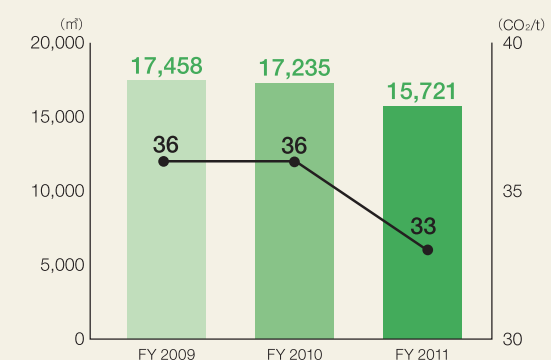
CO<sub>2</sub> emissions from our business activities



Green products purchase ratio



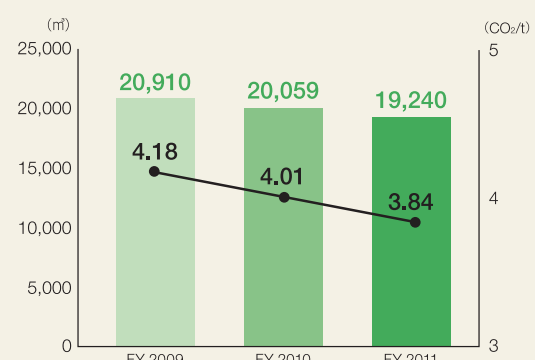
City gas consumption and CO<sub>2</sub> emissions



**Calculation method of CO<sub>2</sub> emissions**

Amount of city gas used x 41.1 (GJ/1,000m³) x 0.0506 (15-CO<sub>2</sub>/GJ)  
Source: Calculation Manual, Japan's Voluntary Emissions Trading Scheme (JVETS), Ministry of the Environment

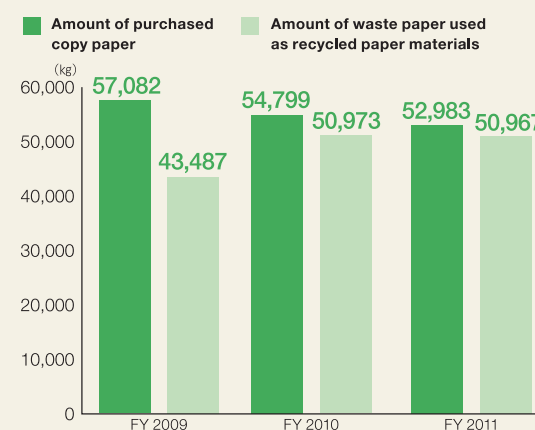
Consumption of tap water and CO<sub>2</sub> emissions



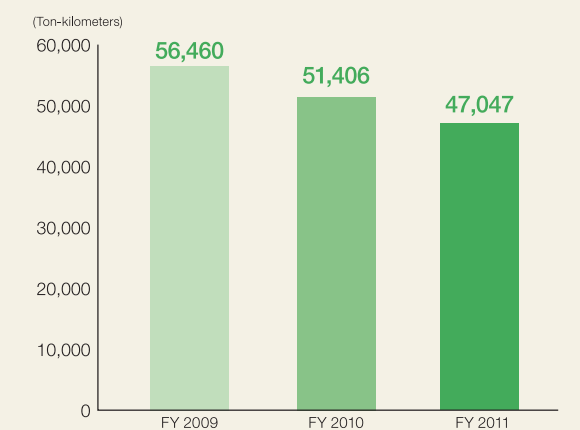
**Calculation method of CO<sub>2</sub> emissions**

Amount of tap water used x 0.2 (factor)  
Source: CO<sub>2</sub> Emissions Calculation Sheet, Tokyo Hojinkai Rengokai, Inc. [http://www.tohoren.or.jp/calc\\_co2/calc\\_co2.html](http://www.tohoren.or.jp/calc_co2/calc_co2.html)

Amount of purchased copy paper and amount of waste paper used as recycled paper materials



Transportation results as a Specified Consigner\*



\* Business owners that have a volume of freight transportation (in ton-kilometers) of 30 million ton-kilometers (volume of delivery x delivery distance) or more. The revised Energy Saving Act requires efforts to annually reduce this figure by 1% or more in the medium and long-term.



# As a company that brings out the best of human develops them and widely contributes to society

In order to bring out the strengths of individual employees who support our business activities and their teamwork, we strive to create an improved environment.

## General business owner action plans

We have an action plan for employees regarding countermeasures to support the development of an easy-to-work environment where they can make work and child-rearing compatible and take full advantage of their abilities, up to March 31, 2015.

Target	Countermeasures
1.The rate of annual paid holidays taken by employees (days taken/newly given number of holidays) to be 50% or more.	●Job assignments at each department are made clear for job sharing. ●To take paid holidays in an organized manner, a "Paid Holidays Schedule" is prepared every three months and shared within departments.
2.To reduce extra working hours, Wednesdays and Fridays are designated and implemented as corporate-wide "no overtime days."	●Managers always grasp subordinates' tasks and duties, and make appropriate management and instructions to promote operational rationalization and efficiency. ●To make it known by everyone and for the health of employees, no overtime day is promoted through posters, notices on the days and e-mail messages so it is continuously implemented at all sites.
3.Towards an environment where both men and women can positively participate in child rearing is established, with 90% usage rate of child-rearing holidays by pregnant female employees to be achieved.	●To promote wide recognition and enlightenment, we give instructions to take such holidays in an organized manner.

\*Based on Article 12 of the General Business Owner Action Plans, "Act on Advancement of Measures to Support Raising Next-Generation Children," Ministry of Health, Labour and Welfare

## Human Resources System

The most important assets for a trading company are "human resources." In order to enhance motivation and create a rewarding business environment, we have a human resources system based on the target management system. We also change the system continuously in response to changing business

environments and build a fair human resources system that satisfies employees.

With the human resources system, we encourage career promotion based on "the right person in the right place" and job rotation, targeting realizing our Management Philosophy and Management Policies.

## Human resource development

We target having high aims and exerting our strength as a group of professionals. We believe that the source of power of a company lies in the development of human resources who can "properly understand objectives," "take correct action to achieve objectives" and "rationally evaluate the results of achieving objectives." Through not only new employee education but also OJT and class training, we focus on human resource development.



Manager training

resources,

## Promotion of employment of elderly people

We have a "Re-employment Standard" to hire employees who want to work following forced retirement and that satisfy health and other certain conditions up to 65 years old. We support them so they can take advantage of the experience they cultivated at our company and so that their vast knowledge is passed on to future generations.



Knowledge of veteran employees is passed on within the company

## Child rearing and nursing leave system

We have a child rearing and nursing leave system. We also strive to establish an easy-to-work working environment to make "work" and "family" compatible and, depending on the conditions of and requests from employees, we enable part-time work and limited overtime.



Satisfied female employees successfully making work and child rearing compatible

## Occupational health and safety

Compliant with occupational health and safety laws and regulations, we have a monthly health committee meeting, including an industrial doctor and health manager. At Head Office, the industrial doctor conducts two tours a month to check the health conditions of employees. In addition, we strive to maintain health and safety in working environments, as exemplified by the fact that if an employee desires it, he or she can consult the industrial doctor. To maintain employee mental health and prevent mental diseases, we always pay attention to employee health conditions and make efforts to minimize the occurrence of trouble.



We focus on maintaining employee health in cooperation with industrial doctor

## Regular health checkups and maternity healthcare

We extend support to employees to remain physically and mentally healthy. 30- and 35-year old employees have annual life style disease checkups, while employees of other ages undergo a regular health checkup once a year. We also have maternity healthcare rules, giving consideration to building an environment where female employees can "work" before and after childbirth in good health.

## Local contribution activities

- Chiyoda-ku, Tokyo, has a “Chiyoda-ku Cleanup Day” in spring and fall, and elementary and junior high schools as well as residents in the community jointly conduct cleaning activities. We voluntarily participate in the program, supporting these community activities.
- Tokyo Head Office requests the collecting of used postage stamps at departments in the company. The collected stamps are sent to the Postal Stamp Department of the Japan Overseas Christian Medical Cooperative Service.
- Nagoya Branch collects PET bottle caps. Collected caps are sold as resources, and the Japan Committee “Vaccines for the World’s Children,” an NPO use the payments to buy vaccines to save children around the world.
- Requested by the Japan Red Cross, the Osaka Branch hosts blood donation activities. The committee members of the Employee Association serve as the contact, asking employees to cooperate. About 20 to 30 employees donate blood each time.
- The Kyushu Branch sponsors Hakatagion Yamakasa Festival (Doi Nagare). To provide Power Water, we make tap water available. Every year, we sponsor the event that hands down traditions and customs, contributing to the local community.
- The Sapporo Branch is a member of “Gobangai Shinkokai” and “Daigo Chonakai” and participates in activities associated with lighting, decoration, advertisement and other facilities as well as traffic safety and environmental health. We also contribute to the development of the area as a tourism city.
- The Sendai Branch weeds the exterior of the branch building during lunch break. We believe that improving the working environment on our own will raise awareness of employees, leading to better housekeeping and power saving.
- The Toyama Branch removes snow from roads and parking lots, working together with neighboring companies.

### Quantity of caps equivalent vaccines for a child (Estimate by U.N. Supply Division)

Types of vaccines	Quantity of caps required (unit price)
Polio (infantile paralysis)	800 pieces (About 20 yen)
Measles	3,800 pieces (About 95 yen)
Diphtheria/Pertussis/Tetanus	360 pieces (About 9 yen)

## Restoration support for areas affected by the Great East Japan Earthquake

### Participation in “REVIVE JAPAN” restoration support program

We participate in the “REVIVE JAPAN” program by NPO Environmental Relations. Donations to “REVIVE JAPAN” support the recovery of the land too damaged to use through regeneration of forests, environmental greening, and improvement. We therefore propose the “1% for REVIVE JAPAN” scheme. We add one percent of the amount of purchases of our paper, film, etc. to the total amount, and an amount equivalent to this 1% is donated to “REVIVE JAPAN.” By displaying the 1% for REVIVE JAPAN logo on various media, we widely communicate participation in the restoration activity by supporting customers. We also propose a similar scheme in “RESCUE BOARD MAGNUM.” As restoration is a long-term initiative, we regard them as activities to deliver the “commitment” of each supporting participant.

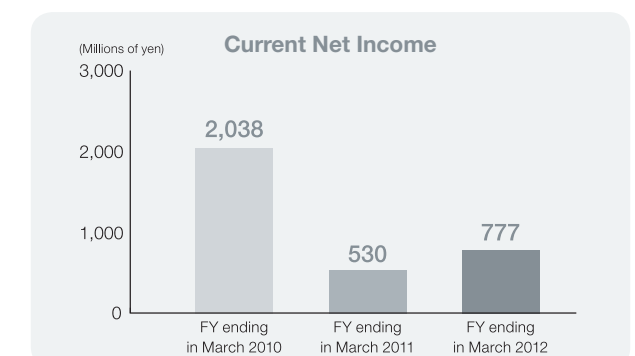
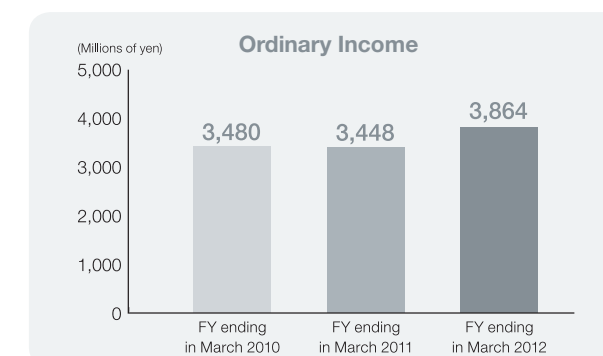
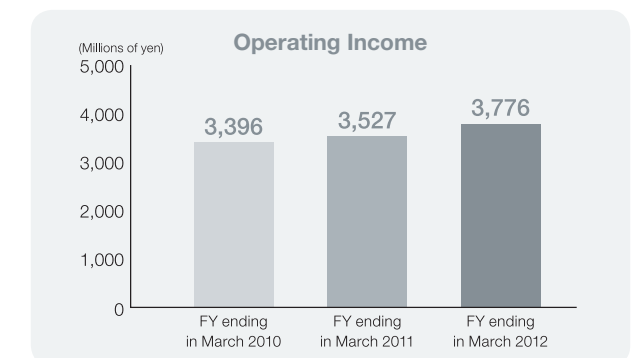
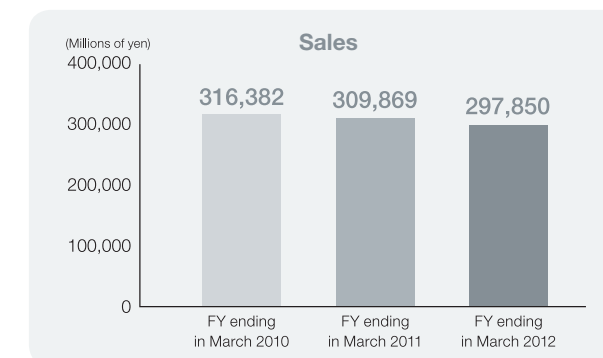
### Sales of decontamination sheets, “TT Decontamination Sheet SC”

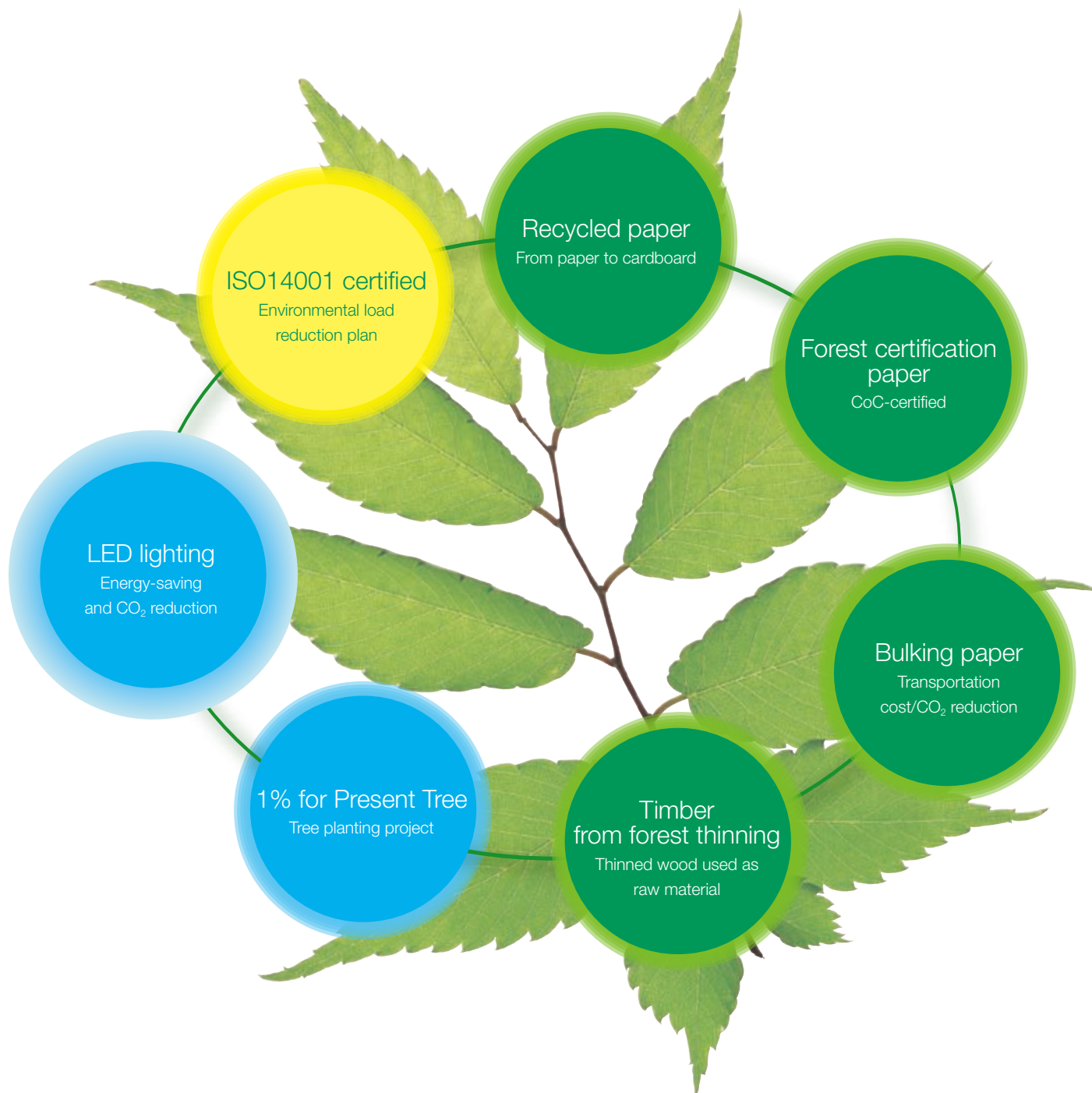
We have started to offer and market “TT Decontamination Sheet SC” since October 2012. It is a sheet having zeolite, which has a character to easily absorb radioactive substances such as cesium, evenly distributed in the non-woven fabric, and is effective as a filter to measure cesium density within water. The product has three types, i.e. diffusion prevention sheet, adsorption pack, and filter, and we offer shapes suitable for applications.



<b>Company name</b>	SHINSEI PULP & PAPER COMPANY LIMITED
<b>Central Branch</b>	1-8, Kandanshikicho Chiyoda-Ku, Tokyo, 101-0054 Japan TEL: 81-3-3259-5080 FAX: 81-3-3233-0991
<b>Established</b>	November 3, 1889
<b>Incorporation</b>	March 14, 1918
<b>Capital</b>	3,228,000,000 yen
<b>Line of business</b>	Paper, pulp, chemicals, processed paper, architectural materials, machinery, equipment, etc.
<b>Number of employees</b>	678
<b>Description of business</b>	<ol style="list-style-type: none"> <li>1. Sales and processing of paper, pulp, chemicals, and chemical products as well as the sales of paper products</li> <li>2. Sales and lease of paper processing machines, printing machines, packing equipment, synthetic resin processing equipment, industrial electric equipment, transportation machines, communication equipment, office equipment and accessories</li> <li>3. Sales and lease of packing materials, printing and bookbinding materials, architectural materials and papermaking materials</li> <li>4. Brokerage, wholesale, agency and import/export of any of the foregoing items</li> <li>5. Business system design, installation, supervision, and contracting of any of the foregoing items</li> <li>6. Trusted development of land as well as sales/purchase, rental/lease and supervision of land and building</li> <li>7. Room rental and parking lot service</li> <li>8. Warehouse service and automotive transportation business</li> <li>9. Interior finishing work</li> <li>10. Investment in business associated with any of the foregoing items</li> <li>11. Non-life insurance agency and insurance agency based on the Automobile Accident Compensation</li> <li>12. Sales of books, magazines, and stationery</li> <li>13. Any other business incidentals or relating to the businesses referred to in any of the foregoing items</li> </ol>
<b>Welfare facilities</b>	Seven locations across Japan
<b>Website</b>	<a href="http://www.sppcl.co.jp">http://www.sppcl.co.jp</a>

## Business result report (independent)





**We are striving to be a company  
that passes on the blessings of nature to future generations  
and that contributes to the global environment.**

**SHINSEI PULP & PAPER COMPANY LIMITED**