

**Kyodo Printing Group
Corporate Social
Responsibility Report**

<Highlights>

2021

Overview of the Kyodo Printing Group

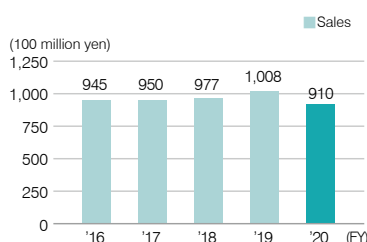
Corporate Profile

- Corporate Name: Kyodo Printing Co., Ltd.
- Head Office:
4-14-12 Koishikawa, Bunkyo-ku, Tokyo, 112-8501
- Founded: June 1897
- Incorporated: December 1925
- President: Yoshiaki Fujimori
- Capital: 4.51 billion yen
- Employees: Consolidated: 3,229; Stand-alone: 1,821
(excl. contract employees)
- Main Sales Offices: 4 locations in Japan
- Main Manufacturing Bases: 13 locations in Japan, 3 locations overseas
- Major group companies: 17 subsidiary companies and 1 affiliated company
- Total number of issuable shares: 36,080,000
- Total number of issued shares: 9,020,000
- Number of shareholders: 3,787
- Listed stock exchange: Tokyo Stock Exchange First Section

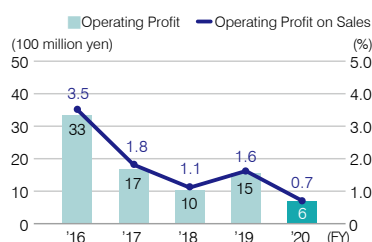
As of March 31, 2021

Financial Highlights

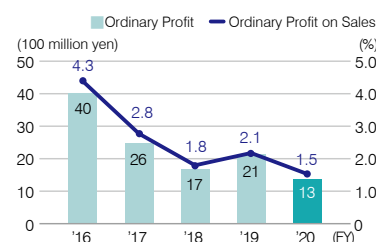
Sales
91.03 billion yen



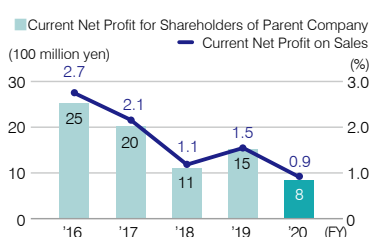
Operating Profit
640 million yen



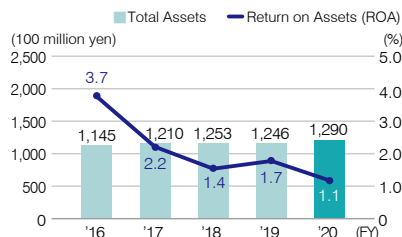
Ordinary Profit
1.34 billion yen



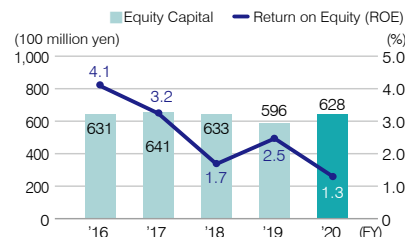
Current Net Profit
820 million yen



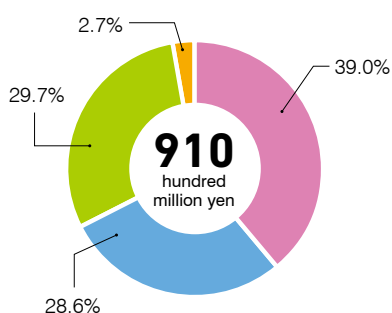
ROA
1.1%



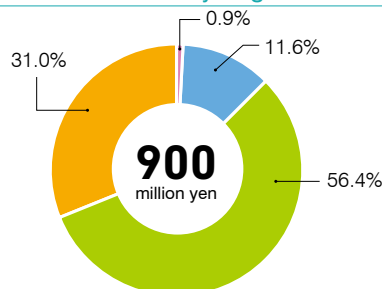
ROE
1.3%



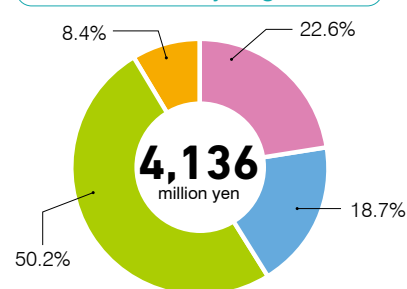
Sales Breakdown by Segment



Research and Development Expenses Breakdown by Segment



Capital Investment Expenses Breakdown by Segment



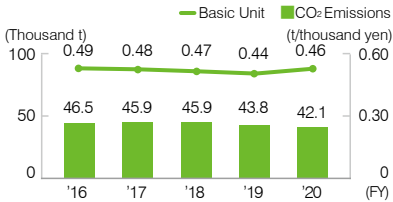
■ Information Communication Division ■ Information Security Division ■ Living & Industrial Materials Division ■ Other

Non-Financial Highlights

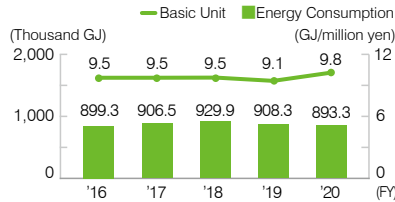
Environment



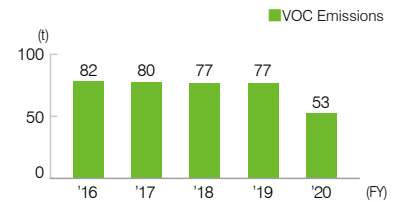
CO₂ Emissions **42.1**
thousand t



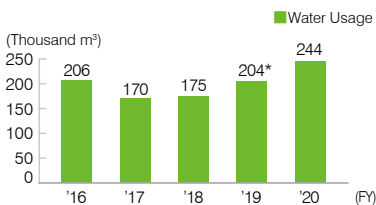
Energy Consumption **893.3**
thousand GJ



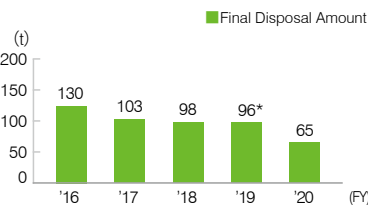
VOC Emissions **53t**



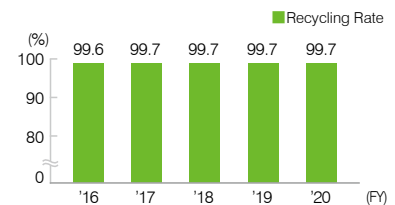
Water Usage **244**
thousand m³



Final Disposal Amount **65t**

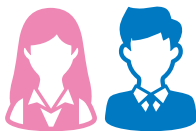


Recycling Rate **99.7%**

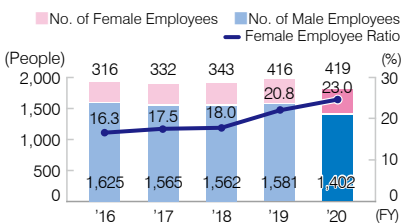


*There were mistakes in the figures reported up to FY2020, so these have been corrected.

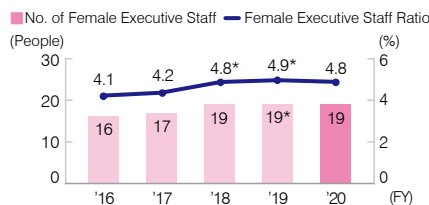
Social



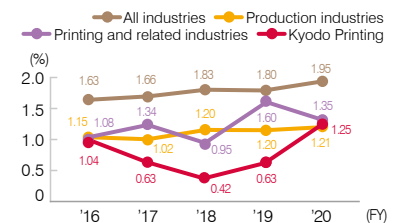
Female Employee Ratio **23.0%**



Female Executive Staff Ratio **4.8%**



Industrial Accident Frequency Rate **1.25%**



*There were mistakes in the figures reported up to FY2020, so these have been corrected.

Governance



Number of Whistle Blowing Reports **22**



Information Security Education **4,233**



Female Director Ratio **12.5%**

CSR Activities of the Kyodo Printing Group

The Group Management Philosophy, “Using our core printing business to contribute to society in the spheres of lifestyle, culture and information industries,” is the starting point of our corporate activities, and through the fundamental policy of our CSR activities, the Business Behavior Charter, we aim for sustainable development of both society and business.

CSR Management

Our Group Management Philosophy guides us in management geared toward being a dynamic company that is praised and trusted by every stakeholder as well as appealing for our employees to work toward. Our societal mission is continued growth through business that takes economic, social and environmental considerations into account.

We carry out our activities based on the “Six Core Elements of CSR” that are classified by stakeholder, with the Group Business Behavior Charter, which specifies values shared by the group, as the basic CSR policy.

Implementation Framework

The Corporate Communication Division acts as the executive office of the CSR Implementation Council. This committee, selected from the management, development and business divisions, promotes the Group CSR activities by preparing an annual activity plan, inspecting activities, performing monitoring, and the like.

Stakeholder Communication

In order to be a company that is trusted by society, it is important to be aware of society’s needs and expectations of the Kyodo Printing Group and conduct business activities that meet those needs and expectations. We endeavor to reflect this in our corporate activities through communication with all our stakeholders.









Sustainability Management

We are progressing preparation of sustainability management considering the economic, societal and environmental impact of business, and toward the sustainable corporate growth and creation of medium- to long-term corporate value by collaboration between stakeholders. At present, we are tackling initiatives domestically and internationally, and identifying new, important challenges based on stakeholder opinions.

<p>Kyodo Printing Group Stakeholder Communication</p>	<p>Employees</p> <ul style="list-style-type: none"> Information disclosure via company newsletter and intranet Whistle blowing system and consultation desk Interviews Compliance awareness surveys 	<p>Community and Society</p> <ul style="list-style-type: none"> Cooperation and participation in regional activities Regional contribution activities Conducting student tours Collaboration with government
<p>Customers</p> <ul style="list-style-type: none"> Sharing information via websites, e-mail, and social networking sites Customer correspondence from sales divisions Exhibitions and seminars Customer satisfaction surveys 	<p>Shareholders and Investors</p> <ul style="list-style-type: none"> Shareholders general meeting Information disclosure via investor relation websites Investor relation interviews for institutional investors Issuance of shareholder correspondence Financial results briefing 	<p>Business Partners</p> <ul style="list-style-type: none"> Holding events to convey gratitude Awards system CSR procurement survey Reporting service for suppliers

FY2020 Targets and Results

Evaluation Criteria A: Target achieved B: Target partially achieved
C: Target not achieved —: Not applicable

Target / Location	CSR themes	FY2020 Action items	FY2020 Measures and targets	FY2020 Results and progress	Self evaluation
Compliance ISO26000: Fair operating practices 	Corporate ethics and legal compliance	In-house activities related to corporate ethics	Communicating purpose and contents of the revision of the Business Behavior Charter and Ethics Charter	<ul style="list-style-type: none"> Full review of the Corporate Ethics Handbook, and data-sharing with all employees Conducted compliance awareness surveys targeting the head offices, and held a results briefing session for the management team 	A
		Promote operation and usage of the Ethics Consultation Office based on the Whistle Blower Rules.	<ul style="list-style-type: none"> Implement measures to promote usage of the Ethics Consultation Office Put up posters during the Corporate Ethics month, and post articles in the Group newsletter to circulate the information 	<ul style="list-style-type: none"> For reporting incidents originating from the management team, newly establish a route independent from management Circulated guidance on using the various consultation desks through education, in-house circulars and initiatives during the Corporate Ethics month. 	A
		Compliance education	<ul style="list-style-type: none"> Based on the results of the compliance awareness survey, carry out a review of the education system and contents. Education targeting all employees (including Group companies). Education for the management team 	<ul style="list-style-type: none"> From the survey results, strengthened the Subcontract Act in the compliance lecture, and around 580 staff members with jobs related to making orders took the lecture All Group employees were provided with compliance training. A compliance seminar for the management team was conducted 	A
Together with Customers ISO26000: Consumer Issues 	Risk management (cyber security)	Maintain and enhance cyber security measures (1) Cyber security awareness-raising activities targeting all employees (2) TOMOWEL-CSIRT system operation expansion (3) Enhance cyber security measures	(1) Distribute security guidelines on IoT devices inside plants, carry out targeted attack email training and awareness-raising activities for all employees (4 or more times annually) (2) Information-sharing via the TOMOWEL-CSIRT information cooperation meeting (held once a quarter), and response training to prepare for incident occurrence (3) Construction of a security monitoring system for detecting suspicious behavior internally	(1) Targeted attack email training, "Telework precautions" training, and six sessions of security precaution awareness (2) Four sessions of the TOMOWEL-CSIRT information cooperation meeting (3) Rolled out EDR (the mechanism for detecting suspicious behavior internally) to the entire company, and enhanced the security monitoring system	A
	Product safety and quality	(1) Promote standardization through quality management (2) Enhance contamination measures (3) Enhance the product safety inspection system	(1) Quality audits (at five plants) (2) Integrate edged tool management rules across all the plants (3) Audits of promotional goods requiring audits (100%)	(1) Quality audits at the five major plants (2) Monitored the compliance status, and confirmed the management status (3) The number of product safety inspections conducted (including ongoing inspections) was 18, with implementation rate of 100% achieved	A
Together with Employees ISO26000: Human Rights and Labor Practices 	Diversity & Inclusion	(1) Create an environment enabling full participation of female workers (2) Create an environment enabling full participation of employees with disabilities	(1) Create a telework system to support the balance of work and childcare (2) Achieve 2.3% employment rate of disabled persons by FY2020	(1) Held Women's Health Seminar for new executive staff and some levels, and introduced an annual leave-taking system by the hour for nursing and long-term care (2) Implemented the work range expansions measures for employees with disabilities, and linked it to the introduction of job coaches in the next fiscal year	B
	Eradication of long working hours	Promote telework, increase meeting efficiency	Create and implement a post-COVID working style	Instructed the whole Group on labor law and regulation compliance, and visualized overtime hours using a mechanism of notification to individuals	B
	Human resources development	Provision of a freestanding career support system	(1) Continuous implementation of learning support and career development for employees, and creation of a CDP (Career Development Program) (2) Introduce and establish operation of a talent management system	(1) Continuing support for career development via a correspondence education course fee reimbursement system and allowance payment to certificate holders, CDP implementation is not complete (2) Introduction of the talent management system, roll out to the Group companies ongoing	A
	Health Management	(1) Health management measures (2) Reacquire "White 500" certification and rollout to the Group	(1) Review the Implementation Framework, and implement measures for important challenges involving the management team (2) Reacquire "White 500" and consider Health and Productivity Management Organization applications in the subsidiary companies	(1) As a cross-departmental health management promotion activity, implemented anti-smoking measures such as creation and distribution of a productivity survey and anti-smoking leaflets (2) Three consecutive years of Health and Productivity Management Organization certification, and "White 500" reacquisition	A
Together with Suppliers ISO26000: Promoting social responsibility in the value chain  	CSR Procurement	Promote CSR in the group supply chain	Re-evaluate trading partners based on assessment aimed at optimizing the supply chain	Targeted 1,569 companies, ongoing assessment concerning re-evaluation	B
	Promote procurement based on crisis management	Strengthen adaptability to supply chain BCP	On-site inspection of main raw material suppliers and confirm supply systems and BCP policy (at least 4 times a year)	Circulated the guidelines among around 490 companies, inspections canceled to prevent spread of COVID-19 infections	B
	Handling paper raw material risk	Raw material usage management (e.g. illegal logging)	Implement checks of the 4 major paper manufacturers, promote document submission	Conducted hearings by email	B
Together with the Society ISO26000: Community involvement and development 	Promote local communication	Support training of the next generation	Provide learning opportunities and help promote sports	Provided the education materials, "Printing Mechanisms," to neighborhood elementary schools	A
	Social contribution activities	Continuously implement recovery support for the Great East Japan Earthquake	Hold the Umaimono Market company market-place	Event canceled to prevent spread of COVID-19 infection, lecture delivered on the intranet by the Fukushima Prefecture's Tokyo Office Head	A
Together with the Earth ISO26000: The environment	*See "Environmental Vision 2020," for the Together with the Earth (the environment) goals and results.				

Compliance forms the foundation of all that we do. We aim to be a fair and transparent company, striving for a high ethical standard in all our business activities, with every employee and director obeying the laws and regulations.

Corporate Ethics and Legal Compliance

Compliance Framework

All directors and employees of the Kyodo Printing Group declare that they will carry out their work according to our Business Behavior charter and Ethics Charter with the following principles in mind: proper understanding of the importance of corporate ethics; observance of laws, regulations, internal rules, and social standards; and self-discipline on the part of each director and employee.

Each division conducts daily management within the scope of their authority with regards to the observance of laws and regulations by employees, with further proliferation of corporate ethics through the establishment of the Corporate Ethics Committee chaired by the Corporate Ethics Executive Officer.

We translate and share our corporate philosophy, Business Behavior Charter, Ethics Charter and other policies into other languages so that our overseas bases can carry out their work with a unified corporate ethics outlook.

In FY2020, there were 0 cases of serious violations of laws and regulations.

Whistle Blowing System

Number of Whistle Blowing Reports **22**

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An Ethics Consultation Office was established. This office is made up of an internal help desk for early discovery and correction of unfair acts by officers and employees, and an external help desk for consultations, anonymous or otherwise.

In FY2020, a new Auditory and Supervisory Board Member Route was established within the Ethics Consultation Office, establishing a reporting route independent of management.

Whistle Blowing Rules, which prohibit the disadvantageous treatment of whistle-blowers, were established to protect them. Based on the Whistle-Blower Protection Act, notifications are also accepted from people who work at companies who have a trading relationship with our Group.

Compliance Education

We are utilizing e-learning to offer education on legal

compliance and human rights to directors and employees throughout the Group, and compliance education by hierarchy to raise compliance awareness. These efforts to raise Group-wide awareness also include distributing our Corporate Ethics Handbook, which compiles important key points and self-checklists that must be observed during daily work as well as running an awareness-raising article in Group newsletters.

In FY2020, we implemented compliance education for the management team in an on-demand format. In addition, the Corporate Ethics Handbook has been revised to reflect changes in social conditions in recent years.

Anti-Corruption and Bribery Countermeasures

The Ethics Charter of the Group prohibits gifts and special treatment that deviate from general business custom and commonsense. Furthermore, we endeavor to maintain appropriateness with government in Japan and overseas by ensuring a sound and transparent relationship with public officials.

In addition, we have formulated a hospitality and gift-giving/receiving policy, and are operating a management system to record hospitality and gifts.

Respect for Intellectual Property Rights

A patent search system was established to avoid the risk of infringing upon others' rights. A patent search and analysis are conducted at various stages, ranging from product and service development to customer presentation, to respect the intellectual property of others.

Additionally, patent information is used from the first stage of product and service development. And by building a patent network to contribute to business profits, we are making efforts to develop and secure the strengths of our business.

Export Management Framework

Export of cargo related to weapons of mass destruction or provision of technology require strict export control based on foreign exchange law, by international agreement. We have enhanced the export management framework by enacting Export Management Regulations, and establishing a framework consisting of a first check by the Export Trading Division and a second check by the Export Management Secretariat (Legal Division).

Together with Customers

Safety and quality are paramount in the provision of printed items that enrich people's lives and culture. We have a strict information management framework in place to improve our technology and quality and bring our customers products and services with a high degree of added value.

Product Safety and Quality

Product Safety Promotion Schemes

Based on the Kyodo Printing Quality Policy, as a body to promote product liability (PL) and product safety (PS), we established a Product Safety Committee chaired by an executive officer in charge, to evaluate product safety from new product development to the proposed products. We have also been working on examination and management of specialized safety through subcommittees and expert committees. These activities are reviewed in an annual management review.

Quality Assurance Framework

Based on the Kyodo Printing Quality Policy, we established the Quality Assurance Committee chaired by an executive officer in charge to promote quality assurance activities. The committee carries out activities to continuously improve quality, as well as conducting a review each year via a management review.

Customer Information Asset Protection

Personal Information Protection (Privacy Mark)

Based on the Personal Information Protection Policy, we created a Personal Information Protection Management System conforming to the Personal Information Protection Management System requirements (JIS Q 15001), and are managing operation of the system. We are striving to raise awareness throughout the Group by, for example, providing education for all employees.

Information Security Management System

The Business Media Division has acquired certification at the Kawajima Solution Center and Tsurugashima Plant for the international standards ISO/IEC27001 for the Information Security Management System (ISMS), and is creating an advanced information security framework to match the Privacy Mark. In addition, we are providing the customer with peace of mind by, for example, acquiring certification for the international standard ISO22301 for BCMS, in order to keep damage to a minimum in the event of an emergency and be able to restore business quickly.

Certification Requirement Information

As of April 1, 2021

We consider it a social obligation to deliver quality, reassurance and safety through our products and services. Our Group has introduced a variety of management systems in line with international standards, and meet society's demands through our customers.

Quality Management System / ISO9001

Kyodo Printing: Odawara Plant, Sagamihara Plant, Wakayama Plant, Tsurugashima Plant, Kawajima Solution Center
Group Companies: Kyodo Printing (Vietnam) Co., Ltd., PT. Arisu Graphic Prima (Surabaya) Kyodo Bookbinding (Urawa Plant, Sales Division, General Administrative Division)

Pharmaceuticals primary packaging material GMP standard Quality Management System / ISO15378

Kyodo Printing: Moriya Plant 2
Group Companies: KYODO PRINTING (VIETNAM) CO. LTD.

Food Safety Management System / FSSC22000

Kyodo Printing: Moriya Plant 1

PT. Arisu Graphic Prima (Surabaya, Karawang) acquired BRC Issue 6

Information Security Management System (ISMS)/ISO27001

Kyodo Printing: Tsurugashima Plant, Kawajima Solution Center
Group Companies: Kyodo Printing Nishinohon (Kyoto Plant)

Privacy Mark

Kyodo Printing: Kyodo Printing
Group Companies: Cosmo Graphic, Kyodo Printing Nishinohon, Kyodo Logistics, Kyodo Printing Business Solutions, Kyodo Ftech

Kyodo Bookbinding has acquired the bookbinding industry's personal information protection framework certification system, SAPPS.

Business Continuity Management System (BCMS) / ISO22301

Kyodo Printing: Business Media Division (Koishikawa Office), Tsurugashima Plant, Kawajima Solution Center



Challenges

Goal 8 of the SDGs calls for us to, "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all." In Japan, there are social issues accompanying the advancement of the super-aging society, such as the increase in health risks and social security expenses, and an increase in people with mental health illnesses. In corporations, low productivity at work due to poor mental or physical condition is coming under the spotlight. It is estimated that the cost of this is 17.7 times* more than that due to time off or leaves of absence through sickness or injury, so employee health maintenance has a significant impact on work productivity and finances.

*Source: Calculation from a report by the University of Tokyo Working Group, The University of Tokyo Policy Alternatives Research Institute

Basic Concept

Our Group recognizes that it is an important business issue to secure the "physical, mental and social wellbeing" of individual employees who are the source of corporate activities which lead to a rise in corporate value. We announced the Kyodo Printing Group Health Management Declaration in 2018, and we will continue to practice health management enabling growth of employees and the company together.

Ideal Management in Future

We will grow together with our employees and their families, and together with our suppliers, contributing to society through our business, and we will realize the TOMOWEL idea of "a truly abundant world."



As part of health management, to maintain an environment comfortable for women to work in, we conducted a Women's Health Seminar aimed at leaders and supervisory positions and above for the purpose of understanding female-specific health issues. Here, we read the opinions of a supervisor and subordinate who attended the seminar.



The key point is to create an environment in which discussion is easy and a framework that enables cooperation.



Shingo Tanaka
Promotion Media Division
Section 2, Sales Division 1
Section Manager

To be honest, I felt it would be difficult for a male manager to step into the area of female-specific health issues. However, I think if a manager and staff can broaden their understanding as in this seminar, then conditions are created in which women find it easier to discuss matters, and in case of an emergency to take time off. How this will be translated into specific actions is an issue, but I think the message I want to put out is, rather than actively avoid mentioning something as it is a sensitive problem, to always be open to discussion. Each person's circumstances are different, but everybody is working while embracing a variety of problems. A female-specific health issue is one such problem. By first deepening knowledge and understanding, I want to continue to keep in mind to create a cooperative atmosphere within the group so as to always enable positive care if a discussion arises.



I will keep in mind to show concern for colleagues from the women's side, too



Miho Sakai
Promotion Media Division
Section 2, Sales Division 1

While it is a female-specific health issue, I have dealt with it on a daily basis over many years, so up until now I have considered it as something that I have to control myself. I have not actually discussed it with anybody. But if my supervisor is aware of my circumstances, then if something should happen, whether or not the conditions are such to enable a discussion, the reassurance while continuing to work is completely different. Fortunately, I always see a supervisor who understands women and the home, and colleagues who actively participate in childcare. If there is a culture of cooperation in the group, I think it is easy to discuss not only women's health issues but also other aspects such as childcare. On the other hand, there was something that made me think about me also having a junior colleague. As each person's problems or health condition are different, I felt anew that we should pay attention to the colleagues around us.

We believe that a company grows when its employees grow, so we work to make sure that our employees' rights are respected and strive to create an environment that brings out their unique characteristics and skills.

Work-Style Reform

We announced the Work-Style Reform Declaration aiming to realize a work-life balance for employees and a fulfilling life for employees and their families. Based on the TOMOWEL philosophy, we are working to maintain an environment in which each individual employee's power is used to the maximum and the employee can play an active role with a sense of satisfaction.

Diversity & Inclusion

We "respect employees' diversity, personality and individuality, and provide support to enhance their ability" based on the Business Behavior Charter. We promote the advancement of female employees, helping them to demonstrate their full potential and providing a framework to help achieve a proper balance between work and parenthood. We are working to realize a working environment where workers can continue to demonstrate their ability while contending with concerns such as childcare and nursing. Accordingly, we devised an action plan that sets a 7% minimum of women occupying top management positions by FY2021.

In the case of elderly workers, we introduced an Elderly Scheme for re-employing people aged up to 65 if they want to work. We maintain a system in which they can demonstrate ability as before retirement, for example, performance-based pay rises.

In our measures to employ people with disabilities, we provide education for employees who work with them, and support people with disabilities in settling in the workplace and in ease of working. We are aiming to achieve an employment rate of 2.3% or over by 2021.

Work-Life balance

We are promoting measures centered around telework as work-style reform initiatives, and we are working on preparing an "environment in which work can be performed regardless of location." In order to realize a range of work-styles that respect individual workers, we are striving to expand choices.

Childcare and Nursing Support

As well as completing a system of leave beyond legal requirements, to enable employees busy with childcare and nursing to balance home and work life, we are preparing a range of other systems. For example, we are moving forward with the introduction of a telework sys-

tem. We also provide a support program aimed at male employees to encourage participation in childcare. We have a parental leave support system in place to support parents from before the birth of their child until their return to work, as well as a seminar on career support for a parent's return to work, and for nursing, we hold seminars divided into introductory and practical.

Human Resource Training and Career Development

Based on the concept of "an organization that combines a sense of reassurance with a healthy feeling of tension, based on fair value," through "employees who independently work to create even slightly greater value through their own roles or jobs," we have built a training system that aims for sustainable growth of people and the corporation.

In addition to the annual self-assessment system, we have established a Career Challenge System that recruits people from inside the company, supporting career formation for employees who desire a challenge, and through this we aim to strengthen the organization. In addition, we hold Career Design Seminars for those in their 20s and 40s as an opportunity to form a career plan looking to the future.

Health Management

We are conscious that health management initiatives are an important management issue, published the Group Health Management Declaration, and established a Health Management Promotion Team with the President at the helm. We will focus our efforts more on securing and improving the health management of employees and their families, and on providing a more comfortable workplace.

Safety and Health Management System

Based on the Group Safety and Health Policy, our activities are centered on the Safety and Health Committee chaired by the executive officer in charge. In addition to risk assessments for all staff working at manufacturing sites, we improve safety and health awareness through training, share relevant information, and conduct regular tours of inspection. In addition, we listen to opinions and implement suggestions of industrial doctors and other experts to maintain and improve the management system.

Together with Suppliers

Promoting Social Responsibility in the Value Chain

CSR activities are promoted with our suppliers in accordance with fair practices for continuous and mutual development across the supply chain.

Supply Chain Management

CSR Procurement

We have established the CSR Basic Procurement Policy of the Kyodo Printing Group, which defines the basic policies that we should follow when procuring items, and the CSR Procurement Standard of the Kyodo Printing Group which consists of the supplier compliance requirements, and initiatives are being put into practice such as compliance, human rights, health and safety, information security, the environment, social contributions, and so on. Headed by the CSR Procurement Investigation Committee, CSR procurement is promoted across our entire supply chain to ensure a shared direction and sense of value in every facet, from those in charge of placing orders to each supplier.

Supplier Surveys

As a part of CSR procurement activities, we conduct surveys of main suppliers including overseas ones to see their state of the CSR activities. We feedback the survey results immediately to the suppliers so that they can grasp and improve the statuses of their initiatives. We also conduct follow-up surveys and take corrective measures when required.

These surveys become a valuable opportunity to hear the opinions of our suppliers.

部門	調査項目	調査項目	スコア	評価
印刷・印刷製版センター	1	労働安全衛生	4.0	A
	2	環境管理	4.0	A
	3	品質管理	3.0	B
	4	情報セキュリティ	3.0	C
	5	社会貢献	4.0	A
	6	顧客満足	3.0	A
印刷製版センター	7	労働安全衛生	3.0	B
	8	環境管理	3.0	B
	9	品質管理	3.0	C
印刷製版センター	10	労働安全衛生	4.0	A
	11	環境管理	3.0	C
	12	品質管理	3.0	A
印刷製版センター	13	労働安全衛生	3.0	A
	14	環境管理	3.0	A
	15	品質管理	3.0	A
印刷製版センター	16	労働安全衛生	3.0	C
	17	環境管理	3.0	C
	18	品質管理	4.0	A
印刷製版センター	19	労働安全衛生	3.0	A
	20	環境管理	3.0	A

Feedback screen

Green Procurement

The Green Procurement Guidelines were defined to promote green procurement related to reduction of global environmental burden and advancement of product safety related to chemical substances. We seek the understanding and cooperation of each of our suppliers in enacting environmental policy to provide safe products to the market and reduce the environmental burden across the supply chain.

Fair Trade

We work to establish a fair relationship with suppliers and eliminate any unfair practice through abuse of position as the ordering party.

Compliance with the Subcontract Act

We have established compliance regulations for the Subcontract Act as a basis for transactions with our suppliers. Using our Regulations on Compliance with the Subcontract Act as a guide, we conduct education for managers and supervisors as well as the purchasing, sales and development divisions, sending employees newly in charge of placing orders and related positions to training held by the Japan Fair Trade Commission and the Small and Medium Enterprise Agency to raise awareness.

In FY2020, a total of 3,966 employees from the whole Group attended the training on the Subcontract Act.

The Supplier Helpline

To enable transparent and fair trading with suppliers, we set up an Ethics Consultation Office helpline. This lets us know when there are organizational or individual violations of the law or behavior deviating from the basic CSR procurement policy, and helps to solve problems. There were no reports or consultations claims from suppliers in FY2020.



The Supplier Helpline

Supplier Communication

To strengthen cooperative relationships and develop side-by-side with our best and most-valued suppliers, we provide opportunities for communication such as a New Year Mutual Appreciation Ceremony and an Outstanding Associate Company Award.



Outstanding Associate Company Award

Together with the Society Community Involvement and Development

We take initiative to engage in social and regional contribution activities as good corporate citizen.

Culture and Art Initiatives

We run a business providing luxury art reproductions using our original reproduction technology. As well as donating part of the profits to repair works of art, we work toward developing culture and art, for example by distributing information for the promotion of art.

A Traditional Cultural Workshop - Mt. Fuji by Taikan, painted in my colors

As one of the activities to pass on cultural and artistic traditions, we held a workshop to create an artistic reproduction with Yokoyama Taikan Memorial Hall, which we have cooperated with for many years. We introduced that the printed materials are created with a variety of colors based on the three basic primary colors (cyan, magenta

and yellow), and then participants got to experience actually painting a watercolor of a view of Fuji choosing colors freely themselves. Participants gave their impressions, such as, "I want to create a variety of colors when I paint at home, too." We will continue to contribute to activities to pass on cultural and artistic traditions in the future, too.



The workshop venue



Experience painting Mt. Fuji by Taikan in your own colors



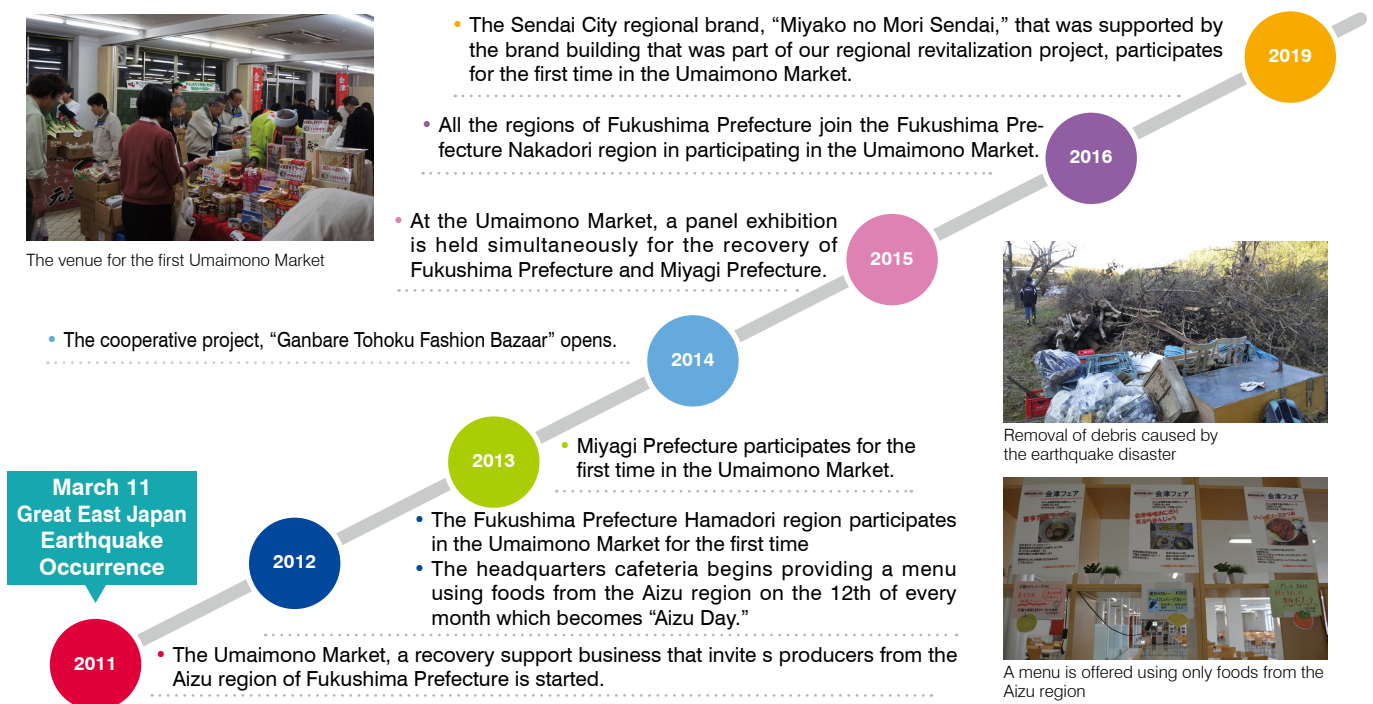
Participants' works

Looking Back 10 Years after the Earthquake Disaster

10 years have passed since the Great East Japan Earthquake caused unprecedented damage centered on the Tohoku region. Since the earthquake disaster, we have conducted a variety of initiatives including economic support activities through product sales, wishing for social recovery.



The venue for the first Umaimono Market



Removal of debris caused by the earthquake disaster



A menu is offered using only foods from the Aizu region

Together with the Earth The Environment

We promote global environmental management aimed at environmental preservation and realization of a sustainable society through the printing so deeply connected to daily life.

A Message from the Chairperson of the Group Environmental Committee



Koji Takahashi

Chairperson of the Group Environmental Committee
Managing Executive Officer and Director

Since announcing a medium-term environmental plan in 2000, our Group has responded flexibly to changes in environmental conditions, and has continued to review our environmental strategy. In the past five years in partic-

ular, attitudes toward the environment have changed rapidly, and a new international framework has been created.

With the Paris Agreement and the IPCC 1.5°C special report in the area of climate change, efforts have begun to achieve carbon neutrality globally by 2050. Corporations are being asked for financial disclosures in line with TCFD requirements, and it is thought climate change initiatives will impact corporate value. Also, toward building a recycling society, while regulating single-use plastic, efforts have started toward a circular economy that collects and regenerates resources.

Based on these initiatives, our Group upholds “Striving to preserve and improve the natural environment and living environment through the product lifecycle to create a sustainable society,” and we have formulated the fifth environmental medium-term plan (- 2025) according to this principle. We are also moving forward with a long-term environmental vision to indicate what we want the Group to become further in the future.

We will contribute to the creation of a sustainable society toward a future co-existence of humans and the Earth, as indicated in our corporate message, “Future creation for all.”

Environmental Vision 2020 - Main Highlights

Prevention of Global Warming



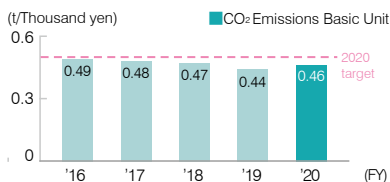
Achievement indicator
Improve CO₂ emissions basic unit
10% compared to FY2014.



Final result

Achieved

16% reduction



Building Recycling Society



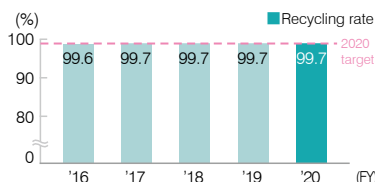
Achievement indicator
Recycling rate of 99.7% or over



Final result

Achieved

99.7%



Pollution Prevention



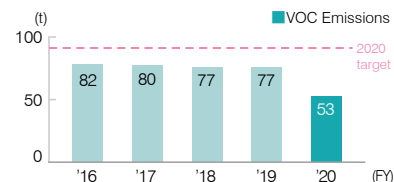
Achievement indicator
40% reduction in VOC regulation
emissions compared to FY2010



Final result

Achieved

51% reduction



Kyodo Printing Group Environmental Vision 2025

We have formulated new medium-term environmental targets in our Environmental Vision 2025.

We have set higher numerical targets, and target a further reduced environmental burden and a high standard of environmental activities.

The formulation of this 5th environmental medium-term plan, the Environmental Vision 2025, was determined based on societal demands concerning the environment such as achieving carbon neutrality and transitioning to a circular economy, on business im-

pacts, and on the achievement status of the the previous plan. Toward achieving the environmental medium-term targets, we are promoting environmental activities in the entire value chain.

Environmental Vision 2025 Achievement Indicators

Climate Change

Decarbonization

CO₂ emissions compared to FY2019



10% reduction



Energy Conservation

Energy consumption basic unit compared to FY2019



5% improvement



Recycling Society

Resource Recycling

Waste disposal basic unit compared to FY2019



5% improvement



Paperless

Office paper reduction compared to FY2019



20% reduction



Pollution Prevention

Atmospheric Pollution Reduction

VOC Emissions compared to FY2019



7% reduction



Responsible Consumption and Production

Environmentally Friendly Products

Sales compared to FY2019



200%



Environmental Management

We operate an environmental management system promoted across the Group based on ISO14001. The major Group companies and all our sites are integrated and certified for promotion of Group-wide environmental efforts.

Environmental Management System (EMS) Promotion Framework

Based on the Group Environmental Policies, the Group Environmental Committee chaired by an executive officer in charge was set up as the core body governing environmental management. This organization formulates company-wide action plans such as Group Environmental Policies and Environmental Vision measures. Specialized environmental themes are promoted through sub committees. The activities are continuously improved via monitoring and revised annually in management reviews.

In addition, environmental committees are set up at each office and group company to further enact environmental action.

Environmental Education System

We have provided environmental education to the officers and employees of the whole Group. We also implement follow-up training every year for those with the internal environmental auditor qualification to uphold their auditing abilities.

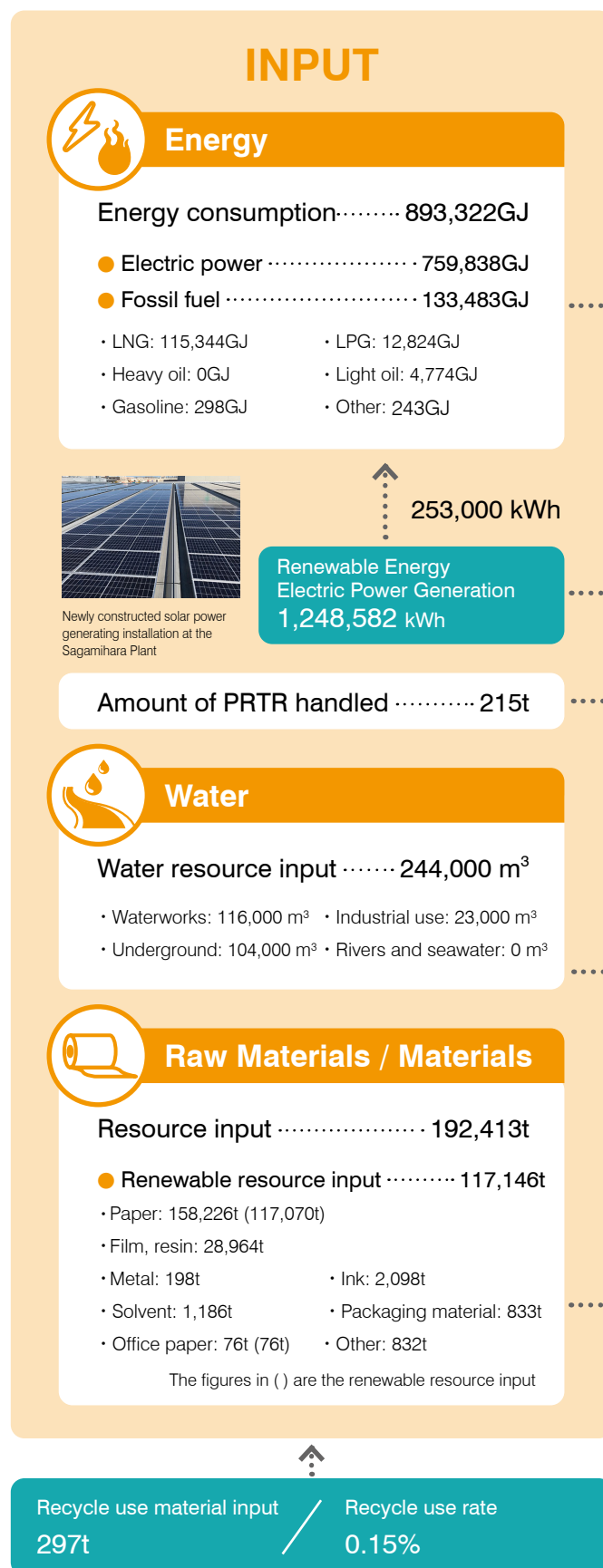
Environmental Risk Management

Environmental laws and regulations, as well as risk evaluation and periodic inspection employed for risk discovery and other environmental risk management are promoted. We strive to reduce risk via the two pillars of the tangible aspects like equipment and the intangible aspects like operation based on work standards. We regularly conduct emergency response training to prepare for the unlikely event of an environmental accident. A system is in place centered on the Crisis Management Committee to respond in the event of an environmental crisis due to a serious environmental accident or disaster.

Environmental Compliance

During FY2020, there were zero violations of the environment-related laws and regulations, and four complaints. The breakdown was two complaints about noise, one related to exhaust, and one related to trees compared to the premises. In all cases, these were speedily corrected after confirming the facts.

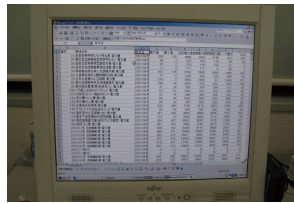
FY2020 Materials Balance



Main Manufacturing Processes



Solar Power Generation
CO₂ reduction*¹
726t



Electrical power monitoring system

Renewable resource input rate
60.9%



Drainage handling facility

Recycling rate
99.7%



Resource recovery waste

Total waste discharge 25,948t

Electricity sold
995,000 kWh

Total resource recovery from waste
(recycled amount)
25,883t

Products

OUTPUT



Air

CO₂ emissions - 42,108t-CO₂

Scope 1: 6,873t-CO₂

Scope 2: 35,235t-CO₂

ODS emissions 154t-CO₂

NOx emissions 1.5t

SOx emissions 0t

VOC emissions 53t

PRTR emissions 40t



Water

BOD discharge 0.1t

Discharge 238,000 m³

Public water: 59,000 m³

Sewers: 178,000 m³

Rivers: 59,000 m³

Lakes, marshes, sea: 0 m³



Waste

Final waste disposal 65t

Non-Group CO₂ emissions
Scope 3*²: 4,331t

*1: Reduction including electricity sold *2: Waste from category 5 business

Global Warming Measures

Warming due to emission of greenhouse gases (GHG) caused mainly by energy usage is having a profound impact on the global environment. Prompted by the Paris Agreement, specific international efforts are being sought to prevent global warming. Our Group is actively making efforts toward the realization of a low-carbon society through business.

In addition to thoroughly handling energy management at each of our offices centered on the Global Warming Action Department and based on the Energy Conservation Guidelines, we are implementing initiatives such as investing in energy conservation at facilities and expanding solar power generation.

In FY2020, we kept GHG emission increases, caused by establishing new companies, to the same level as the previous year by the entire Group working hard to make cuts. In addition, we reduced energy consumption by 1.6% on the previous year. Also, we introduced a solar power generation facility at the Sagami-hara Plant, and estimate this will have a CO₂ reduction effect of 106 tonnes annually.

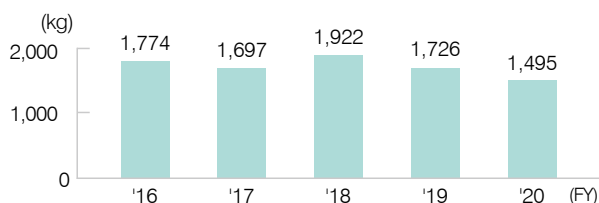
Pollution Prevention

We endeavor to understand conditions and carry out proper processing at each of our offices in order to reduce environmental burden and prevent pollution. We independently set increasingly strict voluntary control standards based on law and regulations to handle fluctuations in amount of waste associated with changes in workload.

Prevention of Atmospheric Pollution

Regarding atmospheric emissions in FY2020, NO_x emissions reduced by 13.4% compared to the previous year due to the reduction in boiler facilities. VOC emissions were reduced by 67.3% and achieved the environmental goal as a result of activities in pursuit of the goal of a 40% reduction compared to FY2010.

◆ NO_x Emissions



Prevention of Water Pollution

We regularly monitor the pH (hydrogen ion density), BOD, and metal content, etc., in drainage, and manage levels according to a voluntary control standard stricter than the legal requirements.

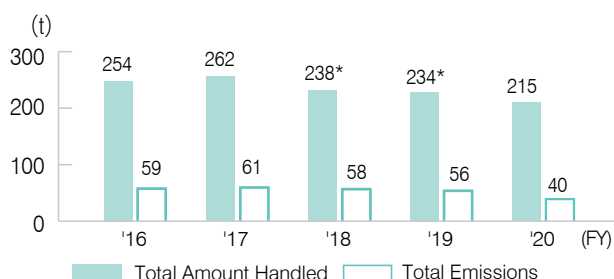
Chemical Substance Management

Based on the Proper Chemical Management Guidelines for correct management and reduction of chemical substances, the Green Procurement Department is at the core of activities. Also, a Chemical Substance Management Department was established in each office. We manage and operate master data from 50,000 laws and regulations on chemical substances, centering around those related to printing, while we enter newly purchased materials in a Safety Data Sheet (SDS) to ensure compliance with laws and regulations, reduce product use, provide information to customers and support the health and safety of our employees.

We released the Green Procurement Guidelines to ensure proper chemical substance management by all our suppliers.

Across the entire Group, we have endeavored to cut emissions of PRTR-designated chemical substances by 50% by 2020 compared to 2010. As a result, in 2020 we cut emissions by 28.5% compared to the previous year, and we have cut emissions by 72.0% compared to 2010, achieving our environmental target. By changing to substitutes and reviewing work methods, we are working to cut emissions further and continue to achieve targets.

◆ PRTR-Designated Chemicals Handled and Emitted



*Mistakes contained in the FY2018-2019 figures for amount of PRTR handled have been corrected.

Realization of a Recycling Society

Based on the Guidelines to Promote Proper Treatment and Recycling of Waste and with the Waste Management and Recycling Promotion Department at the core, we are aiming to form a sustainable recycling so-

ciety. As well as achieving zero emissions by implementing 3R* and promoting proper treatment of waste, we are contributing to the formation of a recycling society in the entire product lifecycle.

In FY2020, we progressed well with reduction and recycling of waste, reducing the amount of waste occurring by 7.2% from the previous year, and maintaining the recycling rate medium-term goal of 99.7%. Zero emissions have been achieved 12 years consecutively at all the 8 major offices.

*The in-house standard of less than 1% of the total waste being the final disposal amount generated in factories, or recycling of 99% or more of the total amount generated.

Water Resource Conservation

We promote sustainable use of limited water resources. We are making efforts to use water resources efficiently and cut water usage by, for example, efficient use of water and introduction of common facilities in consideration of water-saving, and changing air conditioner cooling systems to avoid use of water.

Water usage in FY2020 increased by 19.6% from the previous year due to full-scale operation of plants of subsidized companies in 2019.

TOPIC

New Value from Unwanted Items Move resources around to help society again

As well as making efforts such as cutting resource inputs and promoting re-use and recycling, our Group considers waste generated from our business activities that is difficult to recycle also to be a precious resource, which we make efforts to use together with corporations cooperating as partners. We are conducting initiatives to imbue waste with new value, to recycle resources and be of help in people's lives.

Information Communication Headquarters Goka Plant

The paper powder (fine paper dust) generated by bookbinding is collected with a dust collector, and solidified with a block molder. The paper powder block is used as a water removal aid in the sludge drying process in drainage treatment, and so supports the environment and people's lives.



Books



Paper powder block solidified using a press



It is used as an aid to water removal from sewer slurry at the Tokyo Metropolitan Sewerage Service.

Information Security Headquarters Tsurugashima Plant

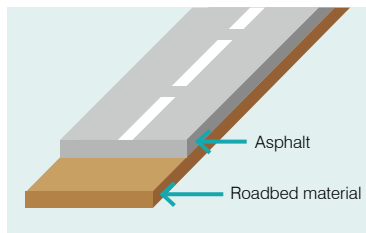
Waste card undergoes crushing treatment due to the security perspective. The crushed card is recycled as fused slag, and as a roadbed material for roads, it supports transportation infrastructure fundamental to logistics and also people's lives.



Plastic card



Waste card crushing treatment



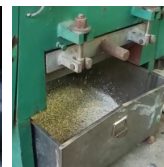
After the fusing treatment, the crushed card is converted to slag and is used as a roadbed material for roads.

Living & Industrial Materials Headquarters PT. ARISU INDONESIA

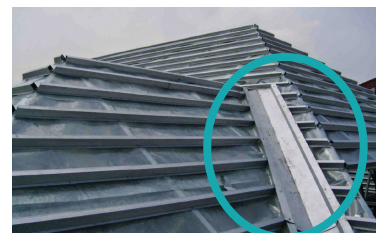
Waste material discharged in the laminated tube manufacturing process undergoes crushing treatment and is then recycled and used as a rain gutter material in construction. It is reborn as a new product supporting people's domestic lives.



Laminated tubes



Tubes and caps are crushed



It is used as a construction material for rain gutters.

Ensure Sustainable Consumption and Production Patterns

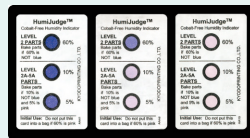
Based on our Green Products Policy, we established the Green Products Department and are working to create products that are environmentally friendly throughout the product lifecycle. 119 of newly developed products manufactured up to FY2020 have been certified as Green Products that meet our internal standards.

We have developed an ordering system as part of our green purchasing initiatives that enables prioritized purchase of environmentally friendly office supplies and other products.

Reducing Environmental Pollutants

HumiJudge®

This user and environmentally friendly humidity indicator is RoHS compliant without using cobalt chloride* allowing you to check if a drying agent is functioning properly in storage environments for electronic components and other humidity-sensitive products.



*EU restrictions on use of specified hazardous substances included in electrical and electronic equipment

Saving Resources and Energy

Resealing lid material for cups

This lid material for cups equipped with a re-closing function prevents mixing of foreign matter such as dust or insects. An overcap is not needed which achieves resource savings, and also as a substitute for a zipper bag, plastic usage can be reduced, too.



Utilizing Sustainable Resources

Cartons for Kitchen Wraps with Non-Metal Cutters

This carton has biodegradable plastic cutters made from paper, corn and other plants instead of metal cutters, making separation unnecessary for easy disposal.



Long-Term Use

MoistCatch®

This high-performance material can maintain low humidity inside packaging without using a drying agent. Due to excellent moisture absorption sustained over a long period, it contributes to the maintenance of quality and long life of pharmaceuticals, electronic components and other products.



Reusability

Handy Cube®

Easy to fold and easy to carry even if something is being stored inside it! The cube with strength withstanding repetitive use is optimized to preserve, transport and store emergency drinking water.



Recycling

Environmentally Friendly SP Calendar

This calendar is made with special consideration to its recyclability for disposal after use with environmentally friendly materials and is also universal design compatible.



Disposability

T-Pouch Shot

This is a small package that is easy to open and less likely to spill. Compared to a pouch with a spout (a bag with a cap), the mouth stopper requires no plastic material, and so waste disposal is straightforward.



Environmental Data for Main Sites

		FY2018	FY2019	FY2020	
Koishikawa Plant Bunkyo-ku, Tokyo, Japan Main manufactured products: Platemaking, publications printing, commercial printing		Energy consumption (GJ)	71,832	57,850	56,386
		CO ₂ emissions (t)	3,546	2,795	2,661
		Handled PRTR substances (kg)	992	933	1,073
		Total discharge (1,000 m ³)	32	29	25
		Final disposal amount (t)	0	0	3
Goka Plant / Kyodo Printing Media Products Gokamachi, Sashima-gun, Ibaraki, Japan Main manufactured products: Publications printing, commercial printing		Energy consumption (GJ)	287,918	255,041	244,809
		CO ₂ emissions (t)	14,236	12,470	11,750
		Handled PRTR substances (kg)	441	537	357
		Total discharge (1,000 m ³)	37	36	32
		Final disposal amount (t)	0	0	0
Tsurugashima Plant Tsurugashima, Saitama, Japan Main manufactured products: Business forms, certificates, cards		Energy consumption (GJ)	110,727	117,222	102,506
		CO ₂ emissions (t)	5,414	5,662	4,851
		Handled PRTR substances (kg)	27,524	30,454	18,006
		Total discharge (1,000 m ³)	14	18	16
		Final disposal amount (t)	0	0	0
Kawajima Solution Center Kawajimamachi, Hiki-gun, Saitama, Japan Main manufactured products: Business forms		Energy consumption (GJ)	80,862	77,369	77,772
		CO ₂ emissions (t)	3,963	3,736	3,674
		Handled PRTR substances (kg)	2,397*	2,553*	2,416
		Total discharge (1,000 m ³)	11	12	11
		Final disposal amount (t)	0	0	0
Moriya Plant 1 / Moriya Plant 2 Moriya, Ibaraki, Japan Main manufactured products: Paper containers, flexible packaging, high-performance materials		Energy consumption (GJ)	205,057	212,282	211,630
		CO ₂ emissions (t)	10,073	10,306	10,074
		Handled PRTR substances (kg)	178,195	165,160	170,363
		Total discharge (1,000m ³)	27	27	24
		Final disposal amount (t)	46	51	51
Odawara Plant Odawara, Kanagawa, Japan Main manufactured products: Laminated tubes		Energy consumption (GJ)	47,523	44,402	33,650
		CO ₂ emissions (t)	2,329	2,144	1,587
		Handled PRTR substances (kg)	2,326	2,254*	2,105
		Total discharge (1,000 m ³)	1	1	1
		Final disposal amount (t)	0	0*	0
Sagamihara Plant Sagamihara, Kanagawa, Japan Main manufactured products: Laminated tubes		Energy consumption (GJ)	14,345	13,790	13,084
		CO ₂ emissions (t)	702	665	617
		Handled PRTR substances (kg)	0	0	0
		Total discharge (1,000 m ³)	0	0	0
		Final disposal amount (t)	0	0	0
Wakayama Plant Aridagawacho, Arida-gun, Wakayama, Japan Main manufactured products: Laminated tubes		Energy consumption (GJ)	34,967	38,192	39,558
		CO ₂ emissions (t)	1,582	1,398	1,396
		Handled PRTR substances (kg)	1,200	1,167*	977
		Total discharge (1,000 m ³)	3	4	2
		Final disposal amount (t)	0	0	0
Main Group Companies Cosmo Graphic, Tomakomai Plant, Kyodo Printing Nishinohon, Kyodo Ftech, Jyoban Kyodo Printing, Kyodo NPI Package ^{*1} , Kyodo Kureha Blow Bottle, Kyodo Logistics		Energy consumption (GJ)	76,704	92,107	113,926
		CO ₂ emissions (t)	4,070	4,648	5,497
		Handled PRTR substances (kg)	24,399	30,371	19,968
		Total discharge (1,000 m ³)	39	65*	127
		Final disposal amount (t)	52	45	12

*1 FY2018 combined with Moriya Plant

*There were errors in the FY2018-2019 figures, so these have been corrected.

Data collection (Human Resources/Environment)

Human Resources

Item		Unit	FY2018	FY2019	FY2020
Employee Composition (Consolidated)	No. of Group Employees	People	3,054	3,230	3,229
Employee Composition (Non-consolidated)	No. of Employees	People	1,905	1,997	1,821
	Male	People	1,562	1,581	1,402
	Female	People	343	416	419
	Average Age	Years	42.4	42.8	43.0
	Male	Years	43.9	43.9	44.3
	Female	Years	35.8	38.1	39.0
	No. of Directors	People	8	7	8
	Male	People	7	6	7
	Female	People	1	1	1
	No. of Managers	People	397	390	392
	Male	People	378	371	373
	Female	People	19	19	19
	Female Managers Ratio	%	4.8%	4.9%	4.8%
	No. of Female Leader Class Employees	People	45	46	56
	No. of Female Executives	People	1	1	1
	Female Executive Ratio	%	4.8%	5.3%	4%
No. of Employees with Disabilities	People	42	38	43	
Employees with Disabilities Ratio	%	2.19	1.90	2.10	
Employment Status (Non-consolidated)	Average Years of Service	Years	17.4	16.8	16.6
	Male	Years	18.6	18.2	18
	Female	Years	11.8	11.7	11.8
	No. of New Graduate Recruits	People	69	68	34
	Male	People	52	45	21
	Female	People	17	23	13
	Turnover Rate	%	3.9%	3.2%	2.9%
	No. of Retirees Reemployed After Retirement	People	1	3	0
	No. of Retirees	People	30	29	48
	No. of Retirees Reemployed*	People	23	24	42
Retirees Reemployed After Retirement Ratio	%	76.7%	82.8%	87.5%	
*Includes continued employment and transfers					
Status of Paid Leave Usage (Non-consolidated)	Annual Paid Leave Average Days Used	Days	9.4	10.5	10.8
	Annual Paid Leave Average Taken	%	50.1	56.4	57.8
	No. of Childcare Leaves Used	People	53	52	52
	Male	People	1	1	4
	Female	People	52	51	48
	No. of Nursing Care Used	Times	3	3	1
	Male	Times	3	3	0
Female	Times	0	0	1	
Status of Other System Usage (Non-consolidated)	Reduced Working Hours (Childcare)	People	61	72	91
	Male	People	0	0	2
	Female	People	61	72	89
	Reduced Working Hours (Nursing Care)	People	0	1	3
	Male	People	0	1	3
Female	People	0	0	0	

Item		Unit	FY2018	FY2019	FY2020
Human Resource Development Costs	Cost of Education and Training per Employee	Yen	19,731	14,819	12,645
Industrial Accident Frequency Rate (Loss Time Injury Frequency Rate)	Kyodo Printing Group	%	0.42	0.63	1.25
	Printing Industry	%	0.95	1.60	1.35
	All Industries	%	1.83	1.80	1.95
Average Monthly Overtime per Employee		Hours	34.2	32.5	26.0

Environment

Item	FY2016	FY2017	FY2018	FY2019	FY2020
1. Climate Change					
Greenhouse Gas Emissions	46,524	45,946	45,913	43,823	42,108
Scope 1 Emissions (t)	8,746	8,870	7,237	7,487	6,873
Scope 2 Emissions (t)	37,778	37,076	38,676	36,336	35,235
Scope 3 Emissions (t) [Category 5: Waste Generated in Operations]					4,331
Basic Unit					
Per Unit Greenhouse Gas Emissions (Sales)	0.49	0.48	0.47	0.44	0.46
Energy Consumption					
Total Energy Consumption (GJ)	899,289	906,525	929,936	908,255	893,322
Ratio of Renewable Energy within Total Energy Consumption	0.1%	0.3%	0.3%	0.3%	0.3%
2. Water Resources					
Water Resource Input (1,000 m ³)	206	170	175	204	244
Per Unit Water Resource Input (Sales)	2.17	1.76	1.79	2.01	2.67
Discharge (1,000 m ³)	196	161	166	191	238
3. Resource Recycling					
Resources Input					
Non-recyclable Resources Input (t)	131,211	102,096	120,727	122,484	117,914
Recyclable Resources Input (t)	91,836	91,608	84,032	83,976	74,499
Recycle Use Material Input (t)	512	488	469	404	297
Recycled Ratio (= Recycle Use Material Input / Resources Input)	0.23%	0.25%	0.23%	0.20%	0.15%
Waste Resources					
Total Waste (t)	30,914	30,267	30,111	27,979	25,948
Final Waste Disposal (t)	130	103	98	96	65
4. Chemical Substances (PRTR)					
Chemical Substances Handled (1,000 kg)	254	262	238	234	215
Chemical Substances Discharged (1,000 kg)	59	61	58	56	40
Chemical Substances Transferred (1,000 kg)	195	201	180	178	175
Chemical Substances Handled (produced/used) (1,000 kg)	0	0	0	0	0
5. Pollution Prevention					
NOx Emissions (kg)	1,774	1,697	1,922	1,726	1,495
VOC Emissions (1,000 kg)	82	80	77	77	53
BOD Emissions (kg)	62	29	63	102	103