

Three Corporate Responsibilities

—Aiming to maintain the trust of our stakeholders and society—

DNP believes that its corporate social responsibility (CSR) is to maintain the trust of all of its stakeholders. To meet the manifold expectations of society, to realize a sustainable society and corporate growth, and be an enterprise trusted by society, DNP is committed to fulfilling three important obligations: value creation, integrity in conduct, and transparency (accountability).

1 Three Corporate Responsibilities Value Creation

The first and most fundamental responsibility of a corporation to society is “providing new value to society.” We must make a connection between the offering of products and services necessary to the sustainable development of society and the growth of the company. DNP will continue to provide high value which contributes to the solution of social problems through our Business Vision.



2 Three Corporate Responsibilities Integrity in Conduct

The second responsibility is “practicing fairness and impartiality in value creation processes.” No matter how superior or useful to society the value produced is, value is compromised if, for example, environmental damage occurs or laws are broken during the value creation process. Therefore, DNP seeks to fulfill this responsibility by ensuring that all employees always conduct business with integrity in accordance with the DNP Group Code of Conduct.



3 Three Corporate Responsibilities Transparency (Accountability)

Finally, the third vital corporate responsibility is “being a company that is accountable and highly transparent.” DNP achieves accountability by encouraging all employees, during the course of their regular duties, to engage in TAIWA with stakeholders, listen to their opinions, and provide correct information themselves.

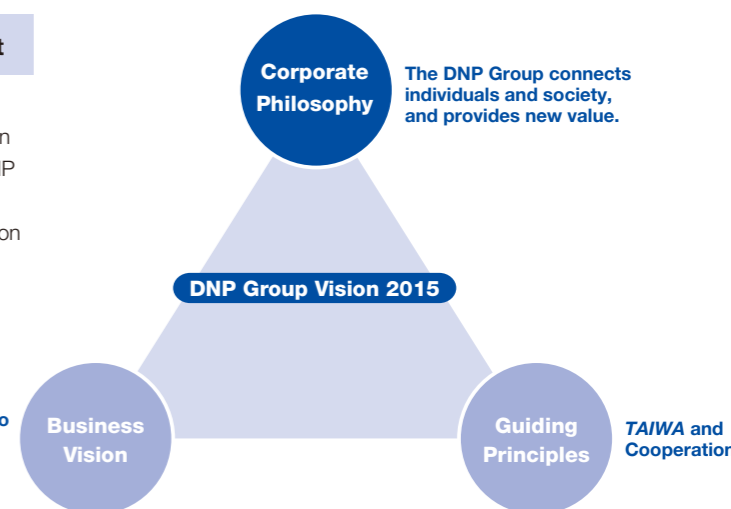


The fundamental points of reference for fulfilling these obligations are the DNP Group Vision 2015 and the DNP Group Code of Conduct. We continue to uphold our founding commitment to “Run a civilized business,” and this commitment is the basis of a wide range of activities designed to provide new value to society. To support these activities, we have established a system of corporate governance and internal controls, which we continually seek to upgrade and improve.

DNP Group Vision 2015 / Code of Conduct

As preconditions for faithfully fulfilling our Three Responsibilities, we have established the DNP Group Vision 2015, the foundation of our business activities, and the DNP Group Code of Conduct, setting forth the conduct with integrity that all employees must adhere to. The Group Vision comprises the three elements of Corporate Philosophy, Business Vision, and Guiding Principles, showing our commitment to society, to drive the creation of significant value that contributes to solving the challenges faced by society.

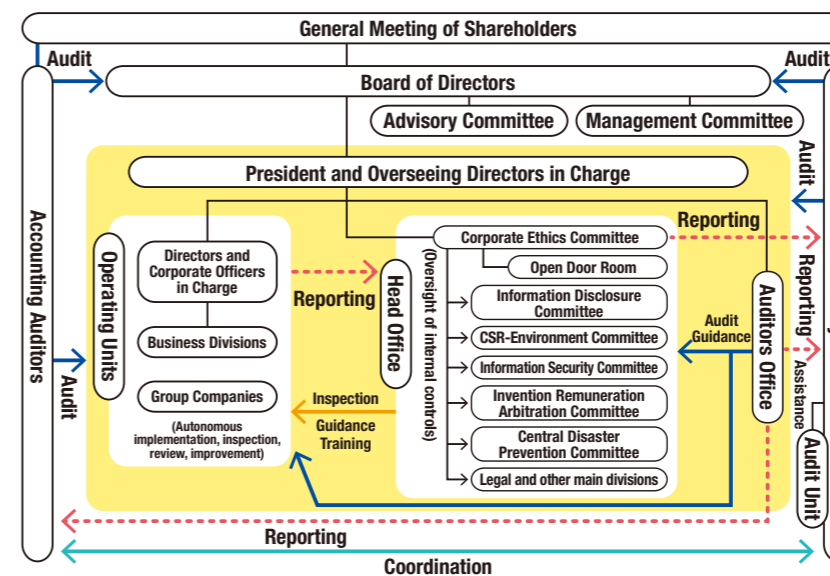
Use P&I Innovations to expand business, primarily around four growth areas.



DNP Group Code of Conduct

1. Contributing to the development of society
2. Social contribution as a good corporate citizen
3. Compliance with the law and social ethics
4. Respect for human dignity and diversity
5. Environmental conservation and the realization of a sustainable society
6. Realization of a 'universal society'
7. Ensuring the safety and quality of our products and services
8. Ensuring information security
9. Proper disclosure of information
10. Realization of a safe and vibrant workplace

Corporate Governance and Internal Controls System



To realize its Group Vision, DNP has established a structure for appropriate management decision-making, precise and speedy operational implementation, and oversight and auditing of such implementation, which we continually seek to upgrade and improve. In June 2016, to further reinforce that structure, we moved to a 12-member board of directors, including two external directors. Furthermore, in FY2016, based on the principles of the corporate governance codes increasingly being adopted in Japan, we announced a basic policy of actively promoting TAIWA (the Japanese word for dialogue) with shareholders and investors. Moreover, advice and proposals from the Advisory Committee, made up of independent external directors, regarding selection of candidates for director and director compensation, began to be considered and reviewed at management meetings, followed by discussion and decision by the board of directors.