



### Promoting Social Responsibility through the Supply Chain

At DNP, we are working with our suppliers throughout the supply chain to improve compatibility with social expectations. These efforts will be meaningless if we deviate from social norms in processes such as raw material procurement or manufacturing. We carry out various types of management with the aim of realizing both high value creation and high compliance awareness.

# 100%

Percentage of key suppliers conforming with Group Guidelines for Procurement of Paper for Printing and Converting

### TARGETS & RESULTS

Mid-Range Target	DNP and its suppliers will understand the importance of CSR, and act with integrity and in accordance with the CSR Procurement Guidelines to improve compatibility with social expectations across the whole supply chain, thereby achieving sustainable growth both for the enterprise and society, which is the basis for business activities.
FY2016 (Apr. '16-Mar. '17) Targets	<ul style="list-style-type: none"> <li>● Improve effectiveness of CSR Procurement Criteria. Consider status survey and review of criteria to align content with international trends.</li> <li>● Enhance effectiveness of Group Guidelines for Procurement of Paper for Printing and Converting. Revise survey content in light of social trends and conduct regular investigations. Based on results, carry out <i>TAIWA</i> with key suppliers and International NGOs.</li> </ul>
FY2016 Results	<ul style="list-style-type: none"> <li>● Revised CSR Procurement Criteria.</li> <li>● Carried out regular investigations based on Group Guidelines for Procurement of Paper for Printing and Converting and <i>TAIWA</i> with key suppliers, and obtained written confirmation of guideline conformance.</li> <li>● Carried out <i>TAIWA</i> with International NGOs.</li> </ul>
FY2017 Targets	<ul style="list-style-type: none"> <li>● Conduct and announce results of supplier survey relating to conflict minerals.</li> <li>● CSR Procurement Guidelines                             <ul style="list-style-type: none"> <li>• Carry out compliance survey and engage in <i>TAIWA</i> with key suppliers.</li> <li>• Expand the number of manufacturing subcontractors subject to the survey.</li> <li>• Reinforce CSR Procurement activities at international business locations.</li> </ul> </li> <li>● Guidelines for Procurement of Paper for Printing and Converting                             <ul style="list-style-type: none"> <li>• Engage in <i>TAIWA</i> with key suppliers and confirm guideline conformance.</li> </ul> </li> </ul>

### TOPICS Promoting CSR Procurement through external collaboration

In 2006, DNP established its Group CSR Procurement Criteria, and began conducting annual supplier compliance surveys. Through these and other efforts, we have promoted CSR activities continuously throughout our supply chain. At the same time, with progressive globalization and increasingly complex supply chains, it is more than ever incumbent upon enterprises to manage risk in such areas as human rights and the environment. To reflect these international trends and mount advanced efforts with deeper collaboration, we clarified the criteria in FY2016, and changed their name to the DNP Group CSR Procurement Guidelines. Moreover, in line with our responsibilities as an enterprise using paper as a key material, we issued the DNP Group Guidelines for Procurement of Paper for Printing and Converting in 2012, whose goal is to make effective use of sustainable forest resources. We regularly survey our key suppliers and engage in *TAIWA* to ensure their understanding and conformance to the guidelines. In FY2016, we expanded the guidelines' scope of implementation, and began obtaining written conformance confirmation from each supplier. In addition, to enhance the quality of activities in support of the guidelines, we engage in ongoing *TAIWA* with WWF (World Wide Fund for Nature) Japan for insights into the latest social trends, and exchange opinions on such subjects as our regular survey methods and their results.

### TARGETS & RESULTS

Mid- to Long-Range Target	<p>For the entire DNP Group, including international companies:</p> <ul style="list-style-type: none"> <li>● Reduce greenhouse gas emissions by 20% worldwide compared to FY2005 by FY2030.</li> <li>● Reduce greenhouse gas emissions by 10% worldwide compared to FY2005 by FY2020.</li> </ul>
FY2016 Results	[Reference value] FY2005 emissions: <b>1,110,000 tons</b>
	FY2016 emissions: <b>929,000 tons</b> <small>(16.3% decrease compared to FY2005)</small>



Comparison of room brightness without (left) and with (right) DNP lighting film

### TOPICS DNP lighting film recognized at the 26th Grand Prize for the Global Environment Award

DNP lighting film for windows efficiently reflects and scatters sunlight to make rooms brighter. The film has also proven effective in reducing lighting-related energy consumption and making interior spaces more comfortable, and was recognized with the Japan Business Federation Chairman's Award at the 26th Grand Prize for the Global Environment Award. The film can be sandwiched between sheets of glass or applied to windows on site. When used on the side of a building that receives the least amount of sunlight, room brightness is doubled,\*1 and energy (costs) required for lighting can be reduced by as much as 13%\*2. The product incorporates optical design technology developed in part through the manufacture of optical films for displays, as well as microfabrication technology, allowing optimization of the optical properties and structure of the film. The result is efficient reflection and scattering of sunlight throughout the room environment year-round. Effective use of natural light reduces energy consumption and makes for greater comfort, and more and more homes, offices, shops, hospitals, and other locations are enjoying these benefits. DNP has positioned Environment and Energy as a business growth area, and is developing new products and services to support both economic growth and preservation of the environment.

\*1 DNP test result. Maximum value from measurements taken through 6:00 p.m., June 5, 2015  
\*2 DNP test result. Measurements taken through 6:00 p.m., July 21, 2014



26th Grand Prize for the Global Environment Award



### Environmental Conservation and the Realization of a Sustainable Society

DNP receives the benefits of nature in all of its business activities, from raw material procurement to manufacturing and waste disposal. Therefore, we are making a Group-wide effort in our environmental activities, always bearing in mind coexistence with the global environment, and aiming to help build a sustainable society.

# 13%

Effect of DNP lighting film on energy consumption  
reduction\*2

