



Number of international business locations that have carried out risk analysis and evaluation



**Compliance with the Law and Social Ethics**

In carrying out its business activities, we at DNP believe we can earn the trust of society by having a mindset that is always fair and impartial, and by contributing to the maintenance and development of orderly, free, competitive markets. We are working to inculcate and firmly establish corporate ethics and respect for laws and regulations throughout the Group to maintain and enhance DNP's relationship of trust with society.

**22**  
companies

**TARGETS & RESULTS**

Mid-Range Target	Strengthen the DNP Group's ability to withstand natural disasters. ● Strengthen each workplace's ability to withstand natural disasters based on the Disaster Response Work Plans and Business Continuity Plan. ● Strengthen disaster defense measures in Ichigaya to protect DNP's central functions.
FY2016 Targets (Apr. '16-Mar. '17)	Broaden perspective to include community contribution, and realize further improvements in the Ichigaya site's disaster response capabilities.
FY2016 Results	● Revised Large-scale Earthquake Response Plan. ● Carried out disaster preparedness drills in the Ichigaya area. ● In coordination with government, enhanced preparedness to accommodate persons stranded in Ichigaya and unable to return home following a disaster. ● Enhanced wind and flood preparedness.
FY2017 Targets	● Strengthen measures to cope with large-scale disasters. ● Promote specific, practical activities to lower risk based on disaster management plans covering climate change and local disaster risk at each workplace.

**TOPICS** Strengthening broad-based disaster preparedness

DNP continuously enhances and strengthens its disaster preparedness to ensure personal safety and continuity of corporate functions in the event of disasters and emergencies. DNP had already formulated the Large-scale Earthquake Response Plan, but the plan was revised following the March 2011 Great East Japan Earthquake, which demonstrated once again the importance of ongoing preparedness. Further revisions were carried out in FY2016 in view of damage from subsequent earthquakes, including the April 2016 Kumamoto Earthquakes, and the situation in society. The latest revisions bolster the wide-area joint support framework and add measures for accommodating individuals stranded and unable to return home after a major disaster. The influence of climate change has recently brought more wind and flood damage from large typhoons, tornados, and intense rainfall. DNP believes that disasters caused by unusual weather conditions will increase in frequency, and is bolstering its preparedness with such steps as formulating Flooding Response Management Standards and examining the possibility of adopting and utilizing a new forecasting system. Going forward, DNP will carefully monitor local risk and prepare for all types of natural disaster as well as military conflicts brought on by unstable international conditions, and create a structure to enable all of its business locations to promptly gather information and take interim response measures. We are also strengthening our wide-area joint support framework to promote rapid recovery.

Collaborating with local communities



**TARGETS & RESULTS**

Mid-Range Target	Disseminate and inculcate DNP's corporate ethics, and enhance the effectiveness of internal controls and risk management.
FY2016 Targets (Apr. '16-Mar. '17)	● Continue to implement Autonomous Corporate Ethics Training and similar efforts. ● Analyze and assess risk at our international business locations and promote risk mitigation measures. ● Formulate and disseminate Group basic policies and compliance items for addressing bribery risk. ● Enhance content of risk self-evaluation, with ongoing implementation. ● Under the direction of the Head Office Corporate Ethics Committee, enhance and strengthen internal controls within the Group.
FY2016 Results	● Ongoing implementation of Autonomous Corporate Ethics Training and level-based and other types of training. ● Based on analysis of the results of risk self-evaluations at international locations, characterized management risk and promoted formulation of response measures. ● Top management of each organization autonomously checked improvement of issues relating to internal controls on a regular basis, and strengthened management. ● Formulated basic proposal for basic anti-corruption policies and regulations.
FY2017 Targets	● Continue to implement Autonomous Corporate Ethics Training and similar efforts. ● Analyze and assess risk at all international locations; implement ongoing risk response. ● Formulate and disseminate a basic policy, etc. for corruption prevention, and ensure compliance.

**TOPICS** Continuous efforts to strengthen risk response

At DNP, we are making continuous domestic and international efforts to promote our mid-range target of "disseminating and inculcating DNP's corporate ethics, and enhancing the effectiveness of internal controls and risk management." Autonomous Corporate Ethics Training sessions were held in FY2016 for the 14th consecutive year. Senior management personnel in divisions, Group companies, and other units acted as lecturers to explain in easily understood terms to the staff of their own units the challenges facing them, and their solutions. In addition to the training, employees are engaged in a variety of ongoing activities to disseminate and inculcate DNP's corporate ethics and thereby strengthen internal controls. In addition, we are striving to appropriately manage heightened international and domestic risk themes. For example, DNP furthered preparations to formulate policies and rules regarding corruption prevention. Furthermore, each international location worked to respond to risk by carrying out self-evaluations, and to achieve more effective management based on the results of those evaluations, in coordination with headquarters senior management and international Group companies. In FY2016, based on risk survey results, we considered management risk relating to human and labor rights, in addition to ongoing efforts in the area of information security risk. In FY2017 and beyond, DNP will maintain these efforts toward improvement from a global perspective.



**Development of a System for Business Continuity**

Emergencies that disrupt our business activities will affect not only DNP but our various stakeholders. Our goal is a structure that will enable us to quickly assess the type and extent of a threat, and take appropriate countermeasures to effect prompt recovery if an unexpected event occurs that affects our corporate continuity.

**Strengthening Disaster Resilience**

