

CSR Theme	Mid-Range Target	FY2016 (Apr. '16–Mar. '17)		Evaluation	FY2017 (Apr. '17–Mar. '18)
		Annual Targets	Results		
Foundations of the Three Corporate Responsibilities	Compliance with the Law and Social Ethics Disseminate and inculcate DNP's corporate ethics, and enhance the effectiveness of internal controls and risk management.	<ul style="list-style-type: none"> ● Continue to implement Autonomous Corporate Ethics Training and similar efforts. ● Analyze and assess risk at our international business locations and promote risk mitigation measures. <ul style="list-style-type: none"> · 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. 	<ul style="list-style-type: none"> ● 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. 	○	<ul style="list-style-type: none"> ● 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.
	Development of a System for Business Continuity Strengthen the DNP Group's ability to withstand natural disasters <ul style="list-style-type: none"> ● 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. ● Establish a wide-area joint support framework for disaster situations. ● Strengthen disaster damage reduction measures for information systems. 	<ul style="list-style-type: none"> ● Promote concrete, practical risk mitigation activities based on plans formulated by each organization and worksite. ● Broaden perspective to include community contribution, and realize further improvements in the Ichigaya site's disaster response capabilities. ● Through disaster response conferences among sites of the wide-area response network, develop and enhance total disaster response capability. ● Expand use of FMC* service. ● Consider introducing IT service to enable employees to work from home during large-scale disasters. ● Strengthen Ichigaya, Tokyo's backup structure for use as system backup for plants. <p>* An extension telephone service using mobile phones that enables calling with in-house extensions while out of the office.</p>	<ul style="list-style-type: none"> ● 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. ● Engaged in support activities in the Kumamoto Earthquakes disaster area. ● 30% year on year increase in users connected to the FMC service. ● Built an environment for field testing of an IT service to enable employees to work from home during large-scale disasters. 	○	<ul style="list-style-type: none"> ● Strengthen measures to cope with large-scale disasters. <ul style="list-style-type: none"> · Equip and enhance collaboration and support structure between operating locations in case of wide-area disaster. · Strengthen Ichigaya and Kashiwa area backup structures for plant systems. · Strengthen disaster response capabilities in Ichigaya area. · Expand use of FMC service. · Implement work-from-home IT service. · Strengthen structure and environment to ensure continuous provision of IT services even if data center is affected by disaster. ● Promote specific, practical activities to lower risk based on disaster management plans covering climate change and local disaster risk at each workplace.
Responsibility #1 Contributing to the Development of Society	[Realizing Our Group Vision] Promote the creation of an environment to accelerate the realization of the DNP Group Vision 2015.	<ul style="list-style-type: none"> ● Promote company-wide dissemination and implementation of P&I Innovations with the aim of "providing new value." ● Promote development and support of company-wide systems and structures to accelerate realization of our Group Vision. 	<ul style="list-style-type: none"> ● Promoted inculcation of P&I Innovations through level-based training. ● Promoted inter-worksites collaboration, industry-university collaboration, mergers and acquisitions, and open innovation to create places for innovation to occur, thereby effectively promoted P&I Innovations. 	○	<ul style="list-style-type: none"> ● Promote sales and production activity acceleration and integration measures (structures and systems) to realize the DNP Group Vision.
	[Progress in relation to growth strategy] Develop capability for an early grasp of issues for people and society, create products and services to provide new value, and contribute to social development.	<p>Promote development of products and businesses to realize our growth strategy</p> <ul style="list-style-type: none"> ● Knowledge and communication Support cultural development, promote communication with consumers and develop new products and services to provide valuable information safely and securely in the optimal form. ● Food and healthcare Develop new products and services to facilitate safe and high-quality life as well as lifelong health maintenance in an aging society. ● Lifestyles and mobility Contribute to achieving comfortable personal spaces and a smart society adapted to the diversifying values of consumers. ● Environment and energy Develop new products and services that aim to realize a sustainable society and promote respect for the global environment and energy/resource conservation. 	<ul style="list-style-type: none"> ● Developed YORIP ("Side Trip") travel app to contribute to regional revitalization. Coordinated with local government and promotional events. ● Developed Your Manager monitoring system for accurate medication dosing for in-home treatment of the elderly and began demonstrations through industry-university collaborations. ● Developed DNP Super Weatherable Hard Coat Transfer Film and other products that contribute to production of lighter automobiles, thus reducing energy consumption and CO₂ emissions. ● Began offering CrackProof, an anti-tampering and personal data protection system for applications in on-board control devices becoming increasingly prevalent in automotive electronic safety systems; developed DNP Multi-Peer VPN server system for data communication encryption, verification, and management. ● Created resource recycling system for excess paper from plants to promote sustainable use of forest resources (eligible for FSC certification mark). 	○	<p>Promote products, services, and business models aimed at achieving DNP's growth strategy</p> <ul style="list-style-type: none"> ● Knowledge and communication Support cultural development, promote communication with consumers and develop new products and services to provide valuable information safely and securely in the optimal form. ● Food and healthcare Develop new products and services to facilitate safe and high-quality life as well as lifelong health maintenance in an aging society. ● Lifestyles and mobility Contribute to achieving comfortable personal spaces and a smart society adapted to the diversifying values of consumers. ● Environment and energy Develop new products and services that aim to realize a sustainable society and promote respect for the global environment and energy/resource conservation.
	Establish an organization conducive to overseas expansion.	<ul style="list-style-type: none"> ● Promotion of the building of an organizational structure based on our international strategy. 	<ul style="list-style-type: none"> ● Strengthened organizational structure in Singapore and elsewhere to contribute to economic growth in the Asian region. 	○	<ul style="list-style-type: none"> ● Promote building an organizational structure based on our new international strategy.
Responsibility #2 Respect for Human Dignity and Diversity	Review and develop management structure in line with trends in international human rights standards; in accordance with that review, take various opportunities to promote understanding and compliance with such standards on the part of employees and suppliers.	<ul style="list-style-type: none"> ● Continue to ascertain human rights risks in our business activities. ● Consider and implement risk mitigation measures based on analysis of the human rights risk survey results. ● In activities such as level-based group training, place particular focus on risk associated with human rights issues. 	<ul style="list-style-type: none"> ● Carried out interview survey concerning human rights at four divisions and their purchasing departments. ● Bolstered CSR procurement management to enhance risk prevention. ● Carried out activities such as level-based group training (25 times) with focus on human rights education. 	○	<ul style="list-style-type: none"> ● Consider methods to perform human rights due diligence. ● Implement specific risk mitigation measures based on risk survey analysis. ● Continue activities such as level-based group training with focus on human rights risk issues.
	Encourage diversity in employment: <ul style="list-style-type: none"> ● Greater participation by women ● Employment for persons with disabilities ● Greater participation by contracted employees and senior staff ● Employment of non-Japanese citizens 	<ul style="list-style-type: none"> ● Implement measures in accordance with the Act to Advance Women's Success in Their Working Life. ● Achieve an employment rate of 2% for persons with disabilities through such measures as development of job categories and normalization training. 	<ul style="list-style-type: none"> ● Trained 22 female mentors and 16 promotion leaders through DNP's Diversity Promoter Training Program. ● Established headquarters Diversity Promotion Office and divisional and Group company Diversity Promotion Committees. ● Carried out career development support training for all managers overseeing female employees with executive potential. ● Employment rate for persons with disabilities: 1.93%. 	△	<ul style="list-style-type: none"> ● Implement measures in accordance with the Act to Advance Women's Success in Their Working Life (action plan goal: double the number of female managers by the end of FY2018). ● Achieve an employment rate of 2% for persons with disabilities through such measures as development of job categories and year-round employment screening.

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Respect for Human Dignity and Diversity	Enhance development of an in-house workforce able to make contributions to the global community.	<ul style="list-style-type: none"> ● Continue employee training in cross-cultural understanding and respect for diversity. Continue personnel development at international business locations. Disseminate and promote our global training system. 	<ul style="list-style-type: none"> ● Continued such programs as cross-cultural management, cross-cultural understanding, and global communication. ● Planned jumpstart global workforce development training for junior employees. ● Utilized global training system to allow younger employees to gain international experience. Dispatched four employees to North America and Southeast Asia. 	○	<ul style="list-style-type: none"> ● Combine global training system and new jumpstart global workforce development training to strengthen junior employee development.
	Help alleviate poverty for producers in developing nations.	<ul style="list-style-type: none"> ● Expand the use of fairtrade-certified products to DNP locations nationwide, and raise awareness within the company. ● Strengthen collaboration with outside partners and make new efforts. 	<ul style="list-style-type: none"> ● Continued Fairtrade Month Campaign at 28 employee cafeterias nationwide; sold fairtrade-certified products in collaboration with partner companies. ● In collaboration with Art Coffee Co., Ltd., developed certified coffee drip pouch, which Art Coffee launched in December 2016. Began internal company sales in March 2017. 	○	<ul style="list-style-type: none"> ● Expand internal consumption of fairtrade-certified products. <ul style="list-style-type: none"> · Serve 100,000 cups of coffee annually. · Expand number of certified products sold internally. ● Encourage propagation of fairtrade internally and externally. <ul style="list-style-type: none"> · Leverage knowledge acquired through internal consumption to implement fairtrade promotion activities in collaboration with external partners.
Realization of a Safe and Vibrant Workplace	Develop personnel to drive the fulfillment of our Corporate Philosophy.	<ul style="list-style-type: none"> ● Implement a goal management and evaluation system and align organizational and individual goals. 	<ul style="list-style-type: none"> ● Implemented goal management and evaluation system, and revised the merit rating system to enable more appropriate personnel reviews. ● Conducted general training relating to goal setting and evaluation; carried out workshops in each department to undertake operations suited to actual conditions in each organization. 	○	<ul style="list-style-type: none"> ● Encourage understanding and use of new goal management system and merit rating system. ● Implement training with theme of solving social problems.
	Offer workstyle innovation to enable DNP to respond swiftly and flexibly to changing social environments, and implement measures to improve job satisfaction for every employee so as to generate popular momentum toward creating an invigorated, high-performance company.	<ul style="list-style-type: none"> ● Continue activities in each organization based on plans to realize workstyle innovation. ● Continue progress survey of workstyle innovation; carry out improvements based on the results. ● Consider revision of nursing care-related systems. Maintain policies to promote balance of work and nursing care responsibilities, and participation by male employees in child rearing. 	<ul style="list-style-type: none"> ● Continued activities in each organization based on plans to realize workstyle innovation. Labor and management monitored progress twice through the Productive Time Resources Project. ● Carried out progress survey of workstyle innovation; implemented improvements based on the results, as well as further encouragement measures. ● Nursing care-related systems were revised. Seminars were held on themes such as promoting balance of work and nursing care responsibilities, and participation by male employees in child rearing. 	○	<ul style="list-style-type: none"> ● Continue activities in each organization based on plans to realize workstyle innovation. ● Enrich full participation of worksite unit activities and achieve target for mutually confirming and supporting use of paid leave. ● Continue to promote balance of work and nursing care responsibilities, and participation by male employees in child rearing.
	Carry on the creation of workplace environments where employees can work with peace of mind, free from health hazards. This will be achieved based on plans to prevent work-related accidents and promote/maintain health.	<ul style="list-style-type: none"> ● Make elimination of machine-related accidents a top priority, promote risk assessment and facility safety measures based on safety standards for in-house equipment, and strengthen education/guidance. ● Promote mental health measures based on the results of organization analysis of the FY2015 survey. ● Implement testing of model business for health education. 	<ul style="list-style-type: none"> ● Based on safety standards for in-house equipment, promoted risk identification, equipment safety measures, and management of residual risk; implemented check and follow up through plant inspections; commenced equipment safety education for managers and staff. <p>Note: Number of work accidents: down 2% from FY2016; lost time work accident occurrence rate: 0.21 (both record low figures).</p> <ul style="list-style-type: none"> ● Implemented response measures based on organizational analysis of FY2015 stress check. ● Tested first model business for health education as a measure to heighten employee health awareness. 	○	<ul style="list-style-type: none"> ● Prioritize elimination of machine-related accidents, promote risk assessment and facility safety measures based on safety standards for in-house equipment, and strengthen education/guidance. ● Based on stress check results, create structure to promote independent efforts at every workplace. ● In light of results from first model business for health education, implement second model business for health education with more effective content.
Ensuring the Safety and Quality of Our Products and Services	In order to meet the expectations of enterprises, consumers and society, carry out inter-departmental activities involving all DNP employees and departments worldwide, maintain and enhance production quality, and create products with the world's highest levels of quality and safety.	<ul style="list-style-type: none"> ● Continue Product Safety Innovation Practices Committee meetings; check and improve operational flow. Enhance product safety management at international manufacturing sites and prevent product accidents. ● Improve product quality management through meetings of the inter-departmental Frontline Practices Committee. ● Strengthen efforts from the development stage to improve quality and safety in new businesses. 	<ul style="list-style-type: none"> ● Held Product Safety Innovation Practices Committee (four meetings), to verify and improve operational flow. Created English-language product safety training materials for international production locations, and enhanced training by local staff. ● Held inter-departmental Frontline Practices Committee meetings (64 meetings). ● Surveyed all Group companies to assess implementation status of design reviews in new business, and shared successful model cases; strengthened process from the development stage. 	○	<ul style="list-style-type: none"> ● Reinforce quality assurance and product safety management structures across the Group, as well as inter-departmental activities to enhance quality and product safety and ensure prevention of major product quality accidents and accidents relating to product safety. ● Continue holding inter-departmental Frontline Practices Committee meetings. ● Through quality system verification, strengthen efforts from the development stage to improve quality and safety in new businesses.
Ensuring Information Security	<ul style="list-style-type: none"> ● Aim for strong information security and efficient, highly productive work. ● To respond to globalization, extend DNP's information security management protocol to every country in which it operates, in accordance with local rules and regulations. ● Recognize network security risks and take proper measures. ● Promote protection of personal data. 	<ul style="list-style-type: none"> ● Continue introduction of thin client PCs to make it possible to conduct business securely anywhere, inside or outside of the company. ● Improve document digitization processes by applying PDCA cycle. As part of this effort, continue introduction of SSFC-based (Shared Security Formats Cooperation)* printing management systems. ● Set up an encryption environment for confidential digital documents as a measure to improve information security. <p>* System linking various kinds of security-related equipment using smart cards</p>	<ul style="list-style-type: none"> ● Promoted adoption of thin client PCs (cumulative total of 4,414 terminals). ● Promoted introduction of SSFC-based printing management systems (cumulative total of 406 systems). ● Developed auto-encryption folder and enhanced user environment. 	○	<ul style="list-style-type: none"> ● To ensure secure internal and external conduct of business, promote introduction of thin client PCs ● Revamp office environments and cut back on the use of paper.* ● Expand educational tools to cover multiple languages and provide training aimed at promoting information security management at international Group companies. ● Raise the level of understanding and training with respect to network security measures. ● Formulate internal rules in response to revisions in the Act on the Protection of Personal Information and JISQ15001. <p>* Reduce paper usage by making the working environment conducive to electronic communication and data storage.</p>
		<ul style="list-style-type: none"> ● Expand educational tools to cover various languages and provide training aimed at promoting information security management at international Group companies. 	<ul style="list-style-type: none"> ● Created Introduction to Information Security 2016 educational tool in nine languages. 	○	
		<ul style="list-style-type: none"> ● Raise the level of understanding and training with respect to network security measures. 	<ul style="list-style-type: none"> ● Trained all employees through e-learning. ● Held internal training courses (three times). ● Displayed educational materials using in-house digital signage system (three types). ● Served as member, Nippon CSIRT* Association <p>*CSIRT (Computer Security Incident Response Team)</p>	○	

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Responsibility #2	Promoting Social Responsibility through the Supply Chain	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.	<ul style="list-style-type: none"> ● Conduct and announce results of supplier survey relating to conflict minerals. ● Improve effectiveness of CSR Procurement Criteria [Domestic: Suppliers] <ul style="list-style-type: none"> · Improve response rate for compliance survey. · Carry out TAIWA with main suppliers to investigate the content of the awareness survey and compliance survey of the applicable companies. [Domestic: Manufacturing subcontractors] <ul style="list-style-type: none"> · Expand applicability, and provide feedback. [International] <ul style="list-style-type: none"> · Consider status survey and review of criteria to align content with international trends. ● Enhance effectiveness of Group Guidelines for Procurement of Paper for Printing and Converting. <ul style="list-style-type: none"> · Revise survey content in light of social trends and conduct regular investigations. Based on results, carry out TAIWA with key suppliers and International NGOs. 	<ul style="list-style-type: none"> ● Conducted supplier survey relating to conflict minerals. ● Improved effectiveness of CSR Procurement Criteria. <ul style="list-style-type: none"> · Conducted compliance survey of suppliers and subcontracted manufacturers. · Engaged in TAIWA with main suppliers and WWF Japan. · Used e-learning on a trial basis to orient subcontracted manufacturers. · Revised procurement criteria in light of international trends. ● Improved effectiveness of Group Guidelines for Procurement of Paper for Printing and Converting. <ul style="list-style-type: none"> · Conducted regular surveys and engaged in TAIWA with main suppliers. Obtained written confirmation of guideline conformance · Engaged in TAIWA with WWF Japan. 	○	<ul style="list-style-type: none"> ● Conduct and announce results of supplier survey relating to conflict minerals. ● CSR Procurement Guidelines <ul style="list-style-type: none"> · Carry out compliance survey and engage in TAIWA with key suppliers. · Expand the number of manufacturing subcontractors subject to the survey. · Reinforce CSR Procurement activities at international business locations. ● Guidelines for Procurement of Paper for Printing and Converting <ul style="list-style-type: none"> · Engage in TAIWA with key suppliers and confirm guideline conformance.
	Social Contribution as a Good Corporate Citizen	Expand the impact of social contribution activities to facilitate realization of a sustainable society <ul style="list-style-type: none"> ● Promote the five activity themes of the DNP Social Contribution Activities Policy (through FY2019). <ul style="list-style-type: none"> · Group programs: 2.5% employee participation rate (1,000). · Location-specific programs: 100% implementation rate. 	<ul style="list-style-type: none"> ● Enhance Group programs to promote changes in employee awareness. <ul style="list-style-type: none"> · Number of participants: 200 in single fiscal year, cumulative total of 350 from FY2015. · Continue expanding Group programs to locations throughout Japan. ● Consider a system for compiling and sharing Group activity results, and conduct a results survey. 	<ul style="list-style-type: none"> ● Group programs: <ul style="list-style-type: none"> · Participating employees: 243, cumulative total of 374. · Locations implementing first time: 4. ● Added information gathering function relating to social contribution activities to in-house environmental management system; surveyed status of activities at all locations. 	○	<ul style="list-style-type: none"> ● Enhance Group programs: <ul style="list-style-type: none"> · Number of participants: 200 in single fiscal year, cumulative total of 574. · Continue expanding Group programs to locations throughout Japan. ● Monitor and analyze business division and Group company activities, and formulate a strategy and framework to strengthen activities in FY2018 and beyond.
Responsibility #3	Proper Disclosure of Information	Enhance corporate transparency and reinforce DNP's position as a company trusted by the public by providing stakeholders with the timely, appropriate information they need.	<ul style="list-style-type: none"> ● Raise information disclosure to the level demanded by society, compare current status with level to be achieved, and ascertain issues. 	<ul style="list-style-type: none"> ● Through survey results, including surveys carried out at IR/CSR meetings and surveys concerning socially responsible investing (SRI), we sorted issues to be met in the area of expected information disclosure, and examined the future direction of the information to be disclosed. 	○	<ul style="list-style-type: none"> ● Make appropriate, timely disclosure of positive and negative social impacts from our business activities. ● Prepare for disclosure of combined financial and non-financial information relating to our value creation process.

FY2016 (Apr. '16–Mar. '17) Environmental Activity Annual Targets and Results

CSR Theme	Environmental Theme	Targets through FY2020 (Apr. '20–Mar. '21)	Results	Evaluation	
Responsibility #2	Environmental Conservation and the Realization of a Sustainable Society	Global warming prevention	Reduce greenhouse gas emissions by 10% over FY2005, by 20% in FY2030 (including international locations).	FY2005 emissions: 1.110 million tons FY2016 emissions: 0.929 million tons 16.3% decrease over FY2005	◎
		Reduction of environmental impact incurred during transport	Reduce per-unit fuel use for transport by 1% per annum and 10% compared to FY2010.	FY2010 per-unit: 1.61 kl/100 million yen FY2016 per-unit: 1.48 kl/100 million yen 8.1% decrease over FY2010	○
		VOCs (Volatile Organic Compounds)	Reduce emissions of all VOCs (except for methane) by 35% compared to FY2010.	FY2010 emissions: 6,729 tons FY2016 emissions: 4,141 tons 38.5% decrease over FY2010	◎
			Comply with local laws and regulations and introduce technology and other measures to reduce, as much as practical, VOC emissions at our international business sites.	Maintained operation of VOC recovery equipment at PT DNP Indonesia's Karawang Plant.	○
		Reduction of industrial waste	Reduce per-unit waste emissions (waste emissions/production) by 20% worldwide from FY2010.	FY2010 per-unit: 0.424 tons/10 million yen FY2016 per-unit: 0.349 tons/10 million yen 18% decrease over FY2010	◎
			Maintain zero emissions at all DNP Group sites in Japan.	FY2015 landfill waste rate: 0.06% FY2016 landfill waste rate: 0.05% Maintained zero emissions	◎
		Reduction of water usage	Reduce per-unit water use by 25% over FY2010 worldwide.	FY2010 per-unit use: 10.8 m ³ /million yen FY2016 per-unit use: 8.2 m ³ /million yen 24% decrease over FY2010	◎
		Development and sales of environmentally conscious products and services	Achieve 600 billion yen in sales of environmentally conscious products and services.	FY2015 total sales: 570.8 billion yen FY2016 total sales: 589.8 billion yen 3.3% increase over FY2015	○
		Environmental conservation	Maintain the maximum concentration of air emissions subject to emissions regulations at 70% of the required standard or less.	FY2016 target (company standard) achievement rate: 99%	○
			Maintain the maximum concentration of water emissions subject to emissions regulations at 70% of the required standard or less.	FY2016 target (company standard) achievement rate: 98%	○
Maintain the maximum concentration of odors at our site perimeters at 70% of the required standard or less.	FY2016 target (company standard) achievement rate: 98%		○		
Maintain the maximum level of noise at our site perimeters at 70% of the required standard or less.	FY2016 target (company standard) achievement rate: 99%		○		
Office environment	Increase the rate of the fractional recovery of waste paper to more than 70% of that for general waste.	Maintain the maximum level of vibration at our site perimeters at 70% of the required standard or less.	FY2016 target (company standard) achievement rate: 100%	◎	
		FY2016 recovery of waste paper: 83.1%	◎		

Detailed information is provided in our Environmental Report



DNP Group Environmental Report 2017 (PDF)
<http://www.dnp.co.jp/eng/csr/>