

Responsible Procurement

Performance Indicators to Monitor the Achievement of the Medium- to Long-Term Vision and FY2019 Results

Performance indicators	Targets	FY2019 results
(1) Average score of DNP Group CSR Procurement Guidelines survey on key suppliers	(1) Achieve the average score of 90 points by FY2030.	(1) 87 points in Japan
(2) Percentage of key suppliers that have obtained the conformance certificate of DNP Group Guidelines for Procurement of Paper for Printing and Converting	(2) Achieve 100% by FY2030.	(2) 92%

Survey to Check the Level of Compliance with the DNP Group CSR Procurement Guidelines

With supply chains becoming increasingly complex in line with economic globalization, there has been a stronger call to counter risks in such areas as the environment, human rights and labor and bribery. DNP has been working to realize a sustainable supply chain while recognizing that it is important for us to appropriately evaluate and mitigate the impact of our business activities in and outside Japan on the international as well as local communities. Since 2006, we have been undertaking initiatives jointly with suppliers for responsible procurement that gives due consideration to social and environmental aspects. With the formulation of the DNP Group CSR Procurement Guidelines in 2017, we extended the scope of our activities to all our overseas business locations, requiring our key suppliers and business subcontractors both in and outside Japan to fully comply with

the guidelines.

In FY2018, we carried out a survey on these business partners to check their level of compliance with the guidelines. For those who did not satisfy DNP's criteria in the survey, we conducted on-site inspections at their business and manufacturing sites, held interviews and provided guidance. More specifically, we held *TAIWA* with persons in charge of CSR management to review their CSR strategy, policy, approach and management structure and gave guidance on risks related to human rights and labor, safety and health, the environment, product safety and quality, information security, fair transaction and ethics and social contribution. These efforts have led to higher average scores in the FY2019 survey and an improved level of compliance.

Providing Young Employee Training Using a Simulation Game

Purchasing departments responsible for procuring raw materials have been proactively nurturing human resources by promoting acquisition and improvement of basic procurement-related knowledge through training. They hold lectures on human rights and the UN Sustainable Development Goals (SDGs), which are designed to cultivate a deeper understanding of various social issues resulting from market globalization. As a new initiative, they held a CSR procurement simulation game in FY2019. The game allowed participants to simulate the impact of human rights problems when they occur in our supply chain and thus learn issues and responses in a practical manner.

DNP will continue to conduct responsible procurement that takes into account environmental and social

aspects throughout its supply chain.

[News Release / Topics \(in Japanese\)](#) [Link](#)



Employee participants simulating the roles of various stakeholders through a game