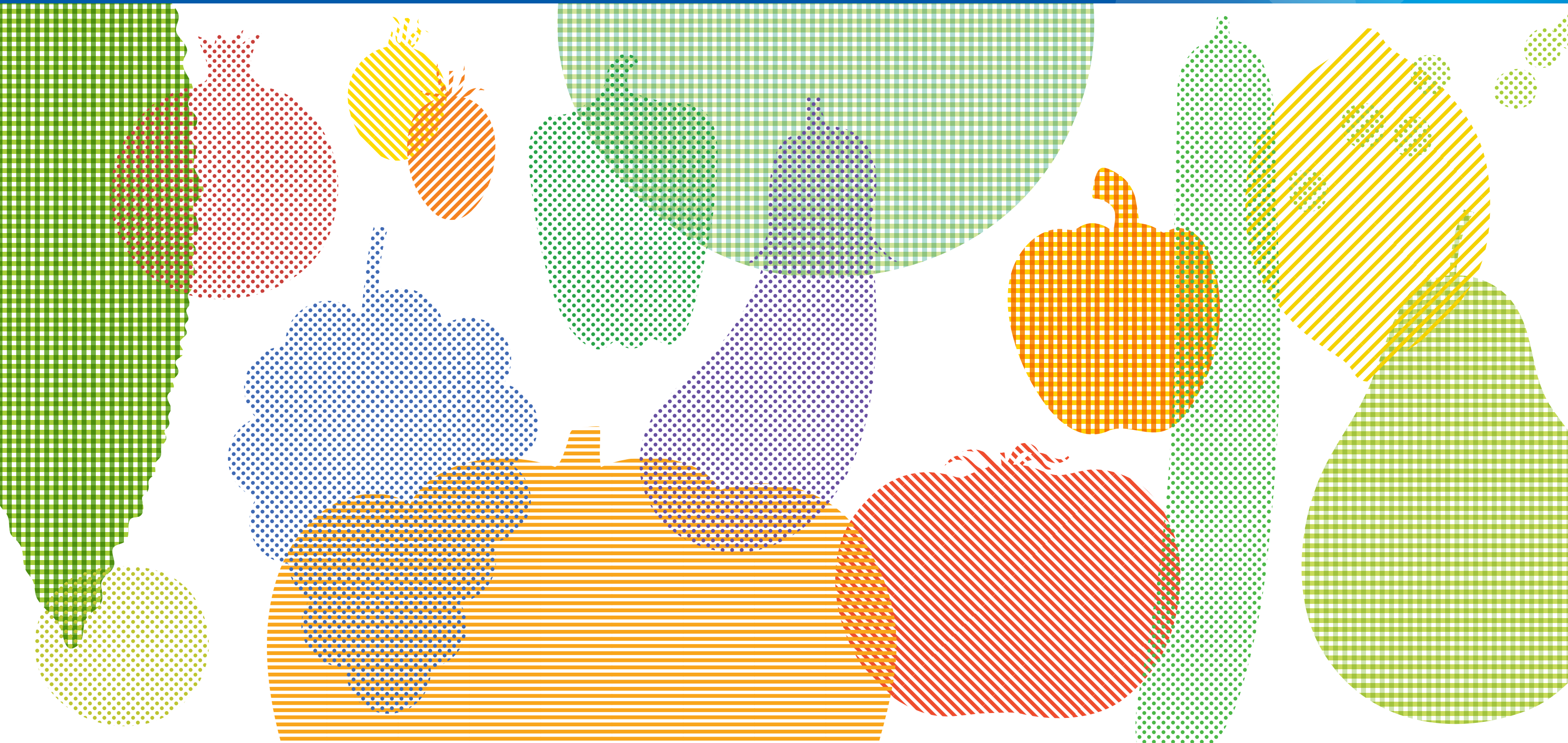


Dai Nippon Printing Co., Ltd.

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DNP

**CSR REPORT
2015**



DNP Group CSR Report 2015

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Editorial Policy

DNP provides information regarding its policies, organizational structures, individual CSR activities, and more to stakeholders on an ongoing basis through an easily-accessed website. In addition, we publish this annual CSR Report in hard copy and PDF format to provide summary information for the fiscal year and directions for the future, among other information.

In the CSR at DNP and FY2014/15 CSR Management Report sections in the first half of this DNP CSR Report 2015, we present an overview of our CSR activities. In the special feature, Today’s Innovation is Tomorrow’s Basic, we profile value creation, which we regard as DNP’s primary responsibility. In the Annual CSR Topics section, we cover DNP’s globe-spanning CSR initiatives and environmental activities, as well as our social contribution efforts. We also offer detailed information concerning our environmental activities in the separately issued Environmental Report (available in PDF format on our website).

Going forward, we will work to further enrich the content of this report as well as disclosure in other media, with the goal of building positive communication with all stakeholders.

Period covered by this report

April 1, 2014 to March 31, 2015 (FY2014/15)
However, reporting is not confined to this period regarding some important matters.

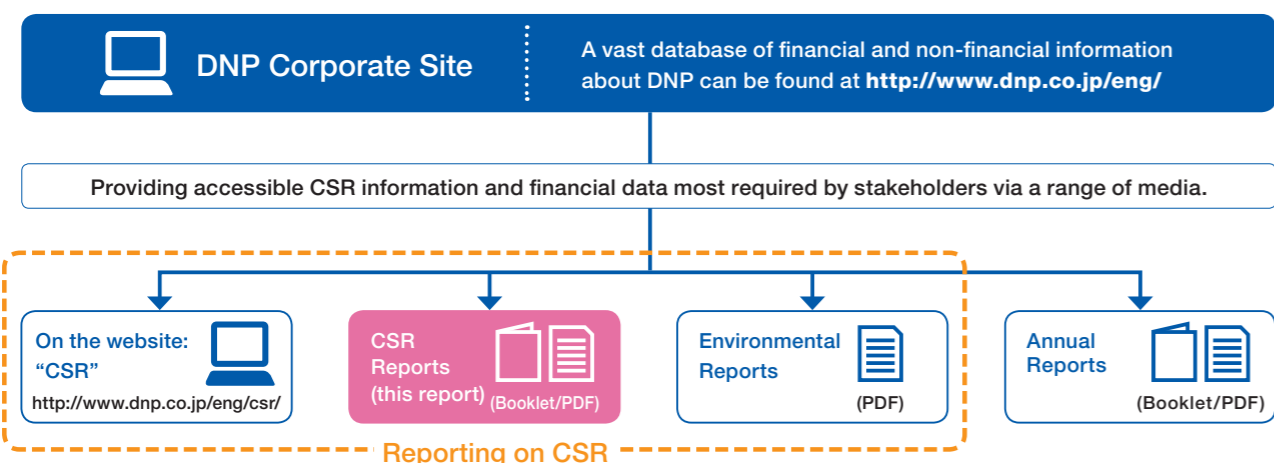
Scope of report

This report applies to all companies and divisions of the DNP Group.
In this report, “DNP” indicates the DNP Group, as distinct from Dai Nippon Printing Co., Ltd. The designation “DNP Group” shall be used in contexts where we emphasize the Group as a whole.

Issued: June 2015

Next scheduled issue: June 2016

Disclosure Media



Corporate Profile (as of March 31, 2015)

Company Name	Dai Nippon Printing Co., Ltd.	Number of Employees	39,451 (Consolidated)
Head Office	1-1, Ichigaya Kagacho 1-chome, Shinjuku-ku, Tokyo 162-8001, Japan Tel: +81-3-3266-2111	Group Companies	Consolidated subsidiaries: 112 Equity-method affiliates: 12
Website	http://www.dnp.co.jp/eng/	Financial Data (FY ending March 2015)	Net Sales ¥1,462.1 billion (up 0.9% year-on-year) Operating Income ¥48.1 billion (down 3.8% year-on-year) Ordinary Income ¥53.7 billion (up 0.9% year-on-year) Net Income ¥26.9 billion (up 5.0% year-on-year)
Established	October 1876		
Incorporated	January 1894		
Paid-in Capital	¥114,464 million		

Business Segments

Printing

Our printing operations comprise an extensive range of businesses aimed at offering solutions to consumers and corporate clients in a variety of sectors through application and advancement of printing and information technologies.

Information Communication Books and magazines, commercial printing, smart cards, network businesses, etc. Percentage of total sales: 47.6%	
Lifestyle and Industrial Supplies Packaging, lifestyle materials, industrial supplies, etc. Percentage of total sales: 32.6%	
Electronics Display components, electronic devices, optical film, etc. Percentage of total sales: 15.7%	

Beverages

In addition to bottling and selling beverages, Hokkaido Coca-Cola Bottling develops new and original products with its Coca-Cola brand advantages.

Beverages Percentage of total sales: 4.1%	
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About the cover design

The continuing theme in the cover designs of the DNP CSR Report since 2013 expresses sustainability.

This is my third year to design DNP’s annual CSR Report. In the first year, I used a seed motif to communicate the realization of a sustainable society. In the following year, these seeds blossomed. Now, in this third year, I have used fruits and vegetables, which hold the seeds for the future. In the same way, I have high expectations that DNP will continue to evolve into the future.

Norito Shinmura, graphic designer

Born in Yamaguchi in 1960, Shinmura graduated from Osaka Designers’ College.
After working at the design firm of renowned designer Shin Matsunaga, Shinmura established the Shinmura Design Office, where he has worked on projects for Shiseido, the Muji Campground, McDonald’s Japan, SSP, Shinmura Suisan, and the successful Tokyo bid for the 2020 Olympic Games. Shinmura has won a number of awards, including the Japan Graphic Designers’ Association New Designer Award, top honors in the Mainichi Design Award, the Environmental Advertisement Contest Grand Prize, the New York Art Directors’ Club ADC Awards Silver Prize, the International Biennial of Graphic Design Brno Gold Prize, and the Tokyo Art Directors’ Club Prize.



Top Message

Creating New Value: “Today’s Innovation is Tomorrow’s Basic”

DNP has advanced into a wide range of businesses by offering services integrating various information technologies and product manufacturing based on printing technologies.

Today, the scope of our business is wide indeed. It encompasses our Information Communication segment, which includes printing of publications, an effort we have pursued since our founding, as well as commercial printing; the Lifestyle and Industrial Supplies segment, whose offerings include packaging and lifestyle materials; and our Electronics segment, which manufactures display products and electronic devices.

What has made this business development possible is DNP’s ability to accurately identify challenges facing society as they arise, and our strong and tireless commitment to formulating solutions to those challenges. We believe this is why DNP products and services have gained extremely wide acceptance.

The Four Areas of DNP’s Growth Strategy

So that DNP can continue offering new value to solve the challenges facing society today, we have newly established four growth areas.

The first of these growth areas is Knowledge and Communication, which encompasses the transmission of safe, trustworthy information and fostering of culture, for the benefit of today’s highly networked society. The second is Food and Healthcare to maintain healthy, high-quality lifestyles for an ultra-aged society. The third is Environment and Energy, to offer a variety of solutions, including eco-friendly products and energy management, for the realization of a society with low environmental impact. Lifestyle and Mobility, the fourth growth area, will offer integrated services aimed at realizing more comfortable, personalized living spaces.

This CSR Report will focus on Knowledge and Communication as well as Food and Healthcare, to present a portion of our current activities. In the area of Knowledge and

Communication, we will examine products and services that leverage information technology to meet the challenges of next-generation education. Our look at the Food and Healthcare area will include our preventive healthcare business that promotes healthy, independent lifestyles in an ultra-aged society.

In each growth area, DNP will use its printing and information technologies, accumulated over many years, to stay close to consumers and create “tomorrow’s basic” solutions for a wide range of challenges. By delivering “tomorrow’s basic” to society, DNP’s contributions to realizing a sustainable society can also be a source of growth.

Response to Global Challenges

Since the establishment of its Hong Kong office in 1964, DNP has continued to expand globally. Our international businesses are varied and range from local raw materials procurement to production and sales, as well as international sales of products manufactured in Japan. DNP is mindful of social challenges, wherever in the world they occur, and we believe it is important for us to contribute to solving them.

For example, we strive to ensure that our manufacturing activities do not harm the local environment or encroach upon human rights, and CSR procurement has become a recent focus of attention. In 2006, we established CSR Procurement Criteria for the DNP Group, and since then have worked together with suppliers to ensure compliance. For paper procurement, which falls under these standards, we established our Guidelines for Procurement of Paper for Printing and Converting in 2012, and in FY2014/15 we held extensive discussions with paper producers to strengthen our collaboration in preventing problems across our global supply chain as a whole.

This report profiles DNP’s global efforts with examples from Vietnam and Italy.

Promoting Social Contribution Efforts

DNP believes it is important for enterprises to address society’s expectations and thereby earn trust by making social contributions.

DNP employees are volunteering to support recovery in areas affected by the Great East Japan Earthquake. In FY2014/15, they helped to clean temporary housing in Ishimaki and provided support for the fishing industry in Minamisanriku, among other efforts. DNP will continue to support the affected region in a variety of ways.

DNP is also investing major efforts in nurturing the next generation. In FY2014/15, Educational Program classes for elementary school students were held at a greater number of

DNP locations than during the previous year. One highlight was a science workshop focusing on the use of 3D printers in medical fields, held for junior and senior high school students at Epochal Tsukuba (Tsukuba International Congress Center), in Ibaraki Prefecture.

In October 2016, DNP will mark the 140th anniversary of its founding. The trust of society, enterprises and consumers in, and their reliance upon DNP, which has been earned over many years, is a precious asset and a major aspect of DNP’s value. Going forward, DNP will enhance its brand through responsible business activities, and further reinforce its bonds of trust with society.

President 
Yoshitoshi Kitajima



CSR at DNP

DNP believes corporate social responsibility means becoming a trusted enterprise, and that this means nothing other than the realization of our Management Concept.

DNP will promote its CSR activities, and aim for corporate growth and the realization of a sustainable society, by practicing our Three Corporate Responsibilities on a group-wide basis, acting together as a single unified organization, and adhering to the DNP Group Vision for the 21st Century that we announced in 2001 as well as international standards.

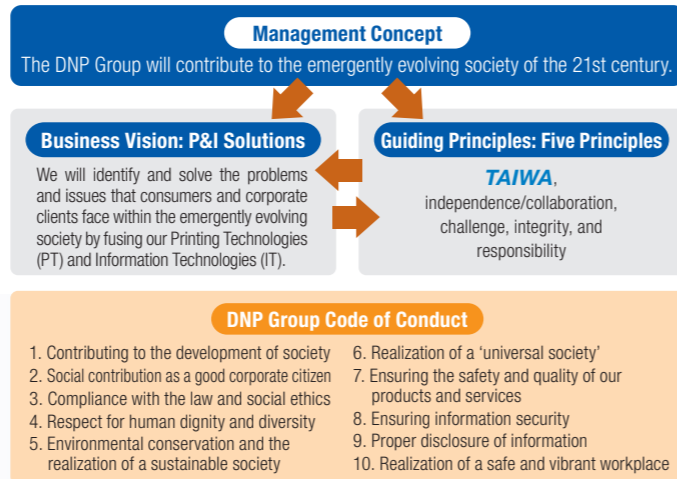
Foundation

DNP Group Vision for the 21st Century / Code of Conduct

The DNP Group Vision for the 21st Century is composed of its Management Concept, Business Vision, and Guiding Principles, and outlines the intention and direction of DNP's contributions to society. In addition, the DNP Group's Code of Conduct forms the basis for everything we do toward realizing our Management Concept. In accordance with the Code of Conduct, our employees strive to act with integrity based on a high level of ethics. Our Management Concept, Business Vision, and Guiding Principles symbolize our commitment to society: to drive the creation of significant value that contributes to solving the challenges faced by society.

International Standards

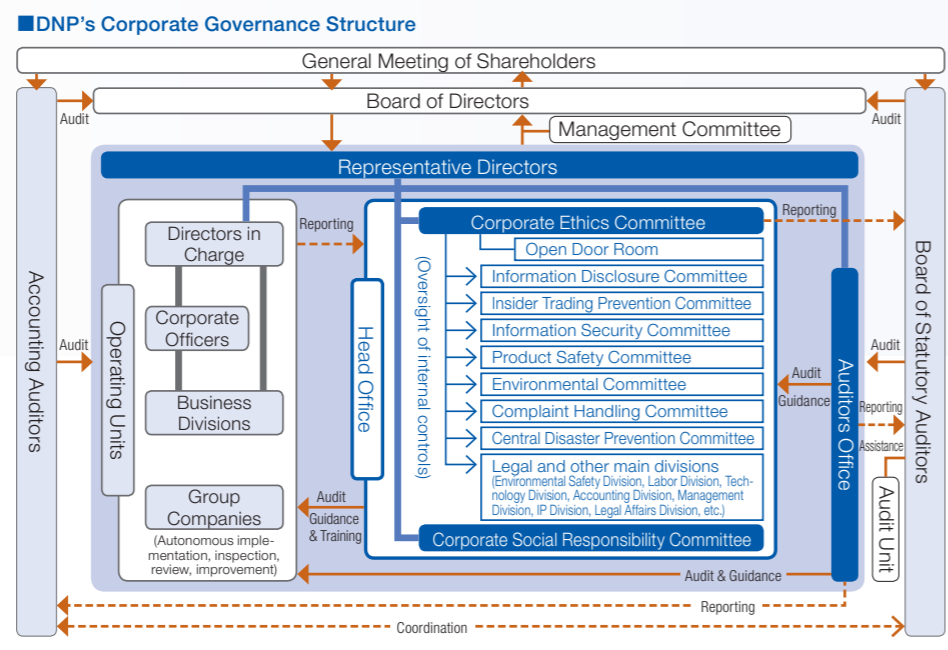
Our modern business is carried out through markets and supply chains that straddle the globe. We believe it therefore naturally behooves us to carry out our business activities in conformance with international standards. In July 2006, DNP announced its endorsement of the United Nation's Global Compact. We will continue to uphold the Compact's 10 principles regarding human rights, labor, the environment, and anti-corruption, and seek to reflect the spirit of the Compact in all areas of Group management. We are also a member of the Global Compact Network Japan, a local network of enterprises that support the Global Compact, and are undertaking to coordinate with other members. Furthermore, we review our activities in light of the ISO 26000 guidelines on social responsibility, and respect the ideals represented by pertinent international treaties and conventions.



Framework

Corporate Governance

DNP regards the enhancement of corporate governance as an important management theme to become an enterprise trusted by all of its stakeholders. In addition to managing, executing operations, and building and managing structures relating to oversight and auditing of such activities, DNP emphasizes employee training and education so as to strengthen its corporate governance.



CSR in Practice

Aiming to Maintain the Trust of Our Stakeholders and Society

DNP aims to maintain the trust of its stakeholders and society through the firm fulfillment of its Three Corporate Responsibilities: Value Creation, Integrity in Conduct, and Transparency (Accountability). Specifically, we have established 12 Principal Themes and corresponding targets, and are carrying out continuous improvement activities. (See pages 7-14 and 27.) In addition, *TAIWA* with the full spectrum of our stakeholders (including clients, consumers, shareholders, suppliers, local and international communities, and employees), is essential to the practice of our CSR activities. DNP does not simply attempt to engage in communication. Through the interactive *TAIWA* process, we share concerns and problems, discuss how such issues may be addressed and resolved, and how we can move forward together to effect solutions. *TAIWA* enables DNP to disseminate information appropriately and receive opinions and suggestions from stakeholders. This in turn enhances the quality of our corporate activities.

Three Corporate Responsibilities

1. 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 P&I Solutions Business Vision.

2. 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. 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.

To realize enterprise growth and a sustainable society

CSR at DNP

CSR Promotion Organization

DNP's CSR activities are overseen by a dedicated department. The CSR Department reports to the CSR Committee, which is comprised of directors and corporate officers in charge at head office. In accordance with the management concept, the CSR Committee reviews and sets policies relating to CSR activities as well as midrange and annual targets. Based on the objectives determined by the committee, the CSR Department coordinates with the relevant departments with respect to each Principal Theme (see below), and promotes concrete activities. In addition, the CSR Committee has established separate, dedicated committees to consider principal CSR themes, including corporate ethics and the environment. Each committee operates independently but collaborates through information-sharing and in other ways, with the aim of enhancing overall enterprise value.

Establishing Principal Themes

Principal Themes have been established to promote specific CSR activities based on an analysis of their significance for both DNP and society. To evaluate key focuses from society's standpoint, we have carefully referenced relevant international treaties and agreements, centering on the 10 principles of the UN Global Compact and ISO 26000 international guidelines for social responsibility; social challenges regarded as important for socially responsible investing (SRI); and stakeholder opinion. To evaluate key focuses from the standpoint of their importance to DNP, we reference our Management Concept, business content and scope, and other relevant factors. After considering all aspects, we have established the following 12 Principal Themes.

Principal Themes

DNP's Three Corporate Responsibilities	DNP's Principal CSR Themes	Corresponding Core Subjects of ISO 26000
Responsibility #1 Value Creation	Contributing to the Development of Society	Consumer Issues, Community Involvement and Development
	Respect for Human Dignity and Diversity	Human Rights, Labor Practices
Responsibility #2 Integrity in Conduct	Realization of a Safe and Vibrant Workplace	Human Rights, Labor Practices
	Realization of a 'Universal Society'	Consumer Issues
	Ensuring the Safety and Quality of Our Products and Services	Consumer Issues
	Ensuring Information Security	Consumer Issues
	Promoting Social Responsibility through the Supply Chain	Fair Operating Practices, Human Rights, Labor Practices, The Environment, Consumer Issues
	Social Contribution as a Good Corporate Citizen	Community Involvement and Development
	Environmental Conservation and the Realization of a Sustainable Society	The Environment, Consumer Issues
Responsibility #3 Transparency (Accountability)	Proper Disclosure of Information	Fair Operating Practices, Labor Practices
Foundations of the Three Corporate Responsibilities	Compliance with the Law and Social Ethics	Fair Operating Practices, Human Rights
	Development of a System for Business Continuity	Fair Operating Practices, Consumer Issues

Continuous Improvement Activities

DNP establishes targets relating to each of its Principal Themes and uses these targets to promote CSR efforts. The CSR Committee reviews the results of CSR activities at the end of each fiscal year and establishes targets for the following year. At the same time, the Committee carefully verifies that DNP's CSR activities are aligned with society's expectations, that they are making firm contributions to society, and that continuous efforts are being made to further enhance these activities.

PDCA (Plan-Do-Check-Action) Cycle Process



Stakeholder Dialog

On January 23, 2015, we held a stakeholder dialog inviting four reviewers from the CSR Review Forum-Japan (CRF*). The dialog was a new approach to solicit social comment on DNP's CSR activities, centering on the previous year's targets and results, and it resulted in active exchange of opinions regarding social trends and DNP's activities. CRF praised DNP's stance of working to solve social problems through its business activities, as well as its willingness to engage in open dialog with stakeholders regarding its CSR management. In addition, we received advisory suggestions from CRF as well as a third-party opinion with respect to this CSR Report. (See page 33.)

*CRF is a private, non-profit organization dedicated to the realization of a sustainable society. It is an alliance of citizen groups working to address social problems (including NGOs and consumer groups) as well as individual members of such organizations. With the ISO 26000 international standard for social responsibility as a reference, CRF offers CSR Review Programs, which carry out third-party reviews of corporate activities.



FY2014/15 CSR Management Report

At DNP, we have established important CSR themes, which are based on a thorough analysis of the areas most important to DNP and society.

These themes are subject to annual targets, which we strive to achieve through our day-to-day work. At the end of the business year, the CSR Committee applies the PCDA (Plan-Do-Check-Action) cycle to evaluate the year's outcomes and determine the next year's targets.

Furthermore, starting in FY2013/14 (April 1, 2013 to March 31, 2014), we have established mid-to-long-range targets, which provide goals for three to five years of ongoing CSR activities.

Activity Example 1

Creating workplaces where a diverse workforce can thrive

DNP engages in a wide range of efforts aimed at enabling employees to make the most of their diverse capabilities. One of these efforts is the Mentorship Program, which we launched in 2012.

In this program, female employees selected from each workplace are trained to master skills to become mentors, while learning management and leadership skills from senior management, thereby achieving growth as businesspeople. Graduates of the Mentorship Program advise junior employees, promote diversity within their department, and drive the transformation of workplace culture. (In FY2014/15, 27 employees completed the program, bringing the number of active mentors to 80 in total.)



A participating employee (left) receives advice from a member of senior management (right)

		2014/15	Evaluation Targets	2015/16
		Mid-Range Target	○ Target achieved or making steady progress toward target △ Efforts to be continued into the next fiscal year as target not yet achieved ✕ Efforts insufficient	Evaluation
CSR Theme		FY2014/15 Annual Targets	Results	FY2015/16 Annual Targets
Responsibility #1 Contributing to the Development of Society	<p>Progress in relation to growth strategy Accurate understanding of social problems, construction and implementation of strategy.</p>	<ul style="list-style-type: none"> Practice the PDCA cycle through action programs and ensure follow-up in order to provide products and services to address the challenges facing society and realize tomorrow's basic, centering on the growth areas. Strive for accurate understanding of social problems and needs through dialogue and collaboration with clients. Provide employee training and other activities so that the DNP workforce is geared toward making a real contribution to society. 	<ul style="list-style-type: none"> With an eye to the challenges facing society, strengthened products and services in priority market areas. Derived themes for each business area and established business plans by practicing the PDCA cycle and ensuring follow-up to create concrete action programs. Externally-oriented events: Next Generation Communications Fair (once), P&I Seminars (seven times), Biz Support (internal exhibition and consultation event; twice), and Solution Business Seminars. 	○
	<p>Create new products and services in promising growth areas to address the challenges facing society and contribute to social development.</p>	<p>Develop products and businesses aimed at achieving DNP's growth strategy.</p> <ul style="list-style-type: none"> Health and medical care Develop new products and services with universities, medical institutions, and corporate partners to contribute to progress in medical care and consumer health maintenance. Environment and energy Development and field testing of energy conservation-related new materials. Comfortable living, information distribution Develop solutions that will further contribute to urban design and smart living, strengthen marketing functions and promote fieldwork. 	<ul style="list-style-type: none"> Health and medical care <ul style="list-style-type: none"> Developed and placed on the market film culture medium for convenient, effective testing for bacteria in food. Started full-scale production of cell-culturing equipment with a view to commercialization of regenerative medicine. Made preparations ahead of the commercialization of preventive medicine, in collaboration with universities, medical institutions, and other entities. As part of this effort, held oral health seminars in collaboration with a dental college. Environment and energy <ul style="list-style-type: none"> Jointly developed energy conservation monitoring software to diagnose home energy use and make suggestions for greater efficiency. Developed energy-conserving digital signage using solar and wind power and storage batteries. Began field testing of signage for disaster response and crime prevention applications. Comfortable living, information distribution <ul style="list-style-type: none"> Developed smartphone navigation app providing location information even inside buildings, using beacon technology. Adopted for the Tokyo Station Navigation Service currently under field testing. 	○
	<p>Establish an organization conducive to overseas expansion.</p>	<ul style="list-style-type: none"> Promotion of the building of an organizational structure based on DNP's new international strategy. 	<ul style="list-style-type: none"> Reinforced our structure for contributing to economic development in Asia, including the establishment of a representative office in India, while appropriately controlling risk. 	○
Responsibility #2 Respect for Human Dignity and Diversity	<p>Review 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.</p>	<ul style="list-style-type: none"> Monitor human-rights-related issues as part of our due diligence. Ensure employee understanding and awareness through a variety of means. 	<ul style="list-style-type: none"> Held hearings in three business divisions with international operations to identify human rights risks. Prepared survey criteria to grasp situation at international business locations. Conducted a thorough level-based training program to convey the status of global human rights risk. Participants considered what actions they should take as DNP employees. 	○
	<p>Encourage diversity in employment</p> <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"> Continue with efforts to increase the number of women in leadership positions. Hold normalization training and implement other measures to maintain the percentage of the DNP workforce made up of people with disabilities above 2.0%. 	<ul style="list-style-type: none"> Ongoing mentoring by 67 mentors (up from 51 last fiscal year). Trained 27 additional mentors. Activity Example 1 Employment target for persons with disabilities not reached due to the influence of certain factors, including organizational restructuring. 	△
	<p>Enhance development of a workforce able to make a contribution to the global community.</p>	<ul style="list-style-type: none"> Develop international Group company managers. Boost workforce development in DNP's overseas workplaces. Promote a global training system to enable younger employees to gain international experience. 	<ul style="list-style-type: none"> Held joint training with SE Asia production facility management teams. Implemented basic cross-cultural understanding seminars for junior employees. Selected four personnel for the global training system and dispatched them to North America and Asia. 	○
	<p>Support fairtrade policies to help producers in developing nations improve their lives.</p>	<ul style="list-style-type: none"> Offer opportunities for employees to enhance their human rights awareness through fairtrade activities. Plan and implement efforts to promote fairtrade in collaboration with organizations promoting fairtrade and relevant enterprises. 	<ul style="list-style-type: none"> During Fairtrade Month, offered cake made with certified ingredients at employee cafeterias in 27 locations. Developed a Fairtrade-certified bag and other products in collaboration with a company that promotes fairtrade, and sold the products both internally and externally. Began discussions of fairtrade promotion measures with certification organizations and companies. 	○
				<ul style="list-style-type: none"> Promote development of products and businesses to realize our growth strategy. Knowledge and communication Support cultural development and develop new products and services to promote communication with consumers. Food and healthcare Contribute to development of agriculture-related products and services, advancement of medicine, and consumer health maintenance. Environment and energy Develop new products and services that promote respect for the environment and energy/resource conservation. Lifestyles and mobility Develop new products and services contributing to comfortable living and the smart society.
				<ul style="list-style-type: none"> Promotion of the building of an organizational structure based on DNP's new international strategy.
				<ul style="list-style-type: none"> Administer survey to grasp the situation at major international business locations and consider risk mitigation measures. Conduct level-based group training, with particular focus on risk associated with human rights issues.
				<ul style="list-style-type: none"> Continue efforts to nurture female leadership. 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"> 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"> Strengthen information dissemination to support improved awareness and promotion of fairtrade. Implement new efforts through external collaboration.



Activity Example 2

Developing multi-language information security-related educational materials

To appropriately protect its consumer, enterprise, and internal information, DNP is working to strengthen its management and train its employees. Starting in 2012, DNP created educational tools, which so far have been made available in eight languages, and is using them at international DNP locations to bolster information security education. In FY2014/15, DNP developed a guide and accompanying video on dealing with computer viruses, a pressing social problem. The materials are available in English, Simplified Chinese (China), Traditional Chinese (Taiwan), Italian, Bahasa Indonesia, Dutch, French, and Vietnamese. DNP will further reinforce its information security structure by publishing materials on other topics in multiple languages.



Educational guide dealing with computer viruses

2014/15

Evaluation Targets

- Target achieved or making steady progress toward target
- △ Efforts to be continued into the next fiscal year as target not yet achieved
- ✕ Efforts insufficient

2015/16

CSR Theme	Mid-Range Target	FY2014/15 Annual Targets	Results	Evaluation	FY2015/16 Annual Targets
Responsibility #2	Realization of a Safe and Vibrant Workplace	<p>Cultivate the personnel necessary to undertake the fulfillment of our Management Concept.</p> <ul style="list-style-type: none"> •Thoroughly implement goal management and evaluation system to align company and employee goals. •Bolster management of senior staff. Promote OJT appropriate for each business environment. <p>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. (Goal for average overtime: Maintain at no more than 35% of the 2008 benchmark.)</p> <ul style="list-style-type: none"> •Extend the Productive Time Resources Project for effective utilization of time resources; pursue workstyle innovation through project promotion; equip worksites with environments and tools to facilitate flexible workstyles; conduct employee job satisfaction surveys; implement measures to enhance work satisfaction. •Implement welfare measures, including a review of employment rules toward enabling employees to carry out their work while providing nursing care for family members. <p>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.</p> <ul style="list-style-type: none"> •Prevent work-related accidents and reduce workplace risk through risk experience training, enhancement of safety measures including common safety standards and safety evaluations, and boosting penetration of enhanced chemical substance management measures. •Bolster follow-up care to employees found to have health issues, such as through personalized health improvement programs based on physical checkups and other health-related information. 	<ul style="list-style-type: none"> •Conducted training in goal setting and evaluation; held workshops on a department basis addressing specific organizational issues. •Reinforced management and organizational strength through training for managers at different levels. Supported language training for departments with overseas operations; held technical seminars (eight subjects) to address workplace challenges. <ul style="list-style-type: none"> •Created and promoted implementation plans for workstyle innovation in each organization, and monitored progress twice through the Productive Time Resources Project. Investigated progress in innovations to job satisfaction and workstyle, and reviewed activities based on the results. Failed to achieve goal of maintaining average overtime below 35% of 2008 benchmark. •Reviewed work system and measures to promote employee home ownership. Held presentations for management on balancing work and nursing care responsibilities; implemented measures to promote participation by male employees in child rearing. <ul style="list-style-type: none"> •Implemented safety diagnoses and safety marking, risk experience training, chemical substance management risk assessment, and other measures to mitigate risk. Reduced work accident rate by 30% relative to FY2011/12; lost time work accident occurrence rate was 0.26. •Extended health campaign and healthy menus to business sites throughout Japan; continued awareness promotion efforts. Progressively promoted centralized health data management. Regular physical checkup rate for employees was 99.9% (same as previous year). 	<ul style="list-style-type: none"> ○ △ ○ 	<ul style="list-style-type: none"> •Implement goal management and evaluation system and align company/employee goals. •Reform organizational strength reinforcement training to realize each department's vision. Systematize departmental education, and provide support for educational program development. <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 results. •Promote work-life balance measures. •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"> •Promote new measures for health and safety education and health management/guidance; strengthen facility safety measures to eliminate machine-related accidents; strengthen management of chemical substances; improve working environment through risk assessment. •Continue unified management of health information; implement mental health measures; implement systematic health education.
	Realization of a 'Universal Society'	<p>Realize tomorrow's basic by offering products and services whose design makes it easier for more people to use and understand.</p> <ul style="list-style-type: none"> •Strengthen marketing from a social problem awareness standpoint. •Promote commercial material development in conjunction with other enterprises ("open innovation"). •Accelerate evaluation of commercialization potential in collaboration with industry, academia, and consumers. 	<ul style="list-style-type: none"> •Established Advanced Business Center; strengthened marketing relating to solutions for social problems. •Participated in external consortium and promoted business formation through domestic and international enterprises and other efforts; however, the target level was not achieved. •Participated in Japan Science and Technology Agency's A-STEP (Adaptable and Seamless Technology Transfer Program through Target-Driven R&D); considered commercialization of universal design-related collaboration with university. 	<ul style="list-style-type: none"> △ 	<ul style="list-style-type: none"> •Bolster development of products and services with universal designs Promote internal and external collaboration to strengthen universal design development platform. Further promote color universal design (CUD) management system certification. •Strengthen platform for promoting universal design Share universal design-related knowledge throughout the company. Recommend acquisition of external certification; invite specialists to conduct in-house seminars. •Strengthen external dissemination of CUD-related information Strengthen external CUD dissemination through seminars and other measures.
	Ensuring the Safety and Quality of Our Products and Services	<p>Hold cross-sectional activity involving all DNP employees and departments worldwide to maintain and enhance production quality so as to create products with the world's highest levels of quality and safety.</p> <ul style="list-style-type: none"> •Continue to hold Product Safety Innovation Practices Committee meetings for packaging departments and for departments handling overseas contract production; to prevent product accidents, enhance product safety management at the planning, design, and production stages. •Continue to hold Product Innovation Practices Committee meetings domestically and internationally; enhance product quality management by applying the PDCA cycle to work analysis, process improvement, and efficiency verification. •Develop personnel through training efforts at the head office and each division. 	<ul style="list-style-type: none"> •Considered and improved operational flow through Product Safety Innovation Practices Committee (four meetings). Packaging departments continued to apply New Design Flow and activities to prevent recurrence of quality incidents. •Held Product Innovation Practices Committee sessions for manufacturing departments. Reviewed quality management structures and eliminated factors contributing to human error. •Held quality/product safety-related technical seminars (three topics, 227 attendees). 	<ul style="list-style-type: none"> ○ 	<ul style="list-style-type: none"> •Continue Product Safety Innovation Practices Committee meetings; check and improve operational flow. Improve management at each process stage (planning, design, and manufacturing) and prevent product-related accidents. •Improve product quality management through meetings of the inter-departmental Joint Manufacturing Frontline Practices Committee.
	Ensuring Information Security	<p>Revamp office environments and cut back on the use of paper^{*1} in order to achieve both strong information security and efficient, highly productive work.</p> <p>^{*1} Reduce paper usage by creating an environment conducive to electronic communication and data storage. ^{*2} A system for IC card-based networking of a variety of security-related equipment.</p> <p>To respond to globalization, we will apply our information security management protocol to every country in which we operate in accordance with local rules and regulations.</p>	<ul style="list-style-type: none"> •Promote thin client model to enhance the security and management efficiency of personal computers used internally. •Make multifunction devices a standard throughout the Group to enlarge the scope of use of the SSFC (Shared Security Formats Cooperation)-based^{*2} printing management system. In conjunction with this measure, introduce tools to the printing management system to ensure secure digitization. •As a measure to promote information security, we are carrying out a company-wide organization of paper-based records, with document digitization and centralized, server-based management. <ul style="list-style-type: none"> •Establish basic information security regulations for international Group companies, and establish structures to manage the application of these regulations. 	<ul style="list-style-type: none"> •Promoted internal PC thin client conversion (introduced 931 terminals). •Standardized system for introduction of SSFC-based printing management systems (80 systems introduced). Made available scanning features for secure digitization. •Created and started implementation of a plan for digitization and electronic storage of documents at all organizations. <ul style="list-style-type: none"> •Translated basic policies and standards as well as eight standard measures and eight educational tools into eight languages. → Activity Example 2 	<ul style="list-style-type: none"> ○ ○

Activity Example 3

Reevaluating the CSR Procurement Criteria compliance survey

To carry out responsible procurement with consideration for society and the environment, DNP established the DNP Group CSR Procurement Criteria in 2006. Since then it has continued its efforts, including monitoring supplier compliance with the criteria. In September 2014, DNP carried out a compliance survey covering approximately 1,000 companies. The items in the survey included revised questions relating to compliance with human rights standards, which are of the utmost priority to society. The revised survey questions covered human rights issues and corrupt practices and whether or not each supplier maintains a basic policy for each issue, as well as actual performance. Ahead of the survey, DNP held CSR Procurement Presentations for major raw materials suppliers to explain its concept of CSR procurement. The presentations reinforced DNP's approach to suppliers and covered the latest developments relating to important issues, as well as the importance of addressing these issues across the whole supply chain. The results of the survey were compiled and provided to suppliers as feedback to encourage shared awareness of the issues. Going forward, DNP will reinforce its CSR procurement-related efforts and promote responsible procurement throughout its supply chain.



CSR Procurement Presentation

Activity Example 4

Implementing Autonomous Corporate Ethics Training for all domestic and international organizations

It is of the utmost importance that DNP employees act fairly and impartially, and in full compliance with laws and regulations as well as with the DNP Code of Conduct. To foster a corporate culture that reinforces this ethos, DNP holds Autonomous Corporate Ethics Training sessions annually for all of its organizations. In FY2014/15, 125 training sessions took place in Japan and at DNP locations around the globe. These sessions are taught by top management in each organization. In their own words, senior managers provide their employees with easily-understood explanations of the issues they see as priorities for their organization. The goal of this effort is to further disseminate and inculcate DNP's corporate ethics. DNP Indonesia, an international manufacturing location, held one such session for senior managers, presented in the local language to ensure full comprehension of the DNP Code of Conduct, DNP's mission and vision, risks to be aware of, and means for coping with them. Elsewhere, sessions held at DNP locations both inside and outside of Japan featured themes reflecting local conditions, and were conducted by the head of each organization.



Autonomous Corporate Ethics Training

		2014/15	Evaluation Targets	2015/16	
		Mid-Range Target	○ Target achieved or making steady progress toward target △ Efforts to be continued into the next fiscal year as target not yet achieved ✕ Efforts insufficient	FY2015/16 Annual Targets	
CSR Theme					
Responsibility #2*	Promoting Social Responsibility through the Supply Chain	Both DNP and our suppliers understand the importance of CSR and act with integrity and in accordance with the CSR Procurement Criteria in order to improve compatibility with social expectations across the whole supply chain and maintain the trust of the community.	<ul style="list-style-type: none"> Implement conflict minerals survey of suppliers. Review content of CSR Procurement Criteria compliance survey in light of recent social issues; review evaluation standards to appropriately evaluate suppliers; carry out regular surveys, evaluation reviews, and on-site audits at three major suppliers. Based on the results of the DNP Group Guidelines for Procurement of Paper for Printing and Converting survey, review and implement new management method; review survey content to enhance the level of each supplier; conduct the survey regularly. Expand the number of suppliers to whom the CSR Procurement Criteria apply (two departments). To promote the establishment of CSR activities for new subcontractors, apply continuous influence through selected themes. 	<ul style="list-style-type: none"> Completed supplier survey and reporting relating to conflict minerals. Held CSR Procurement Presentations (103 attendees from 81 companies). → Activity Example 3 Bolstered questions in the compliance survey dealing with human rights and other issues; conducted survey (1,000 companies). Provided feedback to respondents on problem areas through survey evaluation review. Held hearings with six paper suppliers, with topics including CSR procurement. Revised survey items based on the results. Expanded applicability to suppliers for all departments. Based on characteristics of each department's business, identified applicable suppliers and survey items, and carried out survey (950 companies). For subcontractors to whom the CSR Procurement Criteria apply, offered individual explanations at the time of product quality patrols with selected themes, such as information security measures required for their specific business, long working hours, etc. 	<ul style="list-style-type: none"> Conduct and announce results of supplier survey relating to conflict minerals. Incorporate the latest social problems in the CSR Procurement Criteria compliance survey and administer on a regular basis. Provide information to suppliers to eliminate gaps between domestic and international criteria. Carry out Group Guidelines for Procurement of Paper for Printing and Converting survey. Based on the results, hold discussions with principal suppliers. Expand the number of applicable suppliers for all departments; continue surveys and presentations. Promote understanding and action on the part of applicable suppliers with respect to the environment and human rights. To promote the establishment of CSR activities for new subcontractors, apply continuous influence through selected themes.
	Social Contribution as a Good Corporate Citizen	<p>Promote the five activity themes of the DNP Social Contribution Activity Policy Goals through FY2019/20</p> <ul style="list-style-type: none"> Promote programs representative of DNP: Employee participation rate of 2.5% (1,000 people) (currently 1.67%) Promote department-specific programs: Group-wide implementation rate of 100% (currently 67%) 	<ul style="list-style-type: none"> To promote social contribution activities, enhance information-gathering mechanisms; build an information-sharing mechanism with international business locations. To enhance employee social awareness, expand volunteer programs centering on supporting recovery from the Great East Japan Earthquake and education for the next generation, both of which are subjects of interest for society; promote greater program participation by employees. Conduct DNP "Educational Program" classes as a project relating to the Act on Advancement of Measures to Support Raising Next-Generation Children; in the final year, carry out activities in three planned business locations (Hokkaido, Chubu, and Nishi Nippon). 	<ul style="list-style-type: none"> Confirmed issues with DNP's information-gathering structure that need to be addressed. Carried out new reevaluation of best approach to information gathering and sharing. Reviewed program content; increased number of locations and frequency, and enhanced activities, including strengthened information provision. Nine programs were carried out with 114 participants (FY2014/15: five programs, 57 participants). Adding to existing locations in Tohoku and Shikoku as well as Ichigaya, Tokyo, new locations were limited to the Chubu region. However, we completed establishing the framework for Educational Program classes over the last three years. 	<ul style="list-style-type: none"> Based on a system for compiling and sharing activity results, carry out internal dialog with non-implementing managers. Enhance employee-participation programs to promote changes in employee awareness (target: 200 employee participants).
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.	<p>Provide clear information necessary to understand the direction and status of growth strategy.</p> <ul style="list-style-type: none"> Maintain the centralization and tendering of corporate information via our website to enhance our unified information provision. Plan and provide appropriate output to match stakeholder needs. To acquire consumer, social, and global perspectives, expand opportunities for communication with consumers; concretize measures that will lead to the characterization of social and global issues. Pour efforts into raising the standard of in-house media and initiatives to cross organizational boundaries, with the goal of broadening of internal communication. 	<ul style="list-style-type: none"> Promoted information disclosure through a database structure, various media, and other means. Continued to provide timely information on CSR activities through our website (46 updates), and succeeded in doubling the number of visits (7,000 page views/day). Leveraged Communication Plaza "dot DNP" in Ichigaya, Tokyo and "CAFE Lab." in Osaka while providing information as appropriate. At these locations, consumers can provide direct input to DNP, and the company can enhance its communication with consumers. Conducted major revamp of company newsletter to better provide information appropriately to employees. Strengthened introduction of digital signage. Fully implemented confidential information management to further appropriate information disclosure under the oversight of the Information Disclosure Committee. Worked to prevent inconsistent disclosure through close information sharing across departments. 	<ul style="list-style-type: none"> Continue systematization and enhanced communication of a range of information relating to corporate activities. Conduct optimal information dissemination and appropriately reflect input from society and consumers, to respond to the needs and expectations of domestic and international stakeholders.
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.	<p>Review and continue to implement measures relating to risk management and corporate ethics in accordance with changes in the internal and external environment.</p> <ul style="list-style-type: none"> Conduct Autonomous Corporate Ethics Training at all domestic and international organizations, as well as training by job level, category, and specific theme. The globalization of our business activities makes it incumbent upon us to observe laws, regulations, and cultural standards in each of the countries where we operate. For this reason, we will coordinate with each local Group location and work to gather information relating to local conditions, as well as promote the propagation and establishment of corporate ethics. At the direction of the Head Office Corporate Ethics Committee, bolster corporate ethics activities in each organization to enrich and strengthen internal Group controls. 	<ul style="list-style-type: none"> Carried out Autonomous Corporate Ethics Training for all domestic and international organizations. → Activity Example 4 Carried out other training efforts according to plan. Implemented risk self-evaluation at international business locations. Prior to implementation, expert opinions were incorporated to review evaluation risk items. Corporate Ethics Committees in each organization confirmed status of improvement for selected issues, including issues relating to internal controls. 	<ul style="list-style-type: none"> Continue to implement Autonomous Corporate Ethics Training and similar efforts. Analyze and evaluate risks at all international DNP locations; respond to risks in coordination between international locations and headquarters departments. Under the direction of the Head Office Corporate Ethics Committee, further promote efforts by each organization. Enhance and strengthen internal controls within the Group.
	Development of a System for Business Continuity	<p>Strengthen the DNP Group's ability to withstand natural disasters</p> <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"> Continue management of disaster response measures based on the Disaster Response Work Plans and Business Continuity Plan; maintain and enhance the disaster response framework. Promote introduction of the latest disaster mitigation systems in advance of the completion of the Ichigaya, Tokyo redevelopment project. Completely flatten internal networks and establish redundant circuits and communications equipment. Introduce a fixed-mobile convergence (FMC) service that links cellular phones with office landlines. Through disaster response conferences between sites of the wide-area response network, enhance total disaster response capability. 	<ul style="list-style-type: none"> Promoted concrete risk mitigation activities based on plans established by each worksite. Completed introduction of advanced disaster mitigation systems and FMC; implemented flat internal network according to plan. Increased utilization of DNP Kashiwa Data Center toward strengthening of backup structure for key basic systems. Continued inter-location disaster mitigation meetings, promoted further enhancement of wide-area joint support framework. 	<ul style="list-style-type: none"> Promote concrete, practical risk mitigation activities based on plans formulated by each organization and worksite. Complete implementation of redundant flat internal network; introduce FMC progressively. Promote implementation of redundant structure for key systems at DNP Kashiwa Data Center and the Ichigaya, Tokyo core site; strengthen backup structure. Through disaster response conferences among sites of the wide-area response network, develop and enhance total disaster response capability.

* For details on environmental conservation and the realization of a sustainable society see page 27.

“Today’s Innovation is Tomorrow’s Basic”

We are now witnessing a shift toward both a highly-networked information society and ultra-aged society. At the same time, there are increasing calls for a move to a sustainable society that accepts diversity. These changes are ongoing around the world, and there are numerous challenges waiting to be solved.

People seek deeper communication, but with protection for their valuable information. They want to keep their food supply safe. They want secure energy supplies without great harm to the environment, and enriched education for the next generation. They want healthy lifestyles and easy access to advanced health care. They want to live comfortably in safe living spaces. DNP believes there are many things it can do to help meet these basic human needs.

DNP adopts a consumer standpoint to identify challenges in need of solutions. It then leverages its strengths, starting with its advanced printing and information technologies, to create and deliver new value.

To focus and enhance our value creation efforts, we have established four principal growth areas:

Knowledge and Communication, Food and Healthcare, Environment and Energy, and Lifestyle and Mobility. We will channel our development of new products and services into these four areas and seek to enhance our corporate value through the creation of new business models and infrastructure. Doing so will enable us to fulfill our mission as an enterprise and make broad contributions to society.

The special feature for this year’s report focuses on ongoing efforts in two businesses—Educational ICT and Life Science—chosen from within the aforementioned growth areas.

Four Growth Areas

DNP Strengths

Social Challenges



Knowledge and Communication

This domain encompasses technologies, products, and services that enable safe, reliable information transmission to support lifestyles and culture in the highly-networked information society.

DNP manufactures information media and is involved in two-way transmission systems to make information easier to access and use. We offer information platforms that enable users to exchange the information they want, when they want it, and in their format of choice.

Educational ICT Business Page 17

Food and Healthcare

In the super-aged society, people are becoming increasingly aware of the importance of safe, high-quality lifestyles and lifelong health maintenance.

In addition to its existing food packaging products, DNP is expanding into agriculture as well as health and medicine, offering materials with advanced capabilities. We are also utilizing our information platforms to enter such business arenas as preventive medicine grounded in data analysis.

Life Science Business Page 19

Environment and Energy

Aiming for economic growth in conjunction with environmental preservation has become a global challenge.

New solutions are required, with the development of environmentally conscious products that take into account the need for resource and energy conservation and recycling, and in such fields as energy management for smart cities.

DNP is promoting the development of high-value-added services. For example, we offer packages of services to preserve the environment, highly functional products such as lighting film and light control film, and town management- and energy business-oriented services.

Lifestyle and Mobility

Modern society is marked by the increasing diversification of people’s sense of value and the search for personalized spaces. People are becoming increasingly sophisticated in their search for greater comfort.

DNP aims to grow its business to service all aspects of the smart society using information platforms. Our strengths include advanced materials for residences, motor vehicles, and wearable devices, as well as sensors for the “Internet of Things.”

Educational ICT Business

"Education is one of the blessings of life—and one of its necessities." These words were spoken by then-17-year-old Malala Yousafzai of Pakistan in her 2014 Nobel Peace Prize acceptance speech. It would not be an overstatement to say that a quality education for everyone is a fundamental prerequisite to solving the challenges facing society. Throughout its history, DNP has supported the broad dissemination of knowledge through its printing activities. Now we are engaged in a wide range of activities utilizing our information and communications technology (ICT) to support higher quality of education in schools and other institutes, which are a central arena for knowledge creation and cultivation.

Solutions combining the merits of both digital and analog formats are fundamental to our educational ICT business.



Naohiko Sugimoto
Corporate Officer

A sea change is taking place in Japanese education, with a shift from cramming student's heads with knowledge and pitting them against each other on tests, to nurturing life skills through the capacity to think more deeply, make judgments, express themselves, and communicate. In the same spirit, the Ministry of Education, Culture, Sports, Science and Technology is also leading a review of Japan's university entrance examination system with an eye to instituting reforms. Nurturing students' life skills requires a combination of conventional educational expertise with new learning styles (including group learning, individual study, and cooperative learning). Education utilizing ICT is effective in realizing this goal, and its application in primary and secondary education is just beginning. Incorporating digital technology into the learning process makes it easy to visually represent and share information, and has been proven to effectively enhance students' capacity for thinking and practical problem-solving. Moreover, the use of digital terminals in learning enables the collection of large volumes of data on learning outcomes. This data can be analyzed to identify factors that hamper children's learning and uncover problems that previously were difficult for educators to recognize, making it possible to provide students with more meticulous support. At the same time, it is important to retain the analog dimension of learning, which offers unique pleasures and joy: the feel of pencil and paper, and the sense of achievement and fun of real-life experience that come from creating something with a concrete form. Since its founding, DNP has been deeply involved with paper, yet has also promoted the digitalization of information. Through unique solutions that create synergy between the analog and digital domains, we are expanding the possibilities of school education and contributing to the cultivation of students' life skills.

In addition, the unification of digital and analog can form useful links between schools, communities, and families. By building rich educational environments linking a variety of contexts, DNP is fulfilling the desire for learning, in everyone from young children to seniors.

The Three Areas of DNP's Educational ICT Business

Study Environment Solutions

New ICT learning software unifies analog and digital content

Educational Information Support Solutions

Systems to support the teaching frontline and promote more efficient school administration and academic affairs

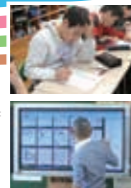
Educational Content Solutions

Educational materials suitable for a wide range of learning styles, including group learning, individual study, and cooperative learning

DNP's History in Educational ICT

2008

Developed and launched field testing of classroom support systems for elementary and junior high schools



2011

Entered into a comprehensive agreement with Chiba University regarding the Hybrid Educational Materials Research Project, aimed at universities

2013

Developed tablet-compatible digital pen lesson support system for elementary, junior high school, and high school students

Began field research for tablet-based digital textbook and learning materials system for elementary schools

2014

Began field research for tablet-compatible digital pen lesson support system for elementary, junior high school, and high school students in 30 local municipalities

Began field research for tablet-based digital textbook and learning materials system for high schools



Close up

Developed Tablet-based Digital Classroom Test System

We are providing detailed guidance for precise measurement of student comprehension through frequent small tests.

Most short tests used on a daily basis to test student understanding are created by instructors in Microsoft Word. DNP noticed this and collaborated with Microsoft Japan to develop a system that converts drills created in Word to a digital format, enabling students to take tests on a tablet. Started from March 2015, multiple municipal governments and schools began adopting this system. Conducting drills (multiple choice as well as written response) with tablets allows easy compilation of test results and enables instructors to better understand their students' level of comprehension and provide more detailed guidance. For example, now instructors can grasp, as well as analyze trends for, the thinking processes students use to arrive at their answers. Student answers can also be projected on an electronic blackboard or other display to facilitate group learning.

Going forward, DNP will endeavor to popularize the use of digital testing in the classroom, using the widely-adopted Windows environment. We will also develop the new teaching materials needed for this educational setting, and build a structure to offer materials designed for individual levels of understanding.

*This system has been developed in conjunction with Zetta Linx Inc.



Students can complete paper tests using digital pens, allowing test data to be collected through the tablet



The thinking processes that students use to answer questions reveal learning issues that need to be addressed

Future Prospects

DNP will offer a range of useful services for the frontline of education, beginning with development of group learning materials utilizing ICT.

Nurturing of children's life skills in a changing world is increasingly regarded as a priority, and educators are taking a fresh look at the most efficient ways to conduct lessons in classrooms, which are the frontline of group education. DNP's "gamified" study materials, developed jointly with Chiba University, are one new approach. Making learning fun encourages greater spontaneous participation in lesson activities and more active exchange of opinions with classmates. In addition, the new materials give instructors more contact time with students. DNP offers a wide range of other new learning styles, including art education leveraging DNP's joint project with the Louvre Museum, and a joint hands-on learning system that is suitable, for example, for school events, to encourage students to express themselves. DNP maintains active collaboration with external partners involved in education. These partners include elementary, junior high, and high schools, universities, libraries, and regional library distribution centers with achievements in education. Partners also include our group companies such as Maruzen and Kyoiku Shuppan, as well as our affiliate company, Nihon Unisys. These extremely numerous and highly diverse partnerships afford DNP the opportunity to provide support in a wide variety of educational contexts. We are considering future adaptation of educational materials and systems into other languages, with particular focus on languages of developing countries where creating educational infrastructure is a pressing issue.

2015

Developed group study materials with game elements for elementary and junior high school students in collaboration with Chiba University



Stakeholder's Voice

Based on the gamification concept, which presents reality in a game-like format, we are conducting joint R&D with DNP on new educational materials and class programs. Our aim is to enable schools nationwide to routinely offer classes that draw students' interest and encourage them to study collaboratively by making learning more pleasurable, without increasing the burden on instructors.

Daisuke Fujikawa
Professor and Vice-Dean, Faculty of Education, Chiba University



Life Science Business

Maintaining life and health is the desire of all humankind, and research in the field of life science continues to make progress with each passing day. At the same time, there remains much to be discovered concerning the nature of the human body's estimated 60 trillion cells, and the mechanisms of many diseases. Further medical science research and the development of advanced treatment technologies are critical to providing people with enhanced quality of life. By identifying the needs of advanced medical research entities and enterprises and building collaborative relationships, DNP is aiming for full-scale commercialization of the life science field. By adding such new technologies as biotech to our accumulated proprietary core printing technologies, we are spearheading five new business areas in the life science domain and contributing to a better quality of life.

The Five Areas of DNP's Life Science Business

Medical Supplies Packaging materials for pharmaceutical and medical equipment, materials for advanced medicine and specialized care	Medical Image Processing PACS business, image analysis to support diagnosis	Active Pharmaceutical Ingredients Generic pharmaceutical raw materials, pharmaceutical intermediates	Preventive Medicine Personal health maintenance service, consumer health support	Regenerative Medicine Joint research with universities and medical institutions, cell quality management
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DNP aims to leverage its proprietary core technologies to enter the fields of advanced medicine, starting with medical supplies.

Life science is a new business area for DNP. However, our involvement in the field started around ten years ago, with the dispatch of researchers to university hospitals working on advanced research topics such as regenerative medicine. At the time, many thought it unusual for a printing company to be engaging in medical research. However, regenerative medicine involves extensive work with living cells, which in turn requires specialized culture vessels capable of growing a variety of cells uniformly, or in specific patterns; it is sometimes also necessary to separate the cultured cell sheet from the vessel. DNP realized that its accumulated surface processing and microfabrication technologies positioned it to meet the culturing equipment needs of university hospital researchers. Regenerative medicine is now poised to advance from the research stage to commercialization. DNP is collaborating with pioneering university hospitals and enterprises with an eye toward entry not only into the medical supplies field, but the field of regenerative medicine itself. Moreover, cell quality management is a central element in the cell culturing process. DNP believes that with improvements to its accumulated image processing technology, it may be able to make contributions to the structuring of safe culturing processes that do not require visual inspection.



Toshiki Sugimoto
Senior Corporate Officer

DNP's History in Life Science

2004 Entry into the life science arena Successfully imaged capillary vessel patterns in collaboration with Tokyo Medical and Dental University Capillary vessel pattern	2008 Medical Supplies Launched CytoGraph, the world's first commercial culturing substrate allowing cell culturing to specified shapes and sizes CytoGraph	2012 Medical Image Processing 3D MRI image analysis conducted with Tokyo Medical and Dental University revealed the cause of pathologic myopia Left: Normal Right: Pathologic myopia	2013 Active Pharmaceutical Ingredients Full-scale production of pharmaceutical raw materials launched at Utsunomiya Plant DNP Fine Chemicals Utsunomiya	2014 Preventive Medicine With Mitsubishi Chemical Holdings Group, began field testing of a blood testing service In-pharmacy blood testing service	2015 Medical Supplies Launched embryo culture dish for fertility clinics Embryo culture dish
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Close up

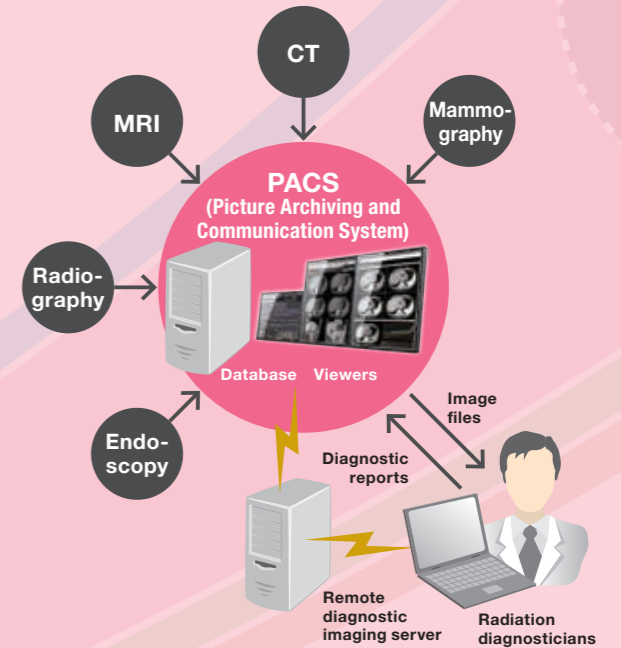
Medical Image Processing

Concluded agreement with partner enterprise relating to PACS business in the medical field

DNP is entering the medical image processing field, which facilitates the identification and early treatment of disease.

Recent years have seen a proliferation of digital diagnostic imaging equipment in hospitals, including digital X-ray photography and CT and MRI scanning equipment. Image data is stored and made available to different medical departments for reference using medical picture archiving and communication systems (PACS). In December 2014, DNP entered into an agreement with PSP Corporation to produce and market its own PACS for medical use.

With its accumulated image processing technology as a base, DNP has developed an original tablet device capable of natural, easy-to-see color reproduction, as well as fish-eye monitoring cameras equipped with image correction. In the field of medicine, DNP has worked to develop image processing technology to enable diagnosis of diseases of the eye from MRI images. With further extension of this technology, it may be possible to provide PACS with features to support image diagnosis, enabling detection of such diseases as breast cancer. In addition, DNP will collaborate with PSP Corporation in the development of systems linking regional hospitals and clinics that will allow referral for remote inspection and diagnosis of medical images by specialist physicians.



Commercialization of Regenerative Medicine

2015

Future Prospects

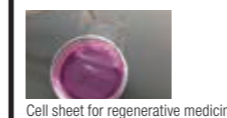
DNP will emphasize preventive medicine, the foundation of long-term health maintenance.

Japan currently boasts the highest longevity rates in the world, but average life span is not simply getting longer. People are becoming increasingly conscious of the importance of healthy longevity—a state of good health and independence, rather than dependence on nursing care or being bedridden. The Japan Revitalization Strategy issued in June 2013 by the Abe Administration also lists extending healthy life expectancy as one of its themes.

DNP aims to help people lead healthy lives. This could mean facilitating personal health management by making it possible for consumers to check their health status at home, at a nearby pharmacy, or at some other convenient location. Another possibility would be preventive medicine schemes that would, for example, allow tracking of health status throughout an individual's life. Schemes under current development include an in-home oral health diagnostic service in collaboration with a university hospital, and personal health management structures in collaboration with enterprises and pharmacy chains with an interest in preventive medicine.

Regenerative Medicine

Began production of cell sheet culture dish



Stakeholder's Voice

Personal health checkups are important for disease prevention, and the low percentage of people undergoing such checkups is a challenge for society. In response, Mitsubishi Chemical Holdings Group is promoting Jibun Karada Club, a service that enables consumers to conveniently undergo blood testing at pharmacies, and DNP is facilitating this effort. We look forward to drawing on DNP's planning and development strengths as we move toward commercializing a health management platform by further extending this service.

Seiichi Kiso
President and CEO, Life Science Institute, Inc., Mitsubishi Chemical Holdings Group



1 Overseas CSR Initiatives

It goes without saying that Japan is not the only nation grappling with social challenges. Some of these challenges are global, while others are unique to specific countries or regions. At the same time, while the challenge may be the same, whether it involves the environment, energy, medicine, education, food, transport infrastructure, or living space, it is also true that differences in local history, culture, climate, the economy, and other factors may affect the severity of the challenge, the types of responses required, and how the challenge is regarded. DNP's business activities span the globe, from raw material procurement and manufacturing to distribution and sales. We therefore take a global view of the challenges facing society, and we believe it behooves us to address these challenges in ways that reflect the conditions and culture of each country and region. Through local business activities in coordination with its global supply chain, DNP is leveraging its unique strengths to offer significant value that contributes to the solution of social challenges.



Key to Global Expansion Participation in social infrastructure projects

There is no "final goal" for the social infrastructure that supports national economic activity, such as transportation and banking systems. Since such systems must not be interrupted once they begin functioning, they must be provided reliably, with continuing support based on a premise of future continuity. DNP believes it has a social responsibility, with respect to its global business, to support the operation of infrastructure businesses as long-term projects that do not end with temporary provision of products and services. Furthermore, since it would be inefficient and time-consuming for DNP to attempt to meet social challenges in countries and regions with diverse cultures and natural environments, we must partner with companies that have local roots. It is also necessary to build relationships of trust with our partners based on study of each other's good points, rather than one-sidedly providing technology and expertise. Deeper understanding enabled by technology, as well as trust and bilateral partnership, are important keys that greatly affect the success of foreign infrastructure projects.



Case Study 1—Promoting Smart Card Use in Vietnam

Contributing to better living in emerging nations by applying technology and expertise accumulated in Japan

Developing social infrastructure, the foundation for growth toward national affluence

Most emerging and developing countries in Southeast Asia face major challenges in developing social infrastructure. Vietnam, which is steadily growing economically, is one example. The nation's capital, Hanoi, and its major metropolis, Ho Chi Minh City, are undergoing rapid motorization. Transport is changing progressively from bicycles to motorbikes to automobiles. To alleviate the congestion and air pollution that accompanies the increasing number of automobiles, the introduction and promotion of public rail and bus transportation is a must. However, Hanoi and Ho Chi Minh City have urban functions concentrated in restricted areas. If public transportation is to adequately serve the population, large numbers of riders must be able to board and disembark quickly. DNP's smart card technology, which offers high precision and processing capability as well as superior information security, is well-positioned to meet the needs of Vietnamese society in this area.



Smart cards

Starting with applications in public transport infrastructure, DNP technology and expertise accumulated in Japan is ready to play a role in countries and regions pursuing development in a wide variety of applications. In this way, DNP technology can serve as a foundation for better living.



The streets of Ho Chi Minh City are always thronged with traffic

Close up

We are building a good partnership based on mutual understanding through our business and capital tie-up with MK Smart of Vietnam.

In March 2014, DNP established a business and capital tie-up with MK Smart Joint Stock Company (MKS), a major Vietnam-based manufacturer and marketer of cards and business forms. MKS is the only Vietnamese company authorized to manufacture and issue international-brand credit cards, and is a leading manufacturer of smart cards for such applications as banking and telecommunications.

This tie-up between DNP, the smart card leader in Japan, and MKS will enable DNP to contribute to the popularization of public transit, which is a social challenge in Vietnam.

Starting from around 2010, ahead of the tie-up, engineers from DNP and MKS began collaboration and exchange. We are building a good partnership based on mutual understanding and shared views, thanks to similar mentalities prevailing on both parties' manufacturing and R&D frontlines. Our engineers were also deeply impressed by the dedication and commitment to technical excellence MKS displayed in taking technology provided by DNP and working to improve it further.

Going forward, DNP will support the standardization of Vietnam's domestic systems through the use of smart cards in banking and other fields. We will also contribute to the development of social infrastructure by meeting demand for smart cards in Southeast Asia, which is being driven by such factors as rising demand for credit cards and various types of prepaid cards.



MK Smart Joint Stock Company



Exchange between engineers

Stakeholder's Voice

M MK Smart and DNP have formed a new partnership based on mutual respect. This makes me very happy. Through our collaboration and improvement made by learning from each other, we have succeeded in greatly enhancing the quality of MK Smart's products. The government of Vietnam is promoting the development of technologies to enrich people's lives and raise the quality of public services. MK Smart is contributing to this effort by offering innovative smart card technology for a variety of business fields in Vietnam, including finance, telecommunications, and distribution. Our tie-up with DNP involves more than just technology exchange. By forming a strategic partnership, we hope to contribute to enhancing people's lives in both Japan and Vietnam. In addition, we believe that mutually enhancing our enterprise value will enable us to reinforce our position in foreign markets, beginning with Southeast Asia. A true partnership is all about mutual trust, and this perfectly describes the partnership between MK Smart and DNP. We help and trust each other like brothers—we make a great unified team! For our mutual success, I believe we need to continue sharing knowledge and working diligently, thus further deepening our relationship.



Nguyen Trong Khang
President
MK Smart Joint Stock Company



Case Study 2—Business Expansion at DNP Photomask Europe

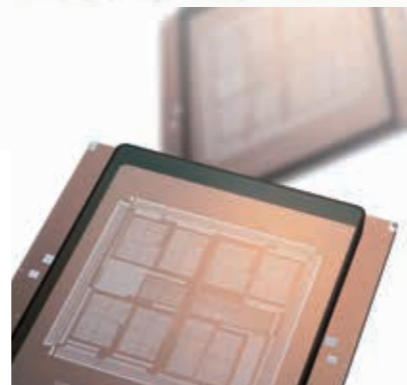
A local enterprise with employee solidarity, pursuing sustainable local growth

Contributing to the local community with personnel development and respect for the environment

The global semiconductor market grows larger every year. However, intensifying competition and changing customer requirements are creating a difficult market environment. Thus it is more important than ever that we reform our business to meet customer needs, and promote organizational improvements to create a foundation for sustainable growth.

DNP Photomask Europe (DPE) is a Group company that manufactures semiconductor photomasks.* In 2002, DPE concluded an agreement with STMicroelectronics (STM), a semiconductor manufacturer with one of the world's largest market shares, to establish an advanced photomask production plant in Agrate Brianza, about 20 kilometers northeast of Milan. This facility has maintained stable production and operates as a local enterprise with roots in the region. Despite the challenging business climate in recent years, DPE has worked to develop its employees and enhance the work environment. By maintaining employee motivation at a high level and sharing goal awareness, DPE has posted major achievements in meeting market requirements and ensuring product quality. Furthermore, the Agrate Plant is environmentally friendly, recycling water, conserving energy, and reducing waste emissions. The plant aims for steady growth while acting as a good neighbor to the local community.

* Patterned plates used in the fabrication of semiconductor circuits. Minute circuit patterns are drawn on a glass substrate.



Advanced photomasks manufactured by DPE

Key to Global Expansion

Development and effective utilization of local personnel is helping to solve societal issues

If a Japanese enterprise is to succeed in international business activities that are rooted in the local communities in which they are conducted, it is important to involve local people and work with them in addressing challenges. For example, the advanced economies of Europe have a high level of awareness of human rights and labor issues. Maintenance of healthy labor environments, local hiring, and effective utilization of local personnel are regarded as important corporate responsibilities. DPE has had a presence in Italy for more than a decade and its operations there have established themselves as a locally based enterprise. The most important result has been that employees share the DNP Group Vision and are committed to offering value to society. The semiconductor industry is one of rapid change, and the fact that every one of DPE's employees is able to face such change without losing their morale and passion for the job is proof of their commitment to that vision. Technology and products are both created by people, and without employees constantly demonstrating their potential, sustainable growth cannot take place. DPE also believes that native, well-trained personnel are the foundation needed to address challenges, such as environmental preservation, which must be considered from a global perspective.



Close up

By valuing TAIWA with employees and sharing our vision, we enhance motivation and stimulate the organization.

As market competition continues to heat up, DPE is redoubling its efforts to activate its personnel and organization, which form the basis of its competitive advantage. In 2012, Antonella Perfetto, who previously managed human resources at a global corporation, joined DPE to thoroughly revamp the company's personnel assessment system. In addition to promoting reforms in DPE's personnel evaluation and compensation standards, she began building a DPE leadership model. Perfetto emphasizes TAIWA with employees, and by helping them pinpoint areas needed improvement, gaining their understanding of the means to realize those improvements, providing appropriate training, and promoting close sharing of information, she has succeeded in sharing DPE's vision with them. This has in turn inspired them to understand what they should do to help DPE reach its goals while maintaining a positive stance toward their jobs. At the same time, a structure has been established for proper evaluation of employee growth. Reevaluating the current business model and shifting to a sustainable, flexible, and robust model will require a changed outlook, modified action, and new standards of value. By striving to incorporate a global outlook and way to thinking, DPE is successfully bolstering its personnel and organization.



Antonella Perfetto
Human Resource Manager
DNP Photomask Europe

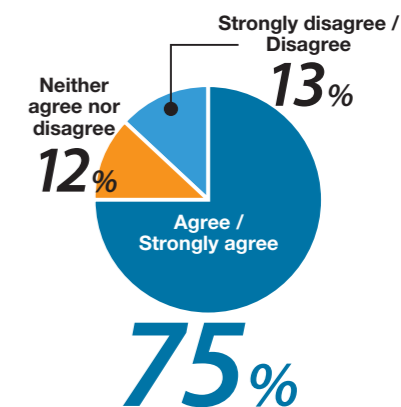


Employees deepened their ties at this event held in October 2013 to celebrate ten years of operation

DATA

"I feel my job is rewarding and fulfilling."

From DPE employee survey on autonomous workstyles, conducted in March 2015



Achieving world-class quality while reducing environmental impact.

Large volumes of deionized water are used during the washing stage in photomask production. DPE's environmental efforts center on efficient use of water resources and measures to prevent global warming. In 2014, DPE restricted water use in line with the Group target of reducing water use by 1% annually on a per-unit basis. In addition, DPE is collaborating with STM to devise measures for efficient wastewater use. DPE's efforts to reduce greenhouse gas emissions include replacement of conventional lighting sources with high-efficiency alternatives. As a result, DPE's FY2014/15 energy consumption was 13.1% lower than that of FY2012/13. In restricting its use of volatile organic compounds and discharge of waste, DPE is achieving one of the highest levels of environmental performance among the DNP Group's international entities. It also aims to meet global quality standards for materials procured while minimizing impact on the environment during the procurement process, and by sharing goals with its supply chain, it is managing its procurement strictly and appropriately.

DATA

FY2014/15 energy consumption reduced by



DNP's Voice

"Think Globally, Act Locally"—this is the principle I follow whether working in or outside Japan. DPE rapidly converts our semiconductor design data into zero-defect photomasks using nanometer-level microfabrication technology, and thus we are supporting our customers' global competitiveness through locally conducted manufacturing. Now we are accelerating our transition from a business model centered on the provision of advanced commodities to special partners, to a sustainable model that meets the broad needs of the European market. In this way, we will create new value in accordance with our ideal, "Today's innovation is tomorrow's basic," and continue contributing to the local community. We refer to this process as an evolutionary shift from climbing to walking.



Tatsuya Tomita
President
DNP Photomask Europe

② Environmental Activities

WEB

We publish details of our environmental activities on our website.
DNP Group Environmental Report 2015 (PDF)
<http://www.dnp.co.jp/eng/csr/>

All forms of life, including human beings, depend on a healthy natural environment for continued viability.

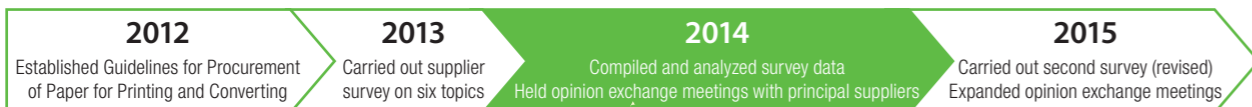
DNP's business activities benefit directly from the natural world in numerous ways. For example, many of our manufacturing processes require procurement of forest resources and the use of water and energy. To find ways to coexist with the global environment and engage in sustainable business activities, DNP promotes ongoing reduction of environmental impact in all aspects of our activities, from raw material procurement, through to use and disposal as waste.



We are working to reduce our environmental impact throughout our supply chain.

Biodiversity Preservation Efforts

Ecosystems support abundant biodiversity by offering numerous "ecosystem services" such as resources. These "services" play a critical role in DNP's continued business activities, and we regard raw material procurement, which has a major impact on biodiversity and ecosystems, as a critical theme. Our efforts to reduce the impact of procuring one of our principal raw materials—paper—reflect this conviction. We are committed to the conservation of forest resources and effective use of raw materials. To this end, we actively encourage customers to use products made using timber from thinned trees and FSC-certified paper. In addition, starting from 2012, in collaboration with suppliers including paper manufacturers and paper sales companies, we have been active to promote sharing of the procurement policies in our Guidelines for Procurement of Paper for Printing and Converting, to ensure traceability and increase the proportion of paper manufactured from responsibly-managed forests.



In FY2014/15, we compiled and analyzed the results of the survey conducted the previous year to gauge supplier progress in complying with our Guidelines for Procurement of Paper for Printing and Converting. We also held meetings with six of our principal suppliers to exchange opinions, confirm current status, and undertake improvements. All six suppliers presented clear policies for raw material procurement and adherence to traceability, demonstrating that they are implementing paper procurement management structures. At the same time, by further sharing information from the beginning of the supply chain all the way downstream to end users, and working to harmonize outlooks with our suppliers, we were able to take our environmental impact reduction to the next level. Going forward, we will implement responsible paper procurement throughout the supply chain to further contribute to biodiversity preservation.

DATA

Responsibly-managed forest paper procurement rate

84.4%

(FY2012/13: approx. 70%)

Stakeholder's Voice

CDP has designated Dai Nippon Printing Co., Ltd. as a Climate Performance Leader.



Michiyo Morisawa
Director
CDP Japan

DNP clearly communicates the impact of its activities on climate change, and has a deep understanding of the influence of climate change on its business. CDP has furthermore designated DNP as a sector leader because of its adherence to the CDP Forests Program international standards. DNP is the only Japanese enterprise to be so designated. CDP evaluates DNP highly because of its comprehensive risk assessments, its published goals, and its close collaboration with its extensive supply chain.



DNP promotes environmental impact reduction throughout product lifecycles

Development and Sale of Environmentally Conscious Products and Services

DNP believes it is our responsibility as a manufacturing enterprise to engage in environmentally conscious manufacturing and offer environmentally conscious products and services.

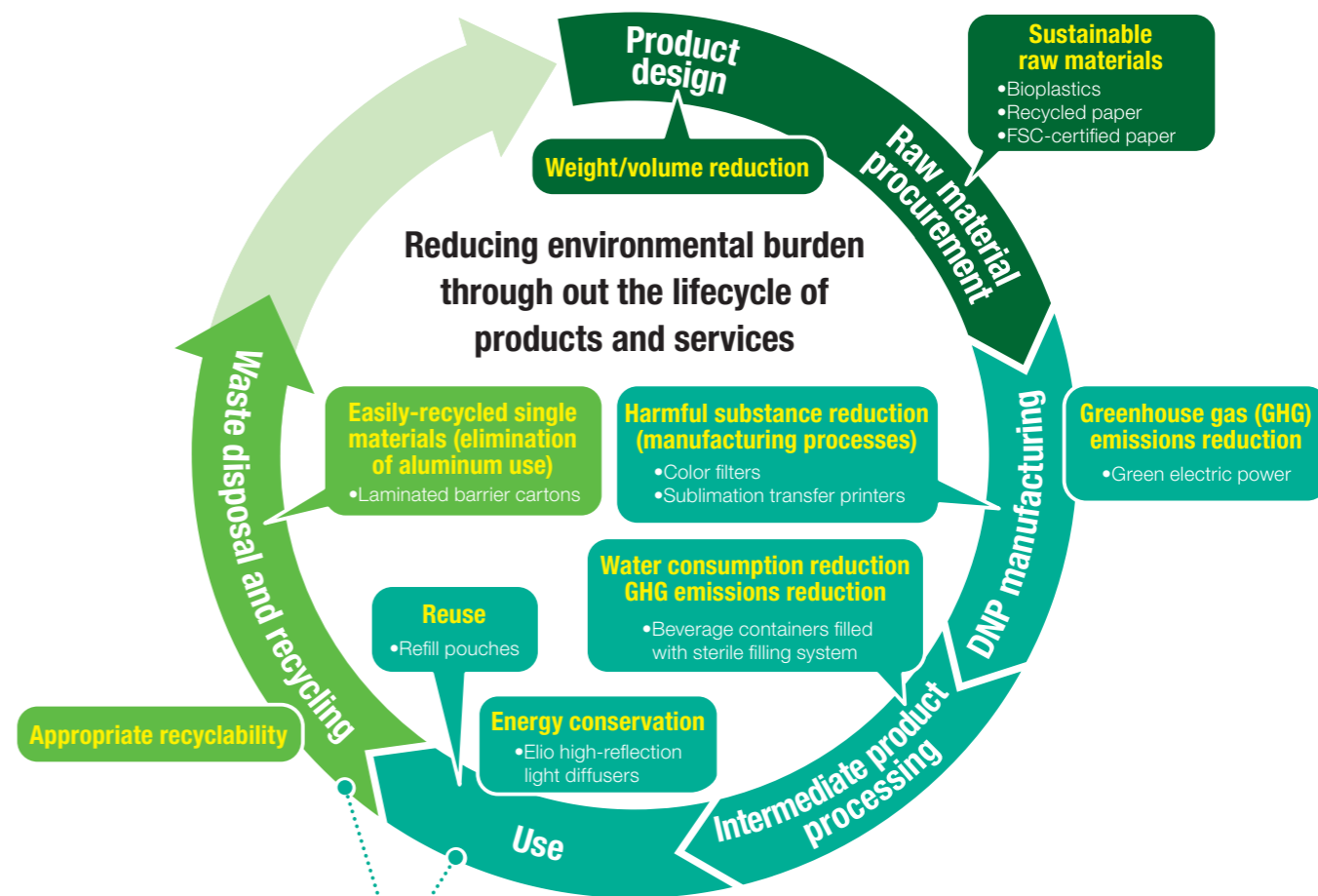
In FY2012/13, DNP updated its Environmentally Conscious Products and Services Development Guidelines, which it began using in 2000. The revised guidelines include making environmental impact visible, consideration for biodiversity, and other environmental challenges that require increased efforts to address. They also expanded the definition of environmentally conscious products. DNP will continue to take a comprehensive view toward reducing its environmental impact throughout the product lifecycle, and promote higher value-added manufacturing.

DATA

FY2014/15
Sales of environmentally conscious products and services

¥478.8 billion

(FY2015/16 target achieved ahead of schedule)



Close up

DNP developed and marketed film culture medium for bacterial testing, the use of which reduces waste and GHG emissions.

DNP has developed a film culture medium for the detection of microorganism contamination in food, and launched the product in September 2014. This preconditioned film can replace conventional Petri dish culture methods using agar.

Conventional agar culturing is relatively labor-intensive, and requires preparation of the powdered media as well as pre-sterilization. Moreover, after use, the Petri dish must be sterilized for safe disposal. DNP's new film culture medium makes culturing more efficient and reduces waste volume by around 95%.

In addition, the product requires no culture media preparation, resulting in lower energy consumption. As a result, GHG emissions are approximately 56% lower compared to conventional culturing using agar.



Approximately 95% less volume (film culture at right) than conventional Petri dishes

Achievements in FY2014/15

In FY2014/15, DNP established a FY2030/31 target for greenhouse gas emission reduction in addition to its existing FY2020/21 target. This reflects DNP's commitment to combat global warming based on a long-term perspective.

Target: Reduce greenhouse gas emissions by 20% worldwide compared to FY2005/06 by FY2030/31.

- Evaluation Targets
- ◎ Target exceeded by a wide margin
 - Target achieved or making steady progress toward target
 - △ Making active efforts but target not achieved
 - × Efforts insufficient

Theme	Goals for FY2015/16	FY2014/15 progress		Evaluation
Global warming prevention	Reduce greenhouse gas emissions by 10% worldwide compared to FY2005/06 by FY2020/21.	FY2005/06 emissions: 1.120 million tons	8.2% decrease over FY2005/06	◎
		FY2014/15 emissions: 1.028 million tons		
Reduction of environmental impact incurred during transport	Reduce per-unit fuel use for transport (amount of fuel used/sales) by 1% per annum and 10% by FY2020/21 compared to FY2010/11.	FY2010/11 per-unit: 1.61 kl/100 million yen	5.6% decrease over FY2010/11	○
		FY2014/15 per-unit: 1.52 kl/100 million yen		
VOCs	Reduce emissions of VOCs (except for methane) by 20% compared to FY2010/11 by FY2015/16.	FY2010/11 emissions: 6,729 tons	29.3% decrease over FY2010/11	◎
	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.	Began installation of solvent recovery equipment at DNP Indonesia		○
Reduction of industrial waste	Reduce per-unit waste emissions (waste emissions/production) by 15% from FY2010/11 by FY2015/16.	FY2010/11 per-unit: 0.424 tons/10 million yen	18% decrease over FY2010/11	◎
	Achieve zero emissions for the entire DNP Group by FY2015/16.	FY2013/14 landfill waste rate: 0.14%	0.08 point decrease over FY2013/14	◎
		FY2014/15 landfill waste rate: 0.06%		
Reduction of water usage	Reduce per-unit water use by 1% worldwide by FY2015/16.	FY2013/14 per-unit use: 10.0 m ³ /million yen	6.0% decrease	◎
		FY2014/15 per-unit use: 9.4 m ³ /million yen		
Development and sales of environmentally conscious products and services	Development and sales of environmentally conscious products and services to achieve 400 billion yen by FY2015/16.	FY2013/14 total sales: 369.8 billion yen	29.5% increase over FY2013/14	◎
		FY2014/15 total sales: 478.8 billion yen		
Green purchasing	Increase the rate of products purchased according to the DNP green purchasing standards to 50% by FY2015/16.	FY2013/14 green purchasing ratio, raw materials: 47.4%	0.8 point increase over FY2013/14	○
		FY2014/15 green purchasing ratio, raw materials: 48.2%		
	Increase the purchase rate of environmentally certified products, such as those labeled with the Eco-Mark, of the total supplies (office supplies and equipment) to 85% by FY2015/16.	FY2013/14 green purchasing ratio, processed materials: 72.5%	5.0 point increase over FY2013/14	○
		FY2014/15 green purchasing ratio, processed materials: 77.5%		
Environmental conservation	Maintain the maximum concentration of air emissions subject to emissions regulations at 70% of the required standard or less.	FY2014/15 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.	FY2014/15 target (company standard) achievement rate: 98%		○
	Maintain the maximum concentration of odors at our site perimeters at 70% of the required standard or less.	FY2014/15 target (company standard) achievement rate: 98%		○
	Maintain the maximum level of noise at our site perimeters at 70% of the required standard or less.	FY2014/15 target (company standard) achievement rate: 95%		○
	Maintain the maximum level of vibration at our site perimeters at 70% of the required standard or less.	FY2014/15 target (company standard) achievement rate: 100%		○
Office environment	Increase the rate of the fractional recovery of waste paper to more than 70% of that for general waste.	FY2014/15 recovery of waste paper: 81%		◎

Note: Greenhouse gas emissions due to electric power consumption are based on coefficients for FY2005/06 published by the Federation of Electric Power Companies of Japan.

Considering the Future of the Earth

Keeping the global environment sustainable and comfortable to live in is a major challenge for both present and future humankind. To meet this challenge, DNP has pursued development of environmentally conscious products, as well as a range of environmental preservation activities, at its domestic and international business locations. The environment continues to deteriorate, however, and DNP cannot bring about major change on its own. We therefore believe it important to share awareness of environmental challenges with consumers and other enterprises, and join with them in taking action to effect solutions.

DNP is making this ideal a reality by taking advantage of available opportunities and contexts to collaborate with consumers in learning about the current state of the environment and the challenges facing it, and consider what should be done to address those challenges. These efforts give broad exposure to DNP's environmental activities and afford us the opportunity to hear a wide range of opinions that can then be fed back into future initiatives.



Together with DNPenguin

Considering the Future of the Earth



DNPenguin is our original mascot formed using the letters "D", "N" and "P." DNP regards the penguin as a symbol of collaboration with others and of the courage to face the dangers of the ocean boldly. Penguins are loved by all, and DNP has adopted the penguin as its corporate mascot. Yet this universally beloved animal is facing extinction due to repercussions from a wide range of human activities, including global warming, ocean pollution, and deforestation. Now and into the future, DNP will pay close attention to the global environment so that humanity can continue sharing the planet with the lovable, fearless penguin.



(Photo: Fumiya Kamakura)



Staged exhibits relating to the global environment

DNPenguin House is part of Communication Plaza "dot DNP," located in Ichigaya, Tokyo. Here, visitors can come in contact with information relating to DNP and its activities. Since December 2014, DNP has been staging exhibits relating to the global environment on a continuous basis. The first exhibit dealt with penguin species and their ecology. The theme of the second exhibit was "Penguins and Global Warming: What DNP is Doing." This exhibition focused on penguin habitats under the impact of global warming, as well as environmentally conscious products from DNP that are helping to mitigate climate change.



DNP Community Seminars—the Ichigaya Forest

DNP is moving forward with a large-scale redevelopment and urban greening project at its headquarters in Ichigaya, Tokyo—the Ichigaya Forest Plan. As part of this effort, DNP is holding regular seminars for the surrounding community. At these gatherings, DNP and local residents with an interest in the environment join to consider the value of nature. The theme of the fourth seminar, held in November 2014, was the urban environment and green space. In addition to lectures, a workshop centering on leaf identification was held. The fifth seminar, in February 2015, focused on the richness of arboreal environments and included lectures as well as a workshop where participants could fashion their own castanets.



Environmental workshops—"Manabi-no-mori"

DNP has begun offering workshops for children to help them understand the challenges that the global environment faces today and consider the future that awaits them as adults, when they will assume responsibility for society. At the first workshop in January 2015, participants used photocards and board games to study about penguin ecosystems and the environment, and together we considered Earth's future. The workshop was held in Osaka as well as Tokyo, with around 170 participants total. DNP will continue offering these workshops, and more are in the planning stage with a variety of themes.

3 Social Contribution Activities

To be an enterprise that contributes to building a sustainable society, we believe that in addition to efforts channeled through our principal business activities, it behooves us to make such contributions by deepening communication with local communities as a good corporate citizen, and utilizing economic resources efficiently. DNP aims to be an enterprise trusted by society. To this end, we are promoting social contribution activities that are characteristic of DNP to resolve social challenges and lead the way to a sustainable future.

Social contribution activities characteristic of DNP

DNP established its DNP Group Social Contribution Activities Policy in 2007. The guidelines include Five Principal Themes for social contribution activities characteristic of DNP, promote activities by DNP as a whole as well as activities at the business division and group company level, and encourage voluntary participation in social contribution activities. DNP's Group Code of Conduct also stipulates that employees shall deepen their ties with society as good corporate citizens living in harmony with society, and contribute to society by working to resolve the many challenges it faces, as well as through cultural activities.

DNP Group Social Contribution Activities Policy

The DNP Group is committed to helping resolve the challenges facing society and contributing to the realization of a more affluent society capable of sustainable growth. DNP is therefore promoting broad-based contributions to realize a better society, not only by offering useful products and services through our business activities, but through effective utilization of our management resources (including personnel, expertise, technology, and facilities); labor-management collaboration; and efforts to coordinate and collaborate with external entities. Furthermore, the DNP Group supports voluntary participation in social contribution activities by employees. Such activities are not only beneficial for society; they help employees grow as persons and actualize their unique potential. As a member of society, the DNP Group will continue striving to address social challenges.


Five Principal Themes

- 

Scope Environmental conservation
Preserving the environment is a critical challenge faced by all of humanity. The DNP Group is grateful for the benefits bestowed by our truly irreplaceable environment. To leave a beautiful environment teeming with life to those who come after us, we promote a wide range of environmental preservation activities including forest and river cleanup activities.

With love for nature
- 

Scope Community and international engagement
To help create security, comfort, and abundance in local communities, the DNP Group promotes a wide range of activities with residents. Because modern lifestyles are deeply linked not only with those living nearby, but to people around the world, DNP adopts a global perspective in its efforts to realize a more secure, comfortable, and affluent society.

With a broad outlook
- 

Scope Nurturing scholarship, promotion of education, encouragement of the next generation, and the development of the information society
Advanced scholarship and the promotion of education are critical if we are to build a sustainable society to benefit future generations. Through its principal business activities, the DNP Group is building a foundation for social development by deploying its accumulated printing and information technologies, as well as its knowledge and expertise, for the benefit of our youth, who will be responsible for the society of the future.

For the next generation
- 

Scope Promoting art and culture
Art and culture are prerequisites for the realization of a spiritually abundant society capable of bringing happiness and inspiration into people's lives. As a printing enterprise, the DNP Group supports advancement of the arts and culture in the field of graphic arts and through the use of printing technology to preserve and disseminate historic cultural properties and images.

For a spiritually rich society
- 

Scope Humanitarian aid and disaster recovery support
The DNP Group will deliver emergency humanitarian aid where it is needed, such as in areas affected by large-scale disasters, armed conflicts, and other circumstances that necessitate aid.

Also taking a humanitarian standpoint



We will support the advance of arts and culture with the goal of a more spiritually abundant society

DNP Kyoto Uzumasa Cultural Heritage Gallery Opens

Printing technology is deeply linked to the evolution of graphic design, as exemplified by posters and printed books. The evolution of printing technology allows greater scope for the creative imagination of graphic designers, and in turn has driven technological innovations in printing to give shape to the ideas of designers. In addition, the technology to digitize and transmit text and images enables the compiling of cultural property archives featuring high-definition still and video images, and new ways of experiencing priceless works. DNP is using these technologies to engage in a new type of cultural activity that is characteristic of DNP. In October 2014, we opened the DNP Kyoto Uzumasa Cultural Heritage Gallery at our Kyoto Plant. Through our Kyoto cultural properties archiving project (see below), our interactive viewing system developed in collaboration with the Louvre Museum for the high-resolution reproduction technology of works of art, and more, DNP's approaches to providing new ways of preserving and appreciating cultural heritage are on exhibit here.

DNP Kyoto Uzumasa Cultural Heritage Gallery
Within DNP Kyoto Plant, 10 Uzumasa Kamikeibuchō, Ukyō-ku, Kyoto
Opening hours: 11:00–19:00 (Saturday until 18:00)
Closed Sundays and holidays
(Free admission)



Room partition painting by Kano Naonobu at Chion-in Temple, reproduced through DNP Denshobi technology



Close up

Kyoto Cultural Property Archive Project

To help ensure that the tangible and intangible cultural properties of Japan's ancient capital of Kyoto are preserved for posterity, DNP launched the Kyoto Cultural Property Archive Project, in collaboration with the Tomorrow's Kyoto Cultural Heritage Platform and Mainichi Broadcasting System, in 2014. The project is currently building a high-definition image archive of cultural properties at 17 UNESCO-recognized shrines, temples, and palaces, including Kamigamo Shrine and Kiyomizu-dera Temple. Through educational activities and events, we are contributing to the passing down of traditional culture.



Press conference for archiving project launch (Kamigamo Shrine)

Stakeholder's Voice

Mainichi Broadcasting System aims to be a "super-regional station" with strong ties to local communities. We are particularly committed to serving viewers in Kyoto, and in 2010 we launched the Kyoto Project Section and boosted our Kyoto-related content on television and radio. The Kyoto Cultural Property Archive Project, which kicked off in 2014, brought together Mainichi Broadcasting, DNP, the Kyoto Buddhist Organization, and cultural property holders. This collaboration strengthened and enhanced the effort and overall organization. DNP and Mainichi Broadcasting collaborated closely on the high-definition digital archiving approach, and gradually, with the cooperation of the owners of these works, we are steadily accumulating a large archive of wonderful images. Going forward, we hope to continue collaborating with DNP on new ways of preserving cultural properties for the greater benefit of society.



Shigeki Abe
Section Manager,
Kyoto Project Section;
Manager, Administration Department,
Mainichi Broadcasting System, Inc.



With love for nature, we are working to preserve the global environment

Tree-Planting Activities in Kitakyushu: Hibikinada Greenbelt Project

Since 2013, the Kurosaki Plant has been participating in tree-planting activities in coordination with a project to plant one million trees around Kitakyushu City, thereby contributing to sustainable social development and preservation of biodiversity. The Japanese government has recognized Kitakyushu as an environmental model city, and the city plans to plant one million trees with cooperation from citizens and the private sector. These trees are projected to absorb 3,700 tons of CO₂ per year, equivalent to the output of 1,500 households.

Participating elementary school students collect acorns and plant seedlings that are then cultivated at our plant. After two to three years of growth, they will then be transplanted.



Tree-planting activities in March 2015



A total of 159 people participated, including employees and their families

DNP's Voice

Each year in March, the Kurosaki Plant manager calls on employees to help plant trees in the Hibikinada district of Kitakyushu. This year was the third consecutive year of activity, with 159 participants. Each year sees a greater number of participants, and family members of employees are welcome to take part. In addition to serving as an opportunity to heighten environmental awareness on the part of employees and their children, it also provides positive memories for families and imparts a concrete experience of the expanding circle of biodiversity preservation. In addition, participants are helping to cultivate violets in the green zone. Violets are a food source for the Indian fritillary butterfly, and cultivating them is intended to reinforce the ecological network in the zone.



Akihiko Nomura
Manager, General Affairs
Section, Kurosaki Plant
DNP Fine Optronics



We are contributing to superior scholarship and education for the development of the next generation

DNP Educational Program: The Wonder of Color

The Wonder of Color is a hands-on learning program that teaches students how color is reproduced through printing. Participants also learn how humans and other creatures perceive and use color.

During FY2014/15, the program was conducted across schools and libraries in Tokyo as well as in Miyagi and Tokushima Prefectures.

In October 2014, DNP also held workshops in conjunction with the UNESCO World Conference on Education for Sustainable Development, held in Aichi Prefecture, and as part of the education program of the Environmental Partnership Organizing Club. As a result, a total of 683 people participated in DNP's FY2014/15 workshops.



A workshop held in January 2015 at a school in Watari, Miyagi Prefecture



With a broad outlook, we will contribute to the development of regional and international society

Supplying a Local Football Club with Uniforms

In 2014, DNP Denmark began supporting CFK, a local football club in Hede-husene. High youth unemployment rates tend to bring higher crime rates in their wake, and to help meet this challenge, CFK was established to give young people from 12 to 30 a way of using their time constructively.

DNP Denmark's support for CFK was sparked by a suggestion from one of our employees as a way of contributing to the local community. Part of our support consists of supplying CFK with much-needed team uniforms, and we plan to continue that support into the future.



DNP Denmark COO Niels Harmannsen (left) presents uniforms to the club



CFK hard at practice

Stakeholder's Voice

Like other European nations, Denmark faces many social challenges, including high youth unemployment and immigration-related tensions. CFK Football Club was founded to help local young people maintain a sound mind in a sound body and provide them with opportunities to socialize and avoid isolation. DNP supports our efforts, and we are very honored by their sponsorship and contribution of uniforms for the team, with a value of 10,000 kroner per year (approximately 1,500 US dollars).



Mustafa Dogan
CFK Representative



We will continue our humanitarian support in disaster areas

Maintaining Local Volunteer Support for Recovery from the Great East Japan Earthquake

DNP believes continued support for recovery from the Great East Japan Earthquake is of utmost importance, and we will continue our efforts to provide support through a range of activities.

Principal activities include the "Tohoku support menu" offered in DNP cafeterias throughout Japan, with proceeds donated to the recovery effort, and ongoing participation in the Reconstruction Agency-sponsored revitalization activities for marine product processing companies and other local industry in Miyagi Prefecture, where DNP has a manufacturing facility. Since 2013, DNP has been dispatching employee volunteers to the affected areas, and in FY2014/15, approximately 60 DNP employees participated in cleaning activities for temporary housing in Ishinomaki as well as support for commercial fishing operations in Minamisanriku.



Volunteer support for commercial fishing in Minamisanriku, Miyagi Prefecture, November 2014

Third-Party Opinion

We received third-party opinions from representatives of the CSR Review Forum-Japan. (See page 8)



Reviewer
Tomohiko Yamaguchi
Joint Representative,
CSR Review Forum Japan



Reviewer
Sachiko Kishimoto
Joint Representative,
CSR Review Forum Japan;
Managing Director,
Public Resources Foundation



Reviewer
Kaori Kuroda
Joint Manager,
CSO Network Japan



Reviewer
Yoko Doi
Amnesty International Japan

1. Efforts to Address Social Challenges

We believe that enterprises seeking to address social challenges can resolve the difficult conflict between economic viability and social responsibility by targeting the economic potential of social responsibility. A standard is needed that weighs both the commercial performance of a business and the degree to which it is succeeding in the resolution of societal issues. DNP's accounting of its engagement with social challenges through its business activities (page 9) is laudable. We would therefore hope to see DNP follow through with these business efforts to address social challenges, with a balance between standards of economic and social benefit. An accounting of results is necessary for the benefit of stakeholders directly affected by such challenges, but a social benefit standard should be extremely helpful for business managers.

2. Four Growth Areas

This year's report introduces DNP's four growth areas. Of particular interest was Knowledge and Communication. Society is well aware that DNP's mission is to utilize books and digital technology to disseminate information. Going forward, we hope DNP will indeed go beyond information to the dissemination of knowledge, emphasizing not only transmission speed and volume but quality, and using a range of media to support the transmission and accumulation of knowledge. This will make DNP's existence even more meaningful.

3. Respect for Employees of DNP and Suppliers

Freedom, impartiality, and safety are fundamental requisites of the workplace as a setting for people. It is clear, through DNP's stakeholder dialog and this report, that DNP is building a structure to create better workplaces by investigating actual conditions, making necessary improvements, and setting policies. Going forward, if investigation uncovers an area requiring improvement, disclosing that problem and the proposed solution, even if

it proves inconvenient, will be important if DNP is to enhance the precision of its policies. Transparent disclosure will spur policy formulation and reinforce trust in DNP on the part of employees and society.

4. Diversity

If an enterprise is serious about having a diverse workforce working in diverse ways, and this intent is felt by its employees, real diversity will follow. We hope to see DNP introduce policies that affirm that intention, while further expanding its existing policy of female participation in management into a comprehensive policy of diversity promotion, because a diverse society is one in which knowledge and culture thrive. DNP has always had deep involvement in knowledge and culture, and its clear indications of openness to diversity, both internally and externally, are extremely meaningful.

5. CSR Plan Execution

This year, the DNP CSR Report achieved a new level of specificity regarding plans and their fulfillment (pages 9–14). This represents progress, and we hope DNP will continue to press forward in this direction. At the same time, in certain instances we were presented with a simple statement that a planned action had taken place, without additional details. For example, we are told that meetings took place to identify human rights risks. Knowing what specific results came out of these meetings would better encourage *TAIWA* with stakeholders and result in effective measures.

6. Global Expansion (pages 21–24)

The report has two Key to Global Expansion segments (pages 22 and 23). These were excellent examples of adopting the standpoint of people in the highlighted local spheres of operation. Making this approach an element of policy may be advisable.

A Message from the CSR Committee Chairman



Kunikazu Akishige
CSR Committee Chairman,
Managing Director

I am convinced that DNP's existence as an enterprise depends critically on its efforts to address social challenges through its business. This report therefore strives to highlight how DNP is using its strengths to create new value that helps address social challenges. To provide a more in-depth accounting, we elected to profile two of DNP's four growth areas: Knowledge and Communication, and Food and Healthcare.

In the section on Knowledge and Communication, we introduced DNP's efforts to provide tools combining the advantages of digital and analog to solve challenges in the classroom and enhance the quality of education. DNP has long striven to make contributions to knowledge through its printing business. Going forward, however, we will be promoting hybrid approaches incorporating information and communications technology.

In the section on Food and Healthcare, we profiled DNP's activities in the field of life science. As the aging of society progresses and people increasingly seek to achieve a healthy old age, DNP is using its advanced printing technologies as a basis for active efforts to

support this goal while collaborating with enterprises and major medical research entities.

In January 2015, DNP embarked on yet another new approach, holding a dialog with stakeholders and the CSR Review Forum-Japan (CRF), an organization comprised of experts in the field of CSR. The session facilitated active communication regarding DNP's overall CSR activities, with participation from DNP employees with CSR responsibilities at head office divisions.

During the dialog, the CRF noted the significance of our Knowledge and Communication growth area with regard to DNP's purpose of existence and expressed hope that DNP would continue to support the dissemination and accumulation of knowledge. These comments renewed my awareness of the importance of this area, and gave me a keen sense of our corporate responsibility. We also received useful comments concerning areas where further efforts are needed. It was an extremely productive meeting for us.

Going forward, DNP will continue to consider the best ways to fulfill its social responsibilities and achieve sustainability, valuing our own approaches while attending carefully to input from our diverse community of stakeholders. If you would like further information, I invite you to visit our website.

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