

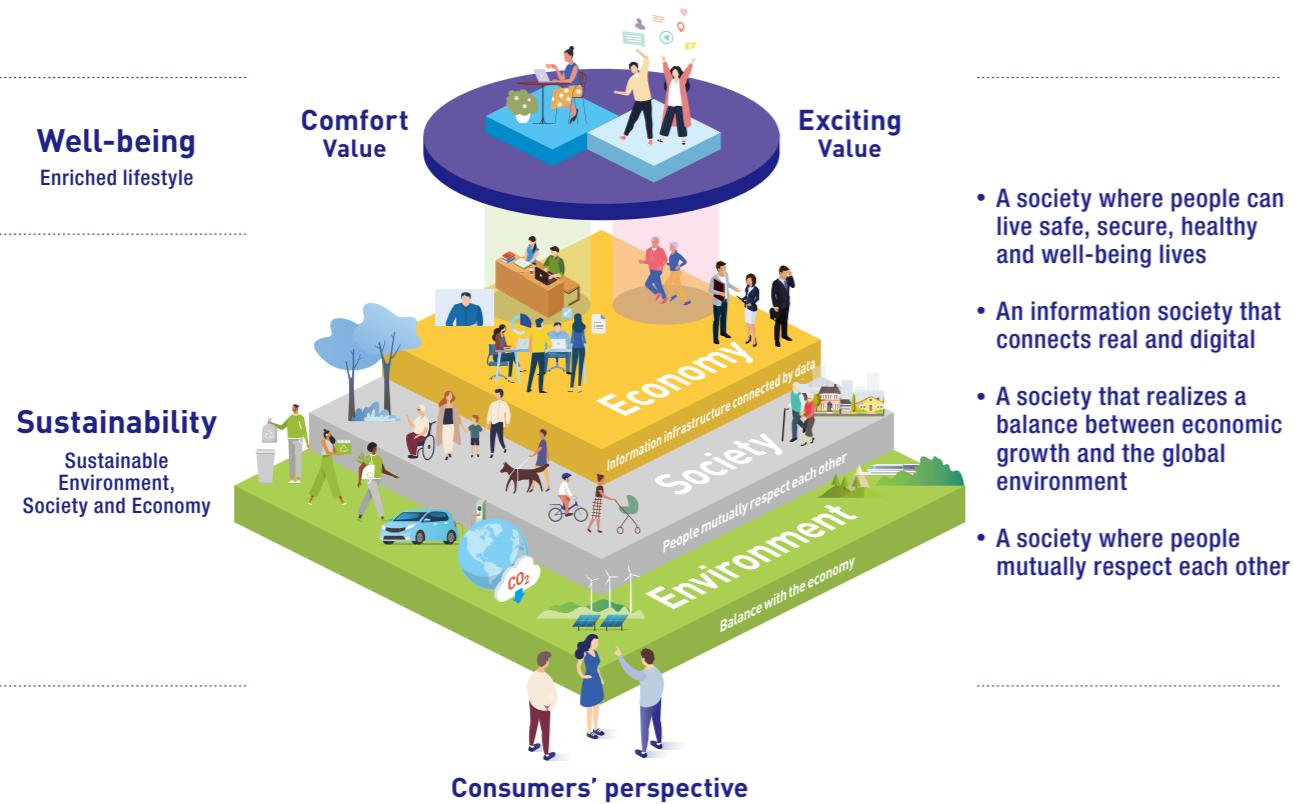
Identifying Materiality

DNP believes that a healthy society and economy as well as comfortable and well-being lives for people can only be achieved on a sustainable earth. Toward realizing the “better future” envisioned by DNP, we will identify key issues (materiality) for the sustainable growth of both society and DNP.

In identifying materiality, DNP comprehensively ascertains social issues, identifies and evaluates medium- to-long-term risks (variable factors) for DNP in undertaking business activities, and identifies and prioritizes social issues with high materiality for DNP, society and stakeholders.

Additionally, to create value and strengthen the management foundation that supports value creation, we have selected “CSR Management Principal Themes” (pages 62-63) and are progressing with efforts to strengthen management across the entire supply chain.

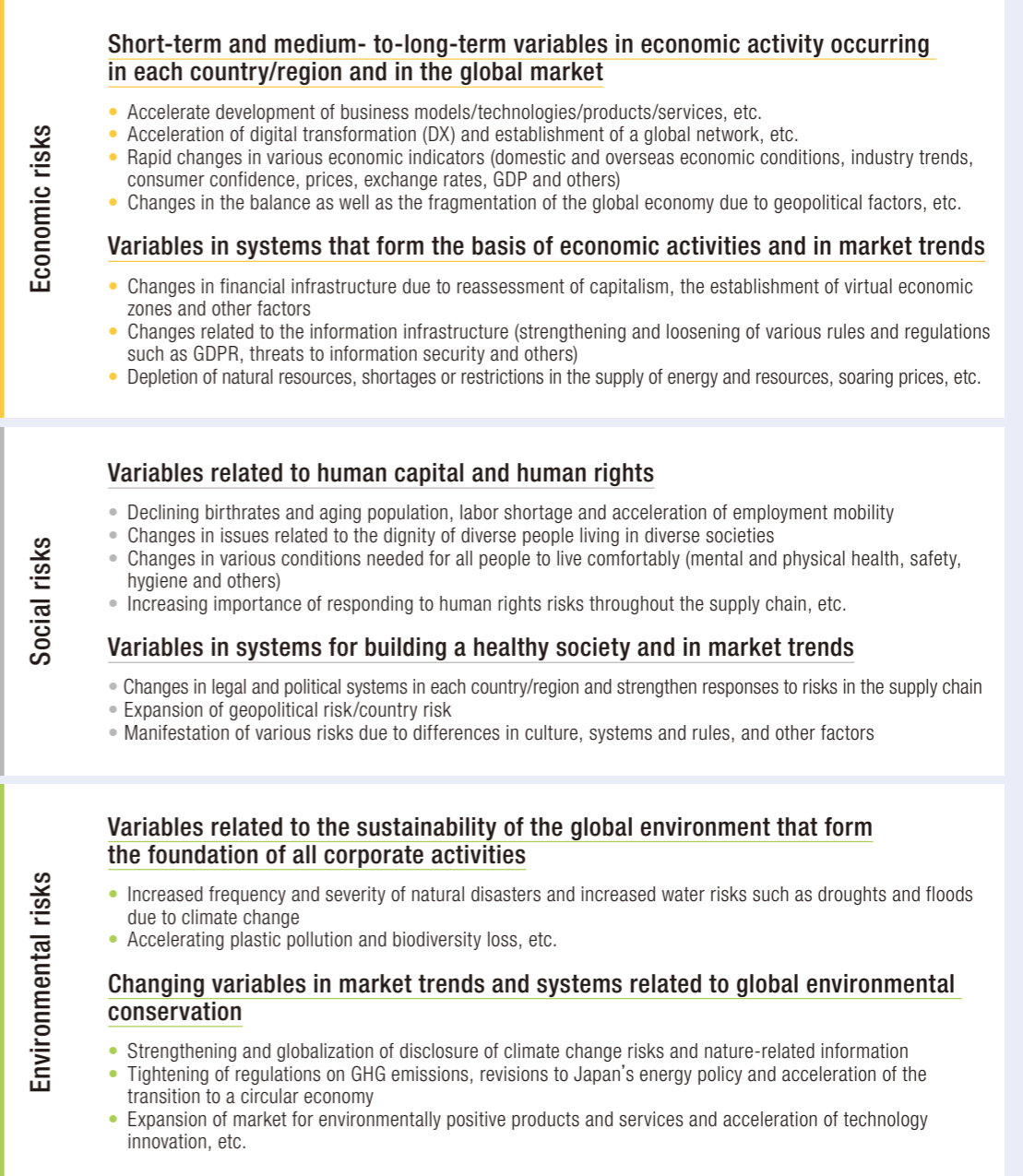
A “better future” aimed for by DNP



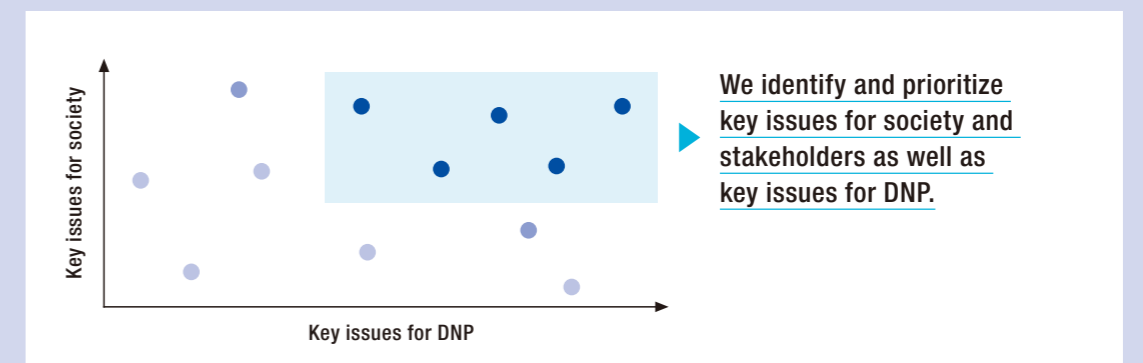
Process for identifying materiality



Identifying and analyzing risks (variables) closely associated with DNP's business activities



Prioritization of issues



DNP's Value Creation Process

DNP recognizes it has a mission of creating a better future in keeping with its corporate statement "Creating future standards." To fulfill this mission, DNP will accurately identify and analyze changes and issues in the environment, society and economy, draw the shape of the future hoped for by people throughout the world and then continuously create indispensable value that exists as future standards.

The DNP Group operates a business model that utilizes inputs such as diverse management resources and appropriate and important information entrusted by domestic and overseas companies, organizations and consumers and delivers the value (outcome) that is created by the output of products and services to the most-suitable partners. By building on the achievements of this model and ensuring these continuously have a positive impact on the environment, society and economy, we will realize a sustainable, better society and well-being lives.

Risks & business opportunities/
Input/Management resources

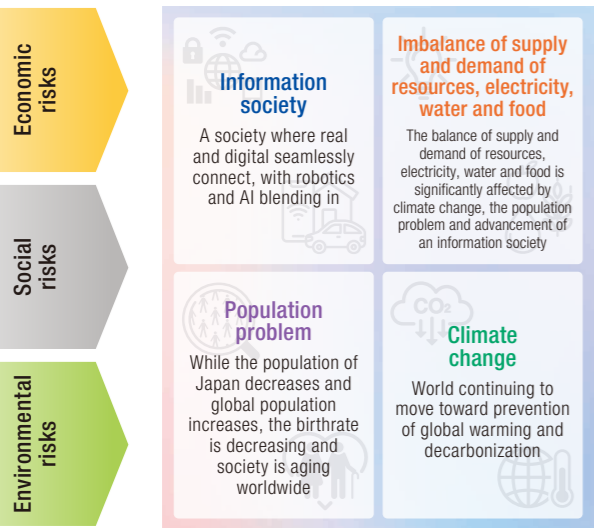
Business Strategy/Business model/

Output: products and services

Outcome
Value for people / Impact
Impact on the environment,
society and economy

Social issues that will be solved by DNP

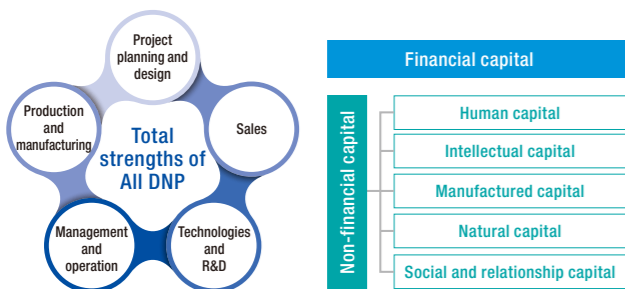
Social Issues & Megatrends



INPUT (management resources)

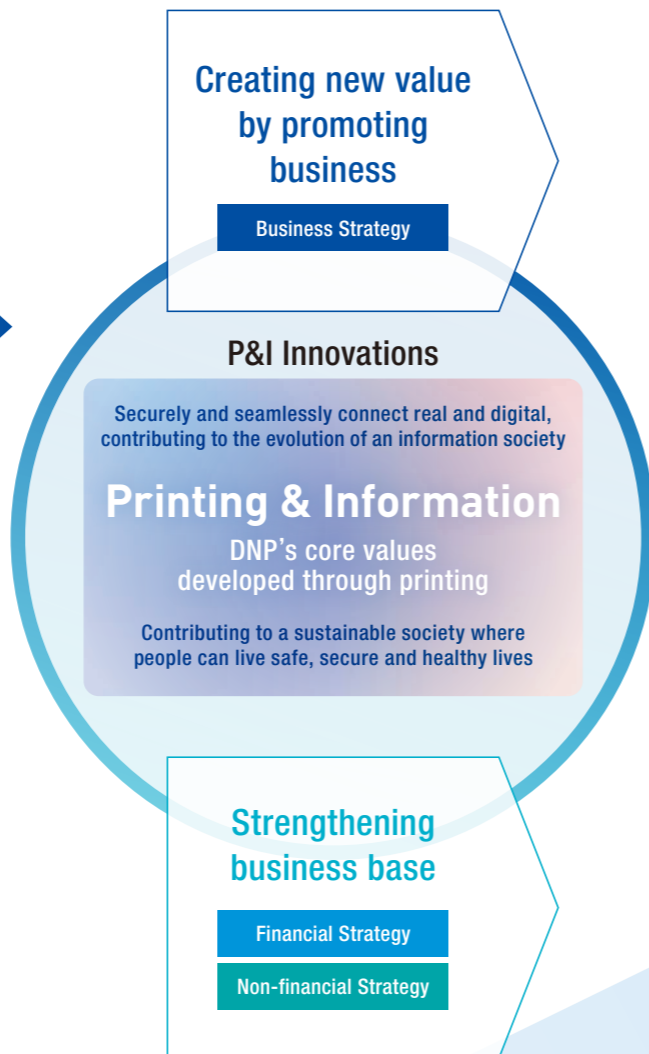
Utilize various types of content (text, images, video, audio) and confidential information and important information backed by the strong relationships of trust built with companies, organizations and consumers in Japan and overseas and our highly advanced information security infrastructure.

- Create new value by synergizing the DNP Group's diverse strengths and assets, which serve as our business base
- Integrated usage of financial capital and non-financial capital
- Generate funds for growth investment through corporate activities



Business model

The DNP Group aims to realize a sustainable society, and its corporate philosophy is to connect individuals and society and provide new value. Based on this philosophy, DNP will conduct business activities that create a better future with a long-term view in order to realize a sustainable, better society and well-being lives.



New value creation

The DNP Group will create sustained business value and shareholder value, with an ROE target of 10% and expedite achieving a PBR of more than 1.0X.



The "better future" aimed for DNP

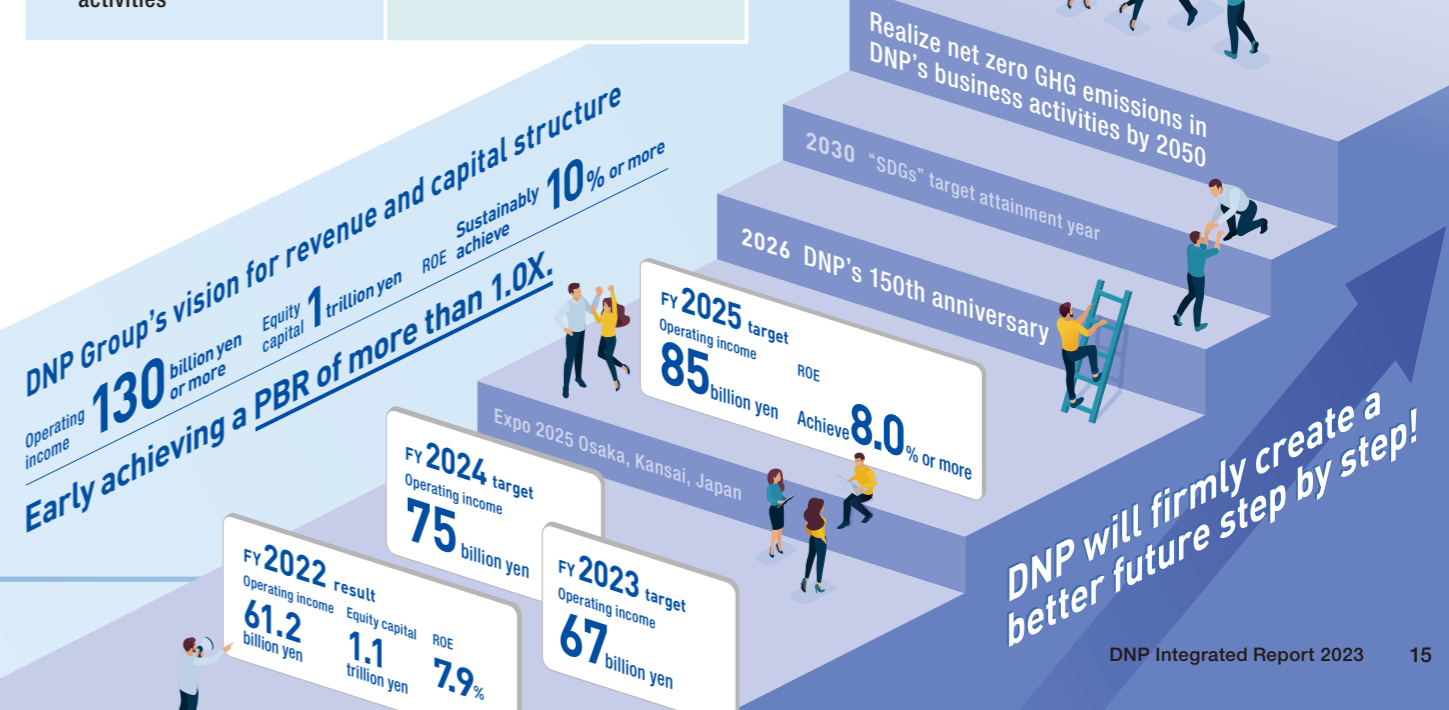
Brand Statement

Creating future standards

Well-being lives
Enriched lifestyle



Sustainability
Sustainable, better society



DNP's Strengths Beginning with Technologies

Creating new value by combining diverse strengths

We are constantly refining our most advanced technologies, such as microfabrication, precision coating and post-processing, based on printing processes, which is the basis of manufacturing, as well as planning and design, information processing, materials development and assessment and analysis. These in turn create synergies with our know-how in sales, planning, manufacturing, management and other practices, as well as with our partners' strengths, to create new value.

Especially for the promotion of DX, we will leverage DNP's hybrid strengths in both analog and digital technology, reality and

virtual reality, manufacturing and services. (See pages 54 and 55.)

We are also strengthening collaboration with diverse external partners to speed up value creation. There are endless such ways in which our strengths can be combined, and we will continue to pursue the many possibilities to achieve a better future.

DNP's unique strengths that it has advanced in both P&I (Printing & Information) are unmatched by any other company. By deploying the total strengths of All DNP, we will create unprecedented value that is indispensable to people and society.

1 Strengths such as P&I technology



2 Ability to create new value

Anticipate the future and quickly provide the value created by applying our own technologies to the entire world

Foresight to find value

Foresight to perceive future potential
Develop products and services from the two time perspectives of 10 years in the future and the present

Application capabilities to create value

Ability to apply our own technologies and shift this to other applications

Sales capabilities to expand value

Globally deploy business models established domestically

No.1 global share
No.1 domestic share

3 Foundation cultivated in the printing business

Highly functional products and services and relationships of trust with business partners and customers

Information gathering capabilities

Relationships of trust with tens of thousands of business partners and customers and useful information obtained from these relationships

Pursuit of functionality

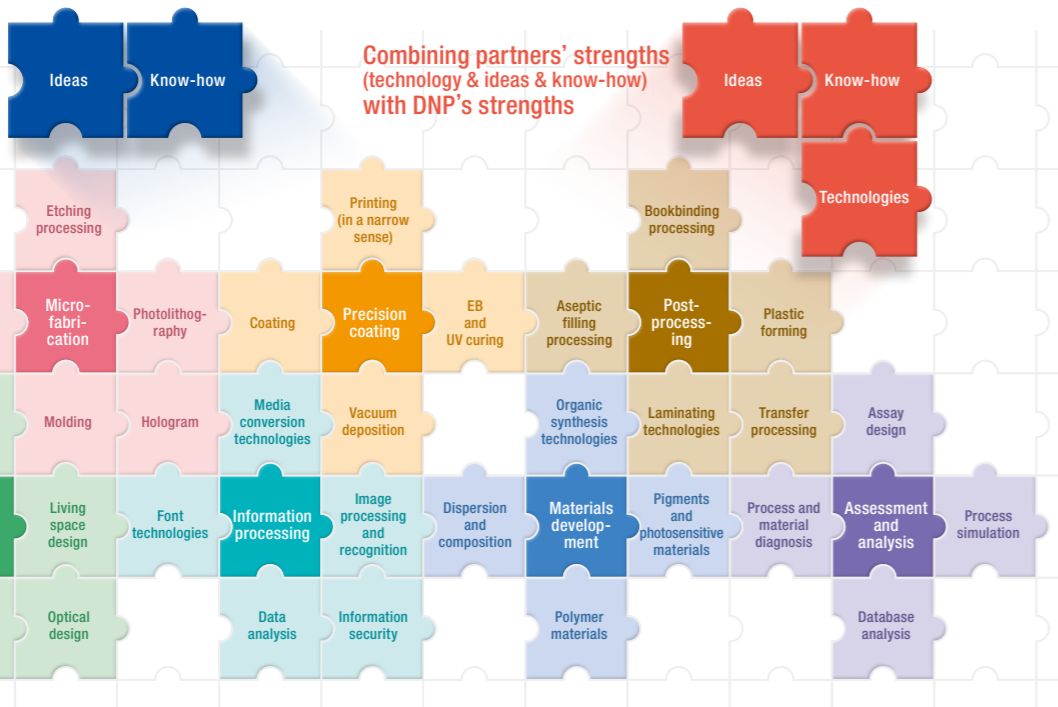
Create new functionality and value based on the technologies cultivated in the printing process

Cultivate and deepen development capabilities

Form a wide range of business areas through repeated "cultivation" and "deepening"

DNP's P&I technologies

Combining DNP's diverse ideas and know-how with technology



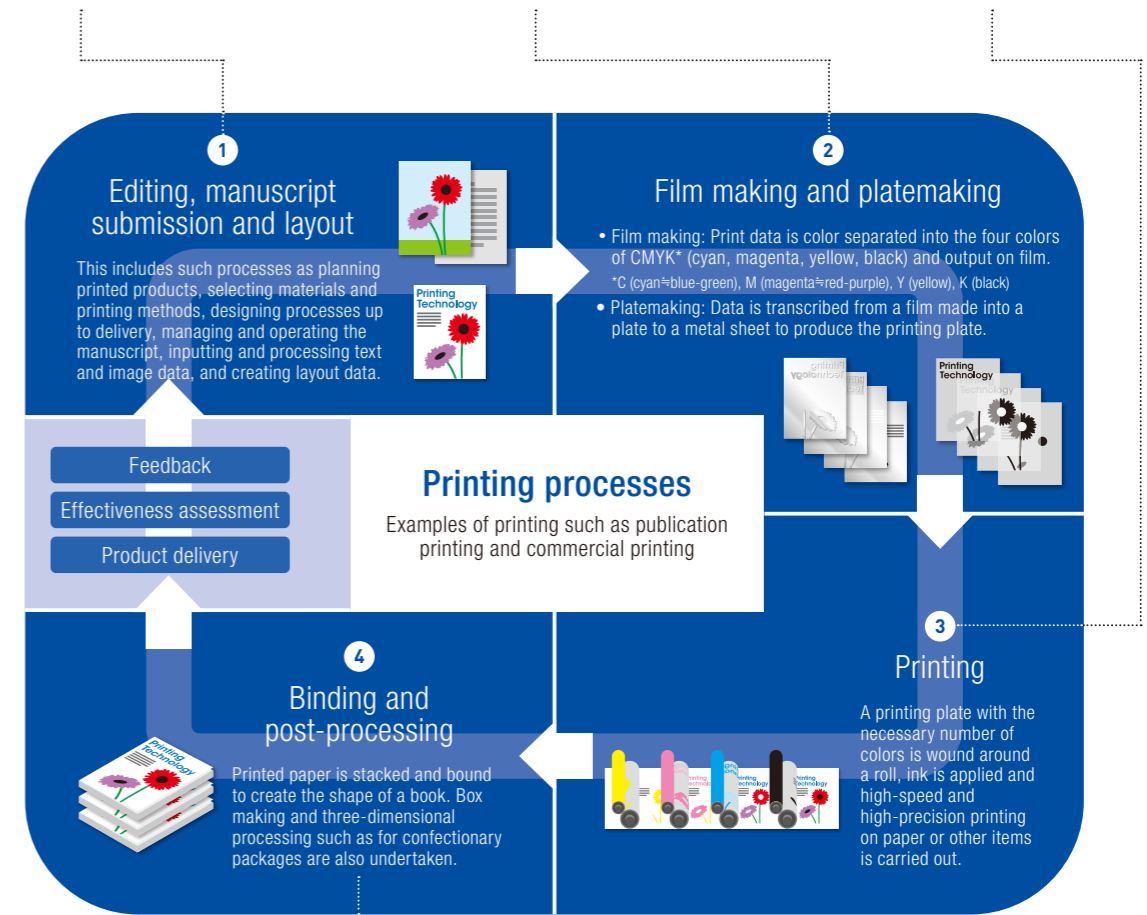
Technologies cultivated through printing processes



DNP plans and designs a process suited to the desired layout. DNP continuously handles large volumes of text, still images, videos, voice and other data and arranges data formats and color tones, and also undertakes processing and storage. DNP is raising its know-how for safely and properly handling large volumes of data as it expands into various types of important information processing and analysis and security technologies.

In the printing process, extremely minute processing is performed to ensure that halftone dots of printed ink are difficult to discern with the naked eye. We have further advanced this technology to enable microfabrication for such substrates as metals, glass and plastics. This technology is being applied in numerous leading-edge electronics products and in such fields as hologram anti-counterfeiting and security.

Precision coating is a technology that forms a coating film on materials with a variety of features, in either single or multilayers, in a homogenous and uniform manner on the surface of substrates such as paper as well as plastic film, metal and glass. A variety of functions that include optical and barrier properties and heat resistance can be added, giving this technology widespread applications in such areas as packaging and building materials, photographic print materials, battery materials and optical films.



Post-processing technologies are derived from various processes that follow printing, such as bookbinding. These technologies are applied to make printed products easy to use and suitable for the purpose of the finished product and are also outstanding for use in three-dimensional processing such as die cutting and assembly. These technologies have enabled the creation of packaging for such items as foods, beverages and daily necessities; the development of systems for the aseptic filling of contents; and the inspection, measurement and analysis of various products.

This technology, which works to synthesize, disperse and mix materials, is applied in the design and manufacture of materials such as ink, adhesives, photosensitive materials, coatings, etc. In order to maximize performance as the printing accuracy becomes sophisticated and products become highly functional and diversified, the development process begins with materials.

Through analysis of the manufacturing process, this technology boosts productivity, consistency of product quality, improvement of the work environment and more. Incorporating elements of theory in the latest sensing technology, we find mechanisms to identify the materials and processes impacting product quality, as well as to realize functionality and performance.