



Sanoken

Gaining Society's Trust by Deepening *TAIWA*

The effects of the US financial crisis rippled throughout the global economy in the latter half of 2008. The Japanese economy was also hit hard, causing sudden decreases in demand across many sectors and deepening the economic slump. While we remain concerned about the possible protraction of this situation, at the same time the current crisis appears to be bringing about a transformation of the overall social framework, which will usher in a new kind of economic cycle different from that experienced up to now- what is referred to as a "paradigm shift."

While DNP continues as ever to strive to use our unique technologies and know-how in our P&I Solutions efforts to resolve issues faced by our customers and to create new values, I believe that we must assume an even more prominent role in such times of intense change. This report introduces DNP's ever-widening application of printing technology in fields that at first glance might seem to have no connection to printing, such as energy and life science. DNP will continue to use the technologies and know-how developed over many years in many more areas as well. In fact I believe that there is no limit to the fields in which we can play a useful role.

One of the most important aspects of creating strategies for addressing new issues faced by society is *TAIWA* (Japanese for "dialogue"). *TAIWA* is indispensable to gaining a firm understanding of what our wide variety of stakeholders, including customers and consumers, find unsatisfactory, as well as of what they desire. Deeper *TAIWA* in all of our company's internal processes is the key to issue resolution. *TAIWA* enables us to offer solutions corresponding to new social

structures, and I believe that the taking of a more prominent role in society is the starting point of DNP's CSR.



The Hokkaido Toyako Summit held in June 2008 was the stage for discussions of responses to the issue of climate change and the roles to be played by each country. The course toward the goal of achieving a low-carbon society was set. Next, the COP15 United Nations Climate Change Conference is to be held in December 2009 with the goal of establishing a new framework to be employed beginning in 2013, by which time the period covered by the Kyoto Protocol will have expired. International organizations, countries, regional governments, corporations, and even individuals will each be called upon to engage in sincere efforts within the new framework for addressing this global environmental issue.

Firming up one's own environmental policies is an important first step toward ensuring a smooth response to environmental issues, and DNP is working hard to gain significant results while continually revising the targets of our efforts. We are moving forward with per-unit CO₂ emissions controls as well as management aimed at reducing total emissions in our efforts to prevent global warming. We continued to make progress during the past fiscal year in making the switch from oil to fuels such as city gas and LNG (liquid natural gas). This switch promises great results in reducing our CO₂ emissions volume.

While we continue to seek to reduce VOCs as part of our efforts to cut chemical substance emissions, henceforth ever-



President *Yoshitaka Tajima*

stricter controls on toxic substances in products will be required through REACH and other programs. Therefore, the management of chemical substances throughout the entire supply chain is necessary. It is against a backdrop of such concerns that DNP has been pouring efforts into CSR Procurement, which we inaugurated in 2006.

DNP has sought to resolve environmental issues not only by the management of our production processes, but also by emphasizing the development of businesses and products that contribute to environmental impact reduction. DNP has long been involved in energy-related businesses, such as the development of promising reusable energy technologies such as photovoltaic cells. In January 2009 we expanded our involvement in this field by inaugurating our Energy Systems Operations. In addition, we are engaged in developing and offering environmentally conscious products in the majority of our business segments.

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I believe there is nothing more important to creating new value in response to changes in the work environment than the establishment of an energetic, open workplace in which employees can exchange ideas freely and actively take on new challenges. DNP is currently working to change employee work habits from the ground up, making the transformation to a way of working that is more highly efficient, productive, and self-directed than before. DNP is striving to apply this transformation to all DNP Group employees, so that we can realize both the sustainable development of the Group and rich, rewarding lives for our employees. Our goal is for each

employee to use time resources efficiently, and to create a full work/life balance.

We are also emphasizing diversity, as represented by our “Female Employee Active Support.” Diversity efforts encourage employees to respect each other’s values, and to work together to improve work results, maximizing the efforts of each individual employee. In addition, we believe that an organization made up of an active, diverse workforce is capable of responding more quickly to changes in society.

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DNP established the Corporate Ethics Committee and enacted the DNP Group Corporate Pledge in 1992. We have continued to work hard to create compliance awareness in our employees. While compliance is generally understood to mean legal compliance, we see the upholding of laws and regulations as a given, and therefore take compliance to also include gaining trust by meeting the expectations of society.

The Financial Instruments and Exchange Law passed in 2008 requires that all listed companies prepare and file an “Internal Control Report.” In 2005, DNP inaugurated our Project Team for the creation of an internal control system based on our efforts thus far, after which we proceeded to set up and improve such a system. Our internal control system had its first test run in March 2008, and began full operations the following April.

DNP will continue to conduct all of our operational processes sincerely and with full accountability, so as to meet our goal of remaining a highly transparent company that earns the trust of society.

DNP Corporate Profile (as of March 31, 2009)

Company Name	Dai Nippon Printing Co., Ltd.	Established	October 1876
		Capital	114.464 billion yen
Head Office	1-1, Ichigaya-Kagacho 1-chome Shinjuku-ku, Tokyo 162-8001, Japan Tel: +81-3-3266-2111 URL http://www.dnp.co.jp/ E-mail: info@mail.dnp.co.jp	Employees	9,852 (Non-consolidated) 40,317 (Consolidated)
		Sales Office	52 locations in Japan 21 locations overseas (including local affiliates)
		Main Plants	58 domestic plants 9 overseas plants (including affiliates)
		R&D Facilities	14 locations in Japan

Editorial Policy

- The matters discussed in this Report are arranged according to two categories, "Matters of Importance to Society" and "Matters of Importance to DNP." The Report focuses on matters of strong importance both to society and to DNP. Please refer to our website (<http://www.dnp.co.jp/eng/csr>) for related information not contained in this report

We examined the following in making our selection:

- Opinions and requests expressed by readers of the 2008 report
- 10 question categories in the CSR Survey executed by media organizations and others * and SRI (Socially Responsible Investment)
- The 10 Principles of the UN Global Compact
- Social issues comprising the framework of ISO26000 (pending)
- Social issues listed in the GRI Guideline

[Matters of Importance to DNP]

These are items considered important based upon the DNP Management Concept/Vision for the 21st Century and the DNP Group Code of Conduct.

Report Categories

DNP Management Concept/Vision for the 21st Century and the DNP Group Code of conduct	P7-11
Communication with stakeholders	P12
Corporate governance	P13-14
Business contributing to the resolution of social issues	P21-28
Compliance with laws and social ethics	P29-30
Information security and personal information protection	P31-32
Promotion of social responsibility in the supply chain	P33
Proper disclosure of information	P34
Realization of a 'universal society'	P35-36
Ensuring the safety and quality of our products and services	P37-38
Creating a vibrant workplace	P39-46
Social contribution as a corporate citizen	P47-51
Environmental conservation and realizing a sustainable society	P52-71

*Sustainable Asset Management, Ethical Investment Research Services, Carbon Disclosure Project, Center for Public Resources Development, The Japan Research Institute, Limited, The Good Bankers Co., Ltd., Integrex Inc., Mitsubishi UFJ Research and Consulting Co., Ltd., Nikkei Inc.

- With the goal of ensuring objectivity in the evaluation of our activities, we have enlisted the comments of Co-Chair Saburo Kato of the Japan Association of Environment and Society for the 21st Century concerning the content of this Report. In addition, we have elicited stakeholder comments concerning individual matters.
- We have sought to provide a clearer picture of these activities by including the words of those actually in charge of the various efforts.
- To ensure the reliability of the information in our "Environmental Performance" section, we submitted it to a third-party review conducted by the Ernst & Young ShinNihon Sustainability Institute Co., Ltd. Also, the report was granted the Environmental Report Assurance and Registration Mark according to the "Environmental Report Assurance and Registration Mark Standards" established by the Association of Assurance Organizations for Sustainability Information.
- In compiling this report, we have referred to the Global Reporting Initiative's "Sustainability Reporting Guidelines Version 3.0" and the Japanese Ministry of the Environment's "Environmental Reporting Guidelines (2007 edition)," and have sought to disclose the important environmental data necessary to environmental report certification.

[Period covered by this report]

This report focuses on the period from April 1, 2008 through March 31, 2009. In some instances, the reporting of information about important items not occurring within that period may also be included.

[Divisions covered]

This report covers the CSR efforts of all companies and divisions in the DNP Group. The data in the environmental section is compiled from a total of 60 sites in 46 of the companies included in the Group's consolidated financial accounting, including all 44 of our domestic manufacturing companies, one distribution company, one in-company food service company, and one equity method affiliate.

DNP Group CSR Report 2009

Viewing Data on Our Website

Click here for related information <http://www.dnp.co.jp/csr/2009/35e.pdf>

When the **+** **Related information** mark is located to the right of the category title, related data not provided for this item in this report can be found at the DNP homepage.

Web [DNP Universal Design](http://www.dnp.co.jp/ud/) <http://www.dnp.co.jp/ud/>

We provide URLs for special homepages created for report items.



PDF-format Reports

Clicking on the mark or URL opens up a separate webpage displaying the related data.



Printed Reports

The related data is displayed by entering the URL provided in the Internet browser address field.

About the Cover



Kenjiro Sano, Art Director

Does advertising design, character design, and product development in Japan and abroad. Major projects include "The Collagen" promotion for the cosmetics manufacturer Shiseido Co., Ltd., the "LISMO" promotion for telecommunications carrier KDDI Inc., a package design for food manufacturer Mizkan Group Corp.'s "Torotto" brand of fermented soybeans (natto), and a Rolling Stones T-shirt design.
www.mr-design.jp

I am ashamed to admit that this was the first I'd heard that "CSR" is the abbreviation for "Corporate Social Responsibility." It is vital that companies seek not only to make profits, but also to uphold their social responsibilities. Still, I found it very difficult to come up with a visualization of the concept of "responsibility." After a lot of agonizing, I came up with the visual effect of the "C" in "Corporate" kindly sheltering the "SR," which conveys the desire that companies always extend a helping hand toward society. I'm hoping this causes people to take interest and pick up a copy of this report.

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Financial Data

(FY ending March 2009)

The business of the DNP Group is made up of our Printing Operations and Beverages Operations.

Printing encompasses a wide range of operations. These include the Information Communication segment, made up of operations such as publishing/commercial printing, Smart cards, and network businesses; the Lifestyle and Industrial Supplies segment, which includes packaging, decorative materials, information media supplies and industrial supplies; and the Electronics segment, which includes display components and electronics devices.

Beverages operations involve the production and marketing of Coca-Cola and juices, mainly through Hokkaido Coca-Cola Bottling.

At the base of our printing operations lies the vision of P&I Solutions. DNP is working to provide customers with solutions combining the printing technologies it has cultivated since its founding with the information technologies that have advanced so rapidly in recent years.

In addition to developing our business and offering products and services corresponding to customer needs, in FY2008 we made Group-wide efforts to reduce costs through our "Production 21" activities, working hard to maintain our business results.

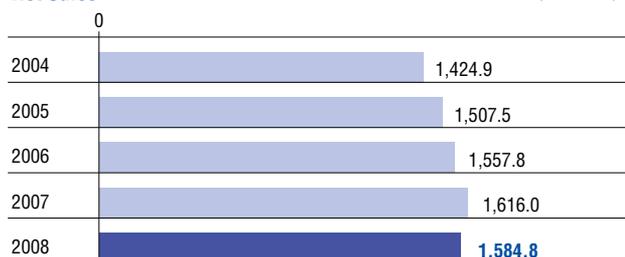
As a result, consolidated sales for the term were ¥1,584.8 billion, with consolidated revenues of ¥46.1 billion and consolidated profits of ¥47.3 billion. As a result of losses due to the impairment of fixed assets of ¥50.6 billion, mainly in the Electronics Segment, and losses from the devaluation of investments in securities of ¥13.6 billion, the DNP Group booked a consolidated term net loss of ¥20.9 billion.

DNP Group's Consolidated Business Results (FY ending March 2009)

Net sales	¥1,584.8 billion	(down 1.9% over the previous term)
Net operating Income	¥46.1 billion	(down 47.0% over the previous term)
Ordinary Income	¥47.3 billion	(down 45.2% over the previous term)
Net loss	-¥20.9 billion	(Prior term net profit of ¥45.1 billion)

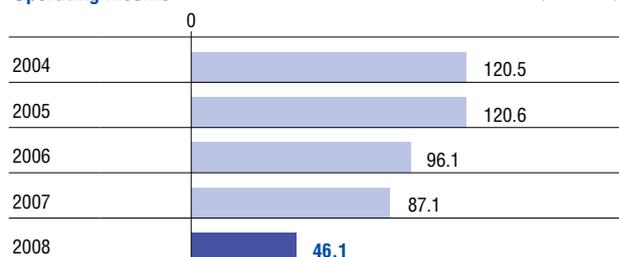
Net Sales

(Yen billions)



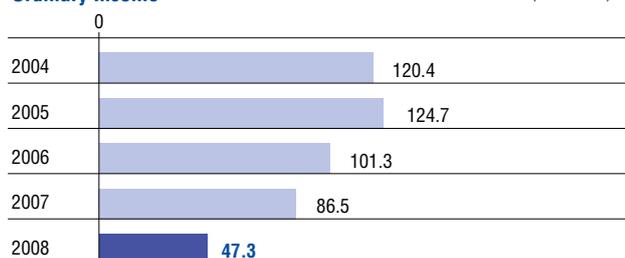
Operating Income

(Yen billions)



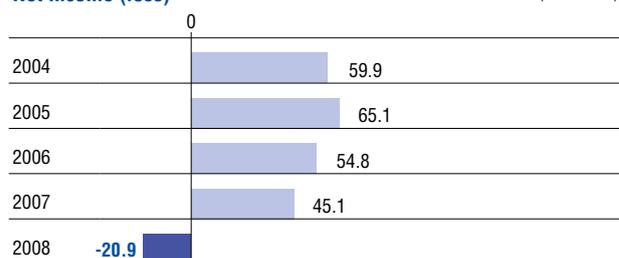
Ordinary Income

(Yen billions)



Net Income (loss)

(Yen billions)



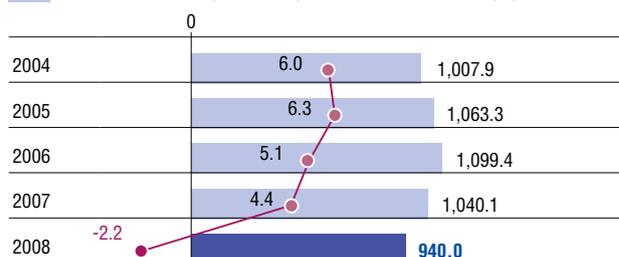
Total Assets/ROA*

Bar chart: Total Assets (Yen billions) Line chart: ROA (%)



Net Assets/ROE*

Bar chart: Net Assets (Yen billions) Line chart: ROE (%)

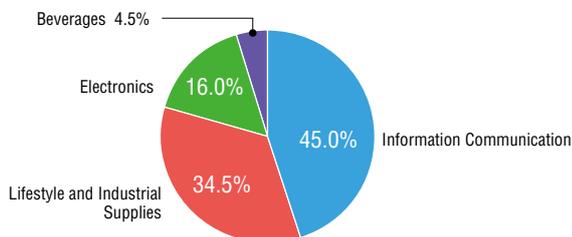


*ROA is calculated using recurring profits.

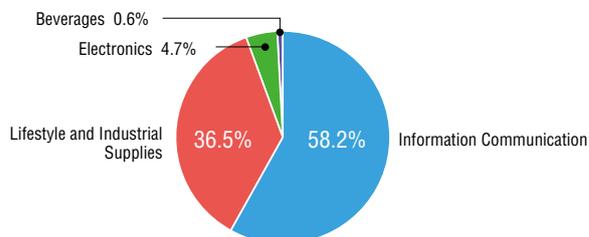
*ROE is calculated using current net profits.

Segment Results (FY ending March 2009)

Sales distribution

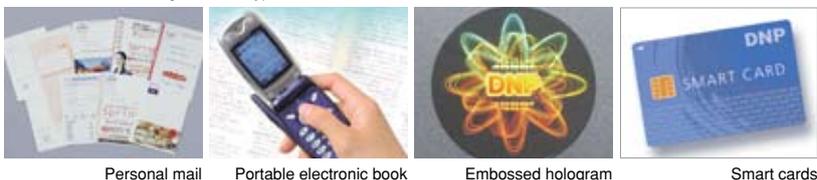


Operating Income distribution



Information Communication

Books and periodicals: Magazines, books, etc.
 Commercial printing: Catalogs, pamphlets, posters, flyers, POP, event plans, etc.
 Business forms: Passbooks, various types of cards, IPS (Contract service for personal printing and sending through data entry), etc.



Year	Net sales (Yen billions)	Operating Income (Yen billions)
2004	640.6	49.3
2005	662.4	51.0
2006	668.8	50.9
2007	679.8	43.0
2008	718.4	31.6

Lifestyle and Industrial Supplies

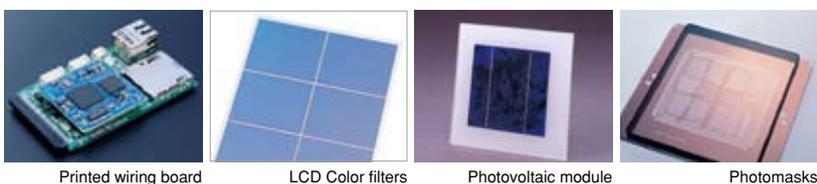
Packaging: Container packaging materials and sterile filling systems for food, beverage, confectionery, daily necessities, medical and other products
 Lifestyle Materials: Exterior and interior finishing material for homes, furniture, etc.; decorative sheet metal; etc.
 Industrial supplies: Optical film for displays, printer ink ribbons, bar code ink ribbons, color printer paper, etc.



Year	Net sales (Yen billions)	Operating Income (Yen billions)
2004	449.9	36.0
2005	479.9	37.5
2006	532.7	36.2
2007	555.7	31.8
2008	551.8	19.9

Electronics

Display Products: Color filters for LCD displays, components for organic electroluminescence displays, etc.
 Electronic devices: Semiconductor photomasks, lead frames, package substrate, MEMS products, etc.



Year	Net sales (Yen billions)	Operating Income (Yen billions)
2004	269.6	39.6
2005	296.7	37.8
2006	291.9	14.8
2007	322.3	19.8
2008	255.9	2.5

Beverages

Production and marketing of beverages through Hokkaido Coca-Cola Bottling.



Year	Net sales (Yen billions)	Operating Income (Yen billions)
2004	72.9	1.6
2005	76.4	0.2
2006	74.1	0.6
2007	73.4	1.3
2008	71.7	0.3

Printing

Beverages

Our Fundamental CSR Philosophy

To Remain a Trusted Company

DNP was founded as “Shueisha,” in 1876.

As the first full-scale printing company in Japan, Shueisha sought to make Western literature widely available in Japan through its printing business.

The Shueisha company regulations state that the company’s business is the “development of business for civilization.”

This expression of the desire to contribute to the development of society by conducting business which contributes to the modernization of Japan is indeed our founding concept.

This desire was handed down to those who followed at DNP, and we have kept it alive over the more than 130 years since our founding.

The desire to contribute to society is inherent in the “DNP Group Vision for the 21st Century,” and has become the fundamental philosophy of DNP’s CSR efforts as we venture into the 21st Century.

Contributing to the Development of Society through Our Business



DNP’s mission since its founding has been to contribute to the development of society through our business. Founded in 1876, DNP immediately began using metallic letterpress printing, which was the leading-edge printing technology at that time, to print books and magazines, taking on the important task of introducing new culture to Japan as it entered a period of historic change. The Shueitai type produced and sold by the company at that time became the indispensable typeface for books and magazines, and supported the publishing business. The Shueitai type continued to be revised and improved to benefit the times, and has become popular through its use over many years in improving the quality of publications. Shueitai continues to be used at present as a digital font.

The Starting Point for DNP Group CSR

The Three Corporate Responsibilities

We at the DNP Group believe that the most important of the responsibilities of a corporation to society is “providing value to society.” We must make a connection between the offering of products and services necessary to the sustainable development of a society and the growth of the company. The DNP Group fulfills this primary responsibility by finding solutions to the issues confronted by our customers and society through the promotion of our P&I Solutions Business Vision.

Next is the corporate responsibility for 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 during the value creation process or laws are broken. Therefore, the DNP Group seeks to fulfill this responsibility by ensuring that all employees “always conduct business with integrity” in accordance with the DNP Group Code of Conduct.

Finally, the third vital corporate responsibility is “accountability.” The DNP Group seeks to fulfill this responsibility by encouraging all employees to engage in *TAIWA* with stakeholders during the course of their regular duties. Moreover, the DNP Group provides accurate information to stakeholders as a matter of course.

So as to Continue Being a Trusted Company

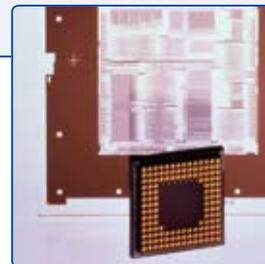
CSR (Corporate Social Responsibility) is generally defined as “the responsibilities of a corporation to society,” but we at the DNP Group go further, viewing CSR as “being a company that is trusted by society.”

By simultaneously meeting the three vital corporate responsibilities – “Value Creation,” “Integrity In Conduct,” and “Transparency (Accountability)” – we seek to continue being a trusted company.

Creating New Value through “Expansion Printing”

DNP has continuously contributed to the development of society by offering value. A major impetus for great strides in development was our entry into a variety of other fields in the 1950’s through “expansion printing,” when we expanded the application of the book and magazine printing technologies developed since our founding to the creation of other products vital to people’s lives, such as packaging, interior materials, and electronics parts. Such products contribute to the wealth of society, and nowadays people use them as a matter of course.

The 21st Century DNP Group seeks to work from its “expansion printing” foundation to synthesize printing and information technologies and put our expertise and know-how to use in providing solutions across a variety of industries. This enables DNP to remain a company that earns society’s trust by offering solutions that provide new values to the emergently evolving 21st Century society.



Our Fundamental CSR Philosophy

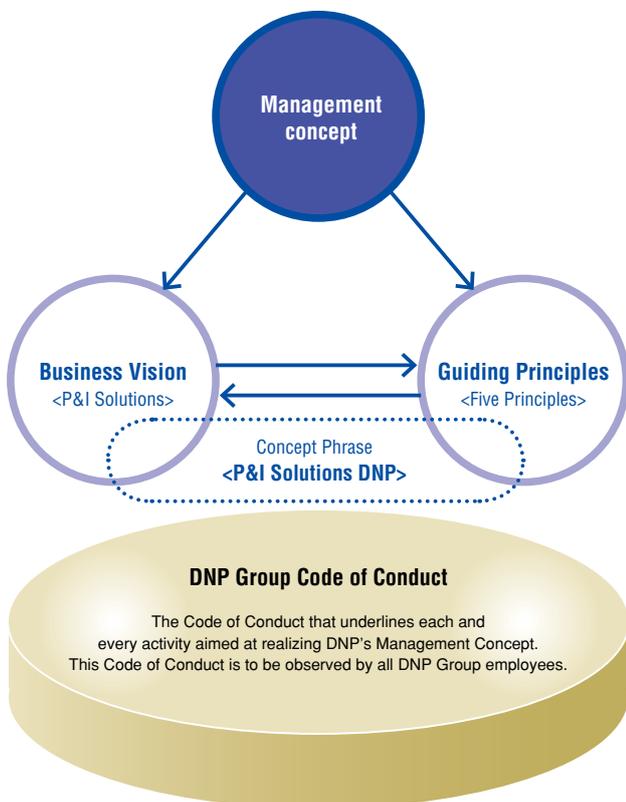
We contribute to the sustainable development of the emergently evolving society by creating new values through our P&I Solutions Business Vision.

DNP Group Vision for the 21st Century

The DNP Group Vision for the 21st Century consists of our Management Concept, Business Vision, and Guiding Principles, and is an expression of our basic philosophy of co-existence and co-development with society and the environment.

Our Management Concept is the DNP Group's social mission, and is an expression of the most important value held by all DNP employees. Our Business Vision and Guiding Principles provide direction for the business and employee conduct that will enable us to make our Management Concept a reality.

The DNP Group Code of Conduct establishes the behavioral standards for all activities undertaken in realizing our Management Concept. The Code is intended to ensure that all employees conduct themselves with integrity at all times.



Management Concept

The DNP Group will contribute to the emergently evolving society of the 21st Century.

We believe that the 21st Century society is an emergently evolving society in which there is a diversity of values held by individuals, with the synthesis of these diverse values in turn creating new values. The DNP Group approach is based on our recognition that the emergently evolving society is itself leading to a better society for the human race, and therefore our Management Concept is founded on contributing to the emergently evolving society.

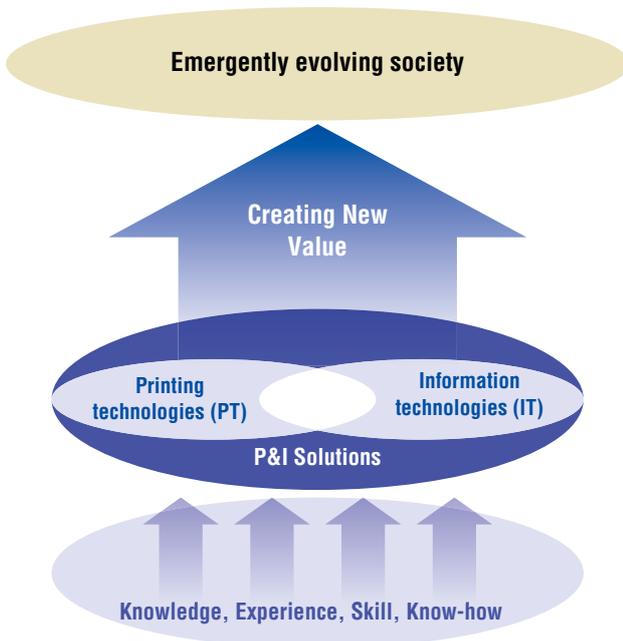
Our Management Concept represents the most important core value shared by all DNP Group employees, and represents the social mission which we must fulfill as a good corporate citizen. We therefore seek to fulfill our social responsibilities by quickly ascertaining the changes taking place in an emergently evolving society characterized by a diversity of values, clarifying the wide variety of issues faced by our customers, consumers, and society, and seeking to find solutions to those issues.

Business Vision

P&I Solutions

We will identify and solve the problems and issues that consumers and corporate clients face within the emergently evolving society by fusing our Printing Technologies (PT) and Information Technology (IT)

The emergently evolving society constantly produces unforeseen phenomena, and in responding to such phenomena, our clients and consumers face a variety of difficult issues and problems. The DNP Group pursues deeper *TAIWA* with consumers and our customers so we can bring to bear the knowledge, experience, skill and know-how that we have cultivated through our business, especially our printing technologies (PT) and information technologies (IT), in offering a variety of solutions to such issues and problems. This is our Business Vision, and describes the DNP way of contributing to the emergently evolving society.



Guiding Principles

The "Five Principles" establish the standards for behavior of each DNP Group employee as they work to realize our Business Vision and contribute to the emergently evolving society.

1. Engage in *TAIWA* with all persons concerned

Through *TAIWA*, we can identify the hopes and dreams of consumers and corporate clients, as well as uncover our own problems of which we had been unaware. By pursuing *TAIWA* on the identified problems and issues with various members of the company as well as people outside the company, we will be able to find solutions to these problems and issues.

2. Work with an independent and collaborative mind-set in order to solve problems

Acquiring specialized knowledge and skills, thereby becoming independent, allows us to sharpen our sensitivity for perceiving the problems and issues that surface within *TAIWA*. We should collaborate on these issues with other members while recognizing one another's sense of values and roles in order to propose solutions that will meet the satisfaction of our clients.

3. Challenge courageously, even in the face of difficult issues

As professionals, the expectation and confidence entrusted upon us are proportionate to the level of difficulty of a problem or issue. Therefore, we should approach problems and issues with a spirit of challenge and courage, which will enhance our professional skills all the more.

4. Act with integrity, fairness, and impartiality, at all times

We are, of course, obliged to abide by the law and conform to social codes. At the same time, we should also be considerate of others, speak honestly, and act with integrity. By conducting ourselves in this manner, we will be able to win the sympathy and trust of society, which will in turn augment the 'value' that we provide to society.

5. Be responsible for your own decisions and conduct

Each of us should be responsible for our own decisions and conduct. A strong sense of responsibility will not only lead to our colleagues' greater trust in us, but will also enable us to make objective and appropriate evaluations of our own work processes, which will assist us in making greater strides at our next opportunity.

Our Fundamental CSR Philosophy

We seek to maintain society's trust by always conducting business with integrity, in accordance with the DNP Group Code of Conduct



DNP Group Code of Conduct [+ Related information](#)

The DNP Group has established the DNP Group Code of Conduct as the set of principles upon which our efforts toward realizing our Management Concept are based. The Code of Conduct is founded upon strong ethical principles in accordance with our own rules as well as the law of the land, and is built around themes we consider to be of mutual importance to both the DNP Group and society as a whole. The conduct of business with integrity at all times in accordance with this Code of Conduct is the foundation of our CSR activities.

DNP Group Code of Conduct

Contributing to the development of society

Social contribution as a good corporate citizen

Compliance with the law and social ethics

Respect for human dignity and diversity

Environmental conservation and the realization of a recycling-oriented society

Realization of a 'universal society'

Ensuring the safety and quality of our products and services

Ensuring information security

Proper disclosure of information

Realization of a safe and vibrant workplace

Endorsement of the Global Compact

The DNP Group announced its endorsement of the United Nations Global Compact (GC) in July 2006.

The GC covers 10 principles in four categories: Human Rights, Labor Standards, Environment, and Anti-Corruption. Corporations endorsing the GC engage in voluntary efforts to advance these 10 principles, with the goal of achieving a society capable of sustainable growth. We are working to enhance our image as an honest company by promoting the 10 principles of the GC in tandem with our DNP Group Code of Conduct.

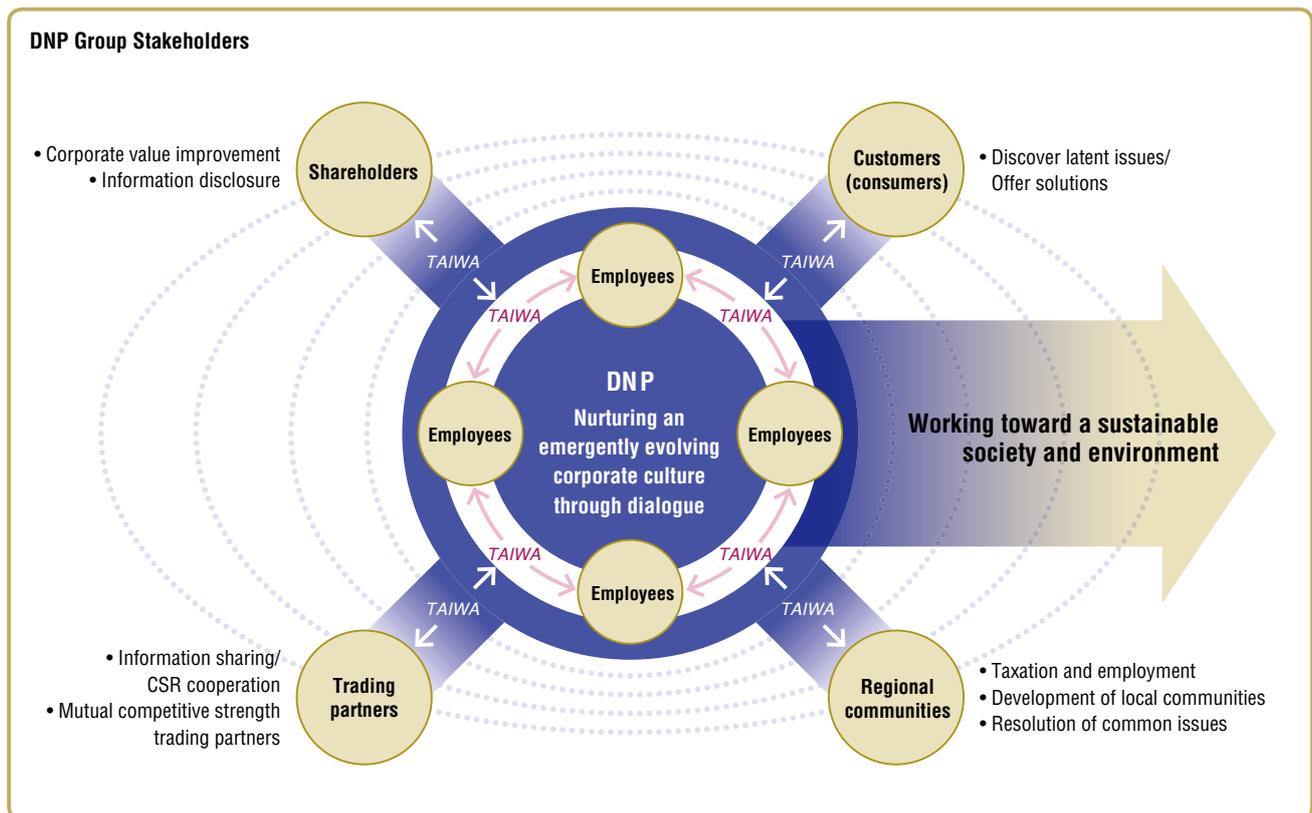
The 10 Principles of the UN Global Compact

Human Rights	<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p>
Labor	<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: the elimination of all forms of forced and compulsory labour;</p> <p>Principle 5: the effective abolition of child labor; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>
Environment	<p>Principle 7: Businesses are asked to support a precautionary approach to environmental challenges;</p> <p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>
Anti-Corruption	<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>

For Corporate Transparency + Related information

It is impossible to imagine that DNP could have maintained a history of over 130 years of steady growth without establishing a relationship of trust with our shareholders, customers, employees, trading partners, regional communities, and other stakeholders. We emphasize that our employees must learn the opinions of stakeholders by engaging in real *TAIWA*, and

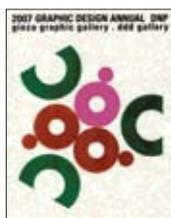
that they take the initiative in providing accurate information in daily interactions with our stakeholders. By doing so they fulfill our duty of accountability and improve the transparency of DNP activities, which helps us achieve our goal of remaining a trusted company.



Examples of Stakeholder Communications



Annual Report



Graphic Design Annual



DNP Report (for shareholders)



Homepage (to be renovated July 1, 2009)



DNP NEWS CHANNEL



Factory visit

Corporate Governance

We strive for comprehensive corporate governance so as to be trusted by our stakeholders.

Our Basic Philosophy

The DNP Group believes that the strengthening of our corporate governance is a management issue of major importance in fulfilling our social responsibility as a 21st century emergently evolving company, as well as in gaining the trust of all of our stakeholders, including shareholders, customers, consumers, and our employees. We are working for comprehensive corporate governance by creating and applying the systems that allow appropriate and timely business execution and the proper management decision-making upon which it is based, as well as by enabling their oversight and control. Comprehensive corporate governance also includes raising the compliance awareness of individuals through thorough training and education.

The Corporate Governance System

DNP has established a system whereby its directors, who each have a wealth of specialized knowledge and experience spanning a broad array of business areas, participate in management decisions, execute their work duties, and in addition oversee the work of other directors.

The term of office for a Director is one year, so as to make management responsibilities in the fiscal year more clear and to enhance corporate governance and the management structure.

Board of Directors Meeting

The Board of Directors is composed of 25 directors, including one outside director. It is normally convened monthly, with directors overseeing the execution of each others' work duties, so that proper supervisory functions are maintained. In addition, a Management Committee made up of directors of the rank of Senior Managing Director and above was formed so as to improve management speed and efficiency. This Committee examines and deliberates important management policies, strategies, and proposals. The directors also meet at the Executive Committee Meetings held monthly to exchange information so that management decisions can be made efficiently.

Also, the corporate officers selected at the Board of Directors meeting are in charge of executing the work decided by the Board of Directors. By attending Executive Committee

Meetings the corporate officers engage in close dialogue with the directors, which allows for the opinions of those involved with the actual worksites to be reflected in decision-making.

Board of Statutory Auditors

DNP's Board of Statutory Auditors is composed of five auditors, including three from outside the company. Each auditor conducts audits of the business executed by the directors, according to the auditing standards and responsibilities determined by the auditors. The auditors closely watch the execution of the company business; the independent auditor explains the auditing plan to the auditors at the beginning of each term, while hearings concerning the auditing situation are conducted as needed during the course of the term, and audit results are reported at the conclusion. The Audit unit has been established to provide assistance to the auditors, with a special support staff working under the auditors direction.

* Neither the outside director nor the outside statutory auditors have personal, financial or business relationships or other interests with DNP.

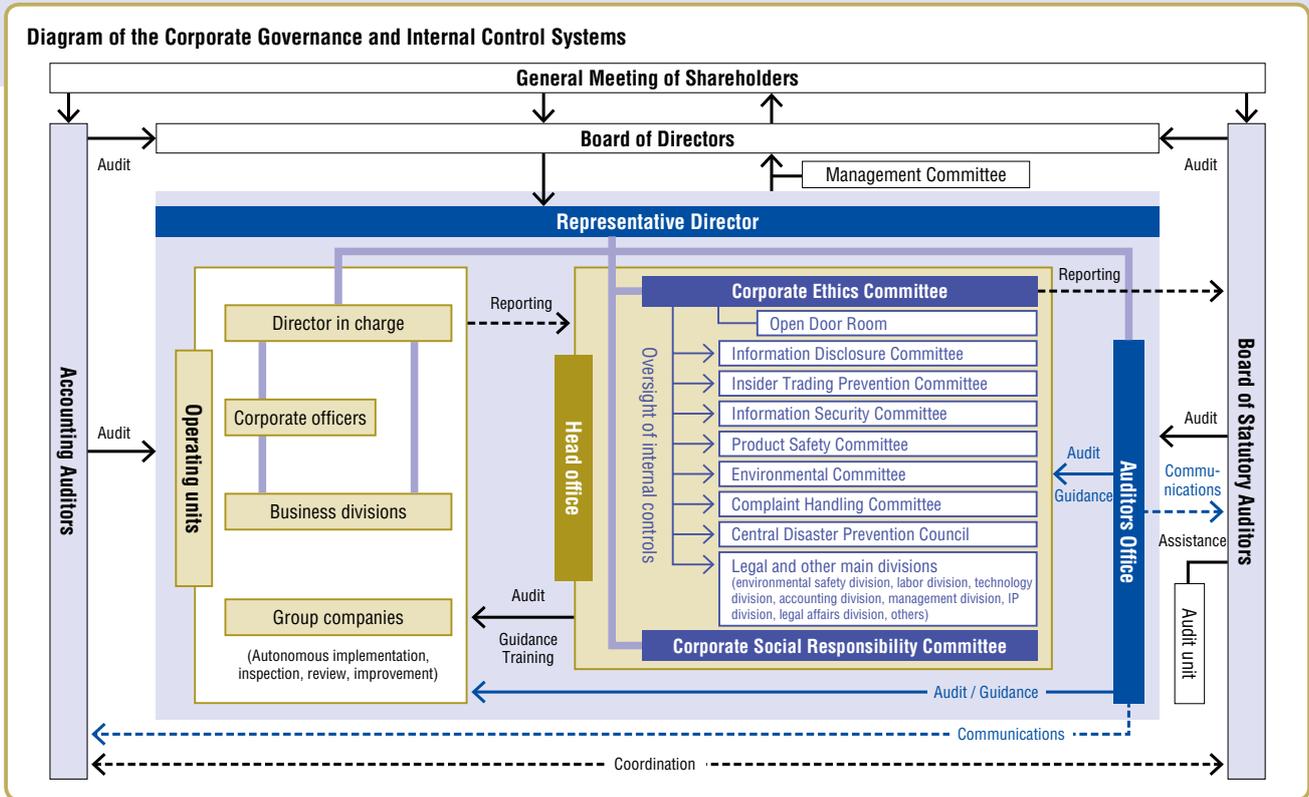
Internal Control Systems + Related information

The DNP Board of Directors determines the basic policy for "the creation of a system for ensuring proper business (internal control systems)" as stipulated by the Corporate Law.

Internal Control System Report

As a result of the full enactment of the Financial Instruments and Exchange Law, beginning in 2008 all listed companies are required to evaluate their internal control system for financial reporting, and to prepare and submit an Internal Control Report which includes the results of that evaluation, so as to ensure the reliability of financial reporting.

DNP has established, under our Internal Control System Policy, our own evaluation policies, procedures and methods, as well as an evaluation system, evaluation parameters, evaluation schedule, and evaluation record-keeping policies, plans, manuals, etc., in line with the Financial Services Agency Internal Control System Operating Standards. The efficacy of the Internal Control System (company-wide internal control



system), which has a significant effect on overall financial reporting on consolidated basis, shall be evaluated in accordance with the above in consultation with the Accounting Auditors. Taking the results of this evaluation into account, an evaluation of the efficacy of the internal control systems that are integrated into the work processes (internal controls on work processes involved in settlement reports and financial statements, sales, inventory controls, etc., including controls employing IT) shall be conducted. Moreover, we shall proceed immediately to correct any internal control system insufficiencies that are discovered.

The Internal Control Report for FY2008, the first fiscal year for which DNP shall submit such a report, is slated for submission along with the “Yuho” Securities Report, upon approval of the Board of Directors meeting after deliberation by the Information Disclosure Committee, which examines the disclosure of company data.

Establishment of Internal Control System Policies, Systems, and Plans

DNP has established a basic policy, plan, and various manuals

Document Types

	Continuous	Updated every fiscal year
Basic Policy	Basic Policy Paper	
Basic Plan		Basic Plan (Period 00) * Evaluation System * Evaluation Parameters (bases) * Work processes under evaluation * List of systems to be evaluated * Annual schedule summary Etc.
Manuals	Company-wide internal control system evaluation manual	
	Internal control system evaluation manuals for work processes Etc.	

stipulating our own evaluation policies, procedures and methods, as well as the evaluation system, evaluation parameters, and evaluation schedule, etc., which are in line with the Financial Services Agency Internal Control System Operating Standards. In addition, we have set forth an evaluation system that requires the participation of managers. This evaluation system actively employs self-evaluations (CSA) by the operation being evaluated so as to cover a broad range of evaluation parameters and to promote improvements in the internal control system.

Internal Control System Evaluation Tools

DNP employs a specialized information system to enable appropriate and efficient internal control system evaluations. The large volume of internal control system evaluation data is stored for management on a database.



Evaluation tool
Oracle Japan KK
Oracle GRC Manager Release 7.7.1 screen

Evaluation System

Internal control system report signers	President, Director in charge of Accounting Division (Chief Financial Officer)
Persons responsible for evaluations	Director in charge of Auditing Department, Auditing Department Chief
Evaluation coordinators	Auditing Department Coordinator
Evaluation	
Headquarters Division Process Owner	Head of each headquarters division
Business Location Process Owner	Head of each operation, president of each subsidiary
Person in charge of own examination	Person in charge of examination at each operation and each subsidiary

Theme	FY2008 Targets	FY2008 Results
Contributing to the development of society	<ul style="list-style-type: none"> ● Strengthen measures to improve employee awareness of the DNP Group 21st Century Vision, and improve the degree of its understanding by Group employees both in Japan and other countries. 	<ul style="list-style-type: none"> ● Promotion of measures to improve employee awareness of the DNP Group 21st Century Vision. <ul style="list-style-type: none"> • A “DNP Group 21st Century Vision Special Edition” of the company magazine spanning three editions was issued, and a portable “Vision Card” was printed and distributed. • English versions of the DNP Group 21st Century Vision and the DNP Group Code of Conduct were printed and distributed to overseas Group employees.
Compliance with the law and societal ethics	<ul style="list-style-type: none"> ● Establish the DNP Group Code of Conduct as a required topic for all corporate ethics training. Also, distribute the English version at overseas bases of operations, and foster awareness amongst all Group employees in Japan and in other countries. ● Continue steadily with all current types of risk management and other training so as to improve results and ensure that corporate ethics efforts retain their meaning. ● Improve the internal controls required by the Financial Instruments and Exchange Law, and conduct strict checking, verification, and evaluation of their application. 	<ul style="list-style-type: none"> ● Understanding of the Code of Conduct was bolstered by an explanation of it by General Managers themselves during self-directed corporate ethics training. <p>The top management at each overseas operational site explained the Code of Conduct, taking the actual situation at each site into consideration so as to promote awareness. Even though some misunderstanding may have occurred due to the particular circumstances at any given site, employee awareness of being a member of the DNP Group was improved.</p> ● All checks, evaluations, and training went forward as planned. ● In preparation for the Internal Control Report to be submitted to the Financial Services Agency in June 2009, we continued to improve the system by implementing efficacy checks through measures such as our Internal Control System Self-Checking.
Ensuring information security	<ul style="list-style-type: none"> ● Acquire Privacy Mark certification for DNP as a company, and continue to promote the strengthening of information security control systems for the Group overall. ● Implement the PDCA cycle continuously to support and maintain a solid security system. ● Continue with security training for all employees, and cultivate checking and inspection personnel based on public standards. ● Promote the introduction of our own company products, and strengthen the security level at each DNP Group operational base. 	<ul style="list-style-type: none"> ● Acquired Privacy Mark certification for DNP as a company ● Strengthened auditing and guidance systems. ● Checker/Auditor Development Training encompassing public standards, was executed (Eight times, total of 268 participants) ● Strengthened the DNP Group security level through the use of SSFC-format employee IDs, product coding, promotion of own-product introduction, etc.
Promoting social responsibility through the supply chain	<ul style="list-style-type: none"> ● Promote all measures concerning the DNP Group CSR Procurement Criteria. <ul style="list-style-type: none"> • 2nd Regular Compliance Survey • On-site inspection of main suppliers • Convene “CSR Activity Promotion Explanatory Meetings” for suppliers who have just started CSR efforts • Full application of identical standards for all Group suppliers both in Japan and in other countries. 	<ul style="list-style-type: none"> ● All measures concerning the DNP Group CSR Procurement Criteria were promoted. <ul style="list-style-type: none"> • Conducted the 2nd Regular Compliance Survey for monitoring the supplier compliance situation. An evaluation sheet containing results was returned to each supplier, promoting greater attention on their part. Suppliers who responded were surveyed for their opinions for a detailed checking of the Compliance Survey Questionnaire. • On-site inspection of three main suppliers was conducted based on the 2nd Regular Compliance Survey content. • The DNP Group CSR Procurement Criteria were applied to Group company suppliers, and a DNP Group CSR Procurement Criteria compliance audit of each was begun for each company.
Proper disclosure of information	<ul style="list-style-type: none"> ● Aim for more substantial IR Meetings so as to enable quicker response to the requests of shareholders and investors. ● Maximize the use of IR tools, such as annual reports and shareholder notices, and express market and technical trends in an easily understood format. 	<ul style="list-style-type: none"> ● Work for timely information disclosure on a basis of transparency, fairness, and continuity, as called for by the Disclosure Policy; hold 221 IR Meetings annually. ● Deliberation of the content, method of disclosure, and time frame of disclosure information by the Information Disclosure Committee; after approval, implement immediate disclosure. <ul style="list-style-type: none"> • Rapid and active disclosure of important information that conforms to the Timely Disclosure Regulations, as well any information that is necessary or useful to understanding the activities of DNP; also, conduct electronic product lectures. • Provision of IR information in both Japanese and English at the IR Corner on the company website.
Realization of a ‘universal society’	<ul style="list-style-type: none"> ● Emphasize the following so as to speed up the company-wide development of contributions to the realization of a society in which everyone can live comfortably and safely (Universal Society). <ul style="list-style-type: none"> • A UD Action Declaration in each business operation • Improving data used in resolving the issues confronted by consumers and clients • Education and awareness activities • Strengthen cooperation with NPOs and research institutes. 	<ul style="list-style-type: none"> ● Engage in the following efforts for the realization of the Universal Society. <ul style="list-style-type: none"> • Enact a Universal Design Declaration as an action guideline in each business operation, and create and publish it in leaflet form. • Use network learning in education and awareness activities for all employees. • Promote cooperation with external institutions, such as international Universal Design conferences.

○ : Target achieved or making steady progress toward target △ : Making active efforts but target not achieved × : Efforts insufficient

Evaluation	Reference page	FY2009 Targets
○	P 21 - 28	<ul style="list-style-type: none"> ● Continue to strengthen measures to improve employee awareness of the DNP Group 21st Century Vision and cultivate personnel that contribute even more to the development of the emergently evolving society, so as improve the understanding of it by all employees both in Japan and other countries, and connect that to actual activities. ● Maximize use of the Printing Technologies (PT) and Information Technology (IT) cultivated by DNP for active product development in the energy and bio-materials field, so as to contribute to the realization of a low-carbon society and improved quality of life.
○ ○ ○	P 29 - 30	<ul style="list-style-type: none"> ● Expand education and training of young employees and employees at overseas Group companies to ensure a firm adherence to and thorough understanding of corporate ethics throughout the entire Group. ● Revise and strengthen risk management and effective education and training, so as to ensure that corporate ethics efforts retain their meaning.
○ ○ ○ ○	P 31 - 32	<ul style="list-style-type: none"> ● Protect information assets and increase society's trust by supporting and maintaining top-notch information security systems. <ul style="list-style-type: none"> • Maintain, and continuously revise and improve through PDCA, the personal data protection systems and the information security control systems. • Create autonomous checking and improvement structures at all Group operational bases so as to respond to any new threats or risks. • Implement education and training so as to improve the security awareness of all employees. • Implement and standardize physical security measures at all Group operational bases.
○	P 33	<ul style="list-style-type: none"> ● Promote all measures concerning the DNP Group CSR Procurement Criteria. <ul style="list-style-type: none"> • Conduct 3rd DNP Group CSR Procurement Criteria Compliance Survey. • Return evaluation sheets containing evaluation results of the 3rd DNP Group CSR Procurement Criteria Compliance Survey to each supplier that responded. • Conduct an on-site inspection of main suppliers. • Convene a "CSR Activity Promotion Explanatory Meeting" for suppliers.
○ ○	P 34	<ul style="list-style-type: none"> ● Improve opportunities for communications with shareholders and investors, such as IR Meetings, for a quick response to their needs. ● Maximize the use of IR tools, such as the DNP website, annual reports, data books, and shareholder notices, and clearly explain DNP's activities as well as market and technical trends. ● Reassess stakeholder relationships from the perspective of the consumer and promote corporate culture reform by achieving deeper communications both within and outside the company. ● Strengthen accountability to stakeholders both within and outside the company, and promote an understanding of DNP.
○	P 35 - 36	<ul style="list-style-type: none"> ● Put Universal Design into practice in our own business. <ul style="list-style-type: none"> • Develop DNP's own evaluation methods and monitoring system. • Promote cooperation with external organizations, such as NPOs and research institutions.

Theme	FY2008 Targets	FY2008 Results
<p>Ensuring the safety and quality of our products and services</p>	<ul style="list-style-type: none"> ● Promote the establishment of a BCP (Business Continuity Plan) within a total of 5 operations, including Packaging Operations, Lifestyle Materials Operations, and Chubu Operations; increase to 10 the number of business segments for which a BCP has been established. ● Continue to reduce the rate of product claims. 	<ul style="list-style-type: none"> ● Established a BCP for the two segments that deal with employee compensation and trading partner accounts; while BCP development proceeded for 7 segments, including the Electronics Operations for which a BCP had already been completed, establishment of a BCP was not finished at 3 operations. ● Reviewed and strengthened control systems for materials, manufacturing processes, and quality control in response to product accident occurrence.
<p>Respect for human dignity and diversity</p>	<ul style="list-style-type: none"> ● Promote horizontal development throughout the Group of Female Employee Active Support Meetings, and increase participation rates. ● Continue to promote efforts toward the acquisition of "Kurumin," the next-generation certification mark, in the 2nd Action Plan, and execute measures for an increased realization of work/life balance. ● Promote the taking of childcare leave by male employees. ● Increase the number of re-employees using Group Hello Work (Re-Work System, Senior Staff System). 	<ul style="list-style-type: none"> ● Conducted Female Employee Active Support Meetings, expanding participation to the entire DNP Group. FY2008 participation rate: Managers- 214; Female employees- 282; total 496. Total number of female employee participants over the past three years: 675 ● Held two "DNP Family Friendly Days" in August 2008, in which employees bring their children to work, for the support of next-generation childrearing. Participants: 71 employees and their families ● Actively promoted the Kangaroo Club, a seminar for employees returning to work after having taken childcare leave, for example by conducting an interviews with the male participant for publication on the company intranet. Number of males taking childcare leave in 2008: 1 ● The Group Hello Work Office sent in-house want ads to registrants. Interviews were conducted with a number of persons seeking re-employment.
<p>Realization of a safe and vibrant workplace</p>	<ul style="list-style-type: none"> ● Promote efforts to improve implementation of personnel systems (expand participation in "Target Setting and Evaluator Training," distribute the "Work Efficiency Handbook" to all DNP Group employees, etc.) ● Promote efforts to create an atmosphere full of creativity and energy. (Create a location for exchanges of opinions, efforts based on "Participation By All Employees," etc.) ● Promote risk reduction efforts for improved safety that includes the goal of reducing the number of work accidents in 2012 by 15% in comparison with 2007, based on the 11th Work Accident Prevention Plan. ● Start implementation of a Health Improvement Plan. 	<ul style="list-style-type: none"> ● Conducted Management by Objective Training (55 sessions, a total of 1,700 participants) for management-level staff. Conducted Goal-setting Training, with participation expanded to include upper-level general employees (91 sessions, a total of 2,350 total participants). ● Shored up efforts to reform work habits through the joint management-labor DNP Group Productive Time Resource Project. Established the DNP Group Productive Time Resource Project 1st Basic Plan (for FY2009-2011). Distributed the Work Streamlining Handbook to encourage participation in work-streamlining efforts by all employees. Conducted the 2nd Work Optimization Expert Seminar. ● Established the DNP Group Safety & Health Management Regulations to improve employee safety and health. Shored up safety and health systems, such as the DNP Group Safety & Health Promotion Committee. Established the DNP Group 1st Work Accident Prevention Basic Plan (FY2009-2011), which includes concrete targets for work accident prevention. The numerical targets, which take trends from 2005 onward into consideration, call for a reduction in the frequency rate of accidents accompanied by lost worktime to 61% in comparison to 2008, and a reduction in the total accident frequency rate including accidents not accompanied by lost worktime of 66% in comparison to the same year. 2008 results show an 82% reduction in the frequency rate for accidents accompanied by lost worktime in comparison to 2005 (104% in comparison to 2007), and a reduction in the total accident frequency rate including accidents not accompanied by lost worktime of 79% (92% in comparison to 2007). ● Established the DNP Group 1st Health Maintenance Promotion Basic Plan (FY2009-2011), which includes concrete numerical targets for specific health insurance guidance. The Guideline and Basic Plan for Measures Against New Influenza Strains were established in response to concerns about the occurrence of influenza pandemics.
<p>Social contribution as a good corporate citizen</p>	<ul style="list-style-type: none"> ● Strengthen measures for the support of social contribution activities by individual employees, through labor-management cooperation. ● Continue with corporate art sponsorship, focusing on graphic arts. 	<ul style="list-style-type: none"> ● Examined support structures and systems for social contribution activities by employees ● Continued with corporate art sponsorship, focusing on graphic arts. <ul style="list-style-type: none"> • Held graphic arts exhibitions (25 exhibitions, a total of 94,500 visitors) • Held lectures and events such as lectures (108 events, a total of 5,500 attendees) • Provided a learning space to educational institutions (67 organizations, 1,600 participants) • Provided a DVD containing a compilation of interviews with famous graphic designers to 100 institutions, including major universities, libraries, and art museums.
<p>Environmental conservation and the realization of a sustainable society</p>	<p>Listed on P59-60</p>	

Evaluation	Reference page	FY2009 Targets
<p>△</p> <p>△</p>	<p>P 37 - 38</p>	<ul style="list-style-type: none"> ● Strengthen product safety control structures and implement thorough employee education; establish a structure for preventing product accidents through the sharing of quality data amongst production sites and monitoring of quality control. ● Proceed to establish BCPs for all areas of business.
<p>○</p> <p>○</p> <p>△</p> <p>△</p>	<p>P 39 - 40</p>	<ul style="list-style-type: none"> ● Make Female Employee Active Support Meetings a facet of diversity promotion, and continue to conduct them so as to deepen awareness and understanding throughout the entire DNP Group. ● Establish and encourage Diversity Promotion Action Programs in all operations and all companies, so as to strengthen diversity efforts. ● Conduct regular Diversity Promotion Meetings, and seek to improve the diversity level through the DNP Group while sharing diversity information. ● Promote next-generation family care measures through, for example, lifting the limit on the number of days that can be taken for childcare leave, and increasing the number of days that can be taken for family care. ● Increase the number of sites holding DNP Family Friendly Days, on which employees bring their children to the workplace, and encourage more employees to participate, so as to cultivate next-generation family care and the desire to work of employees.
<p>○</p> <p>○</p> <p>○</p> <p>○</p>	<p>P 41 - 46</p>	<ul style="list-style-type: none"> ● Promote “reform of work habits” in accordance with the joint Group targets established under the DNP Group Productive Time Resource Project 1st Basic Plan. ● Promote efforts related to “Employment, Time, Wages” as basic labor measures for creating a strong corporate structure in support of future DNP Group expansion. ● Promote risk reduction activities in accordance with the FY2009 targets of the DNP Group 1st Work Accident Prevention Basic Plan. ● Promote a health improvement plan in accordance with the FY2009 targets of the DNP Group 1st Health Maintenance Promotion Basic Plan. Also, promote measures against new influenza strains at each operational site.
<p>△</p> <p>○</p>	<p>P 47 - 51</p>	<p>Implement the following measures to promote “Just Like DNP” social contributions (Note: Or, social contributions characteristic of DNP):</p> <ul style="list-style-type: none"> ● Cultivate a social contribution mindset amongst employees. Take measures such as providing useful data on company intranet sites and conducting seminars by experts or NPOs, so as to promote understanding and a common purpose concerning DNP’s social contribution efforts. ● Enhance the DNP Group social contribution menu. Seek to create a social contribution menu that makes employee participation easier, and promote Group-wide activities that include both labor and management.
<p>Listed on P59-60</p>		

Date	Awards & Evaluations	Sponsor
April 2008	47th 2008 JAPAN PACKAGING COMPETITION (JPC) Awards received for 10 products (awards presented to the customers for each)	The Japan Federation of Printing Industries
	6th Annual Takeo Prize Special Jury Prize, Design Books Category (for ggg Books and other publications)	Takeo Co., Ltd.
June 2008	Adobe AIR Contest Grand Prix (C&I Operations, IT Development Division)	Adobe Systems Inc.
September 2008	2007 "Great Place to Work" ranking Overall ranking: 6th	Nikkei Inc.
	2008 Commendation for Excellence in Employing the Physically-Challenged Fukuoka Governor's Award for Excellence in Employing the Physically-Challenged (DNP Nishinippon Japan)	Fukuoka Prefecture Elderly and Physically-Challenged Support Foundation
October 2008	2008 Commendation for Excellence in Employing the Physically-Challenged Nara Governor's Award for Excellence in Employing the Physically-Challenged (DNP Data Techno Kansai)	Nara Prefecture Employment Development Association
	4th Quality Management Survey Ranking Overall ranking: 4th	Union of Japanese Scientists and Engineers
	The 2008 Taiwan Business Alliance Conference Best Investment Partner Awards	Ministry of Economic Affairs, Government of Taiwan
	16th Superior Company History Award Superior Company History Award ("130-Year History of DNP")	Japan Business History Institute
November 2008	FY2008 Nippon Keidanren Recommended Company Magazine Overall Performance Award (DNP Group Company Magazine, "DNP Family")	NIPPON KEIDANREN Business Services
	eco japan cup 2008 Environmental Business Women Award (Card game "My Earth")	Environmental Business Women
	1st Survey on Corporate Action and Management Systems for Climate Change Business Group Ranking: 1st (Precision Instruments/Other products)	Integrex Inc.
December 2008	60th Annual All-Japan Calendar Exhibition Minister of Economy, Trade and Industry Award- 2 awards; Minister of Education, Culture, Sports, Science and Technology Prize-1 award; others	Japan Printing News Co., Ltd.
	12th Japan Environmental Management Ranking Survey Overall ranking: 24th	Nikkei Inc.
January 2009	5th Industrial Ability Ranking of Truly Able Companies Overall ranking: 13th	THE NIKKAN KOGYO SHIMBUN, LTD.
February 2009	2008 Trash Reduction and Recycling Distinguished Service Award Corporate Department (DNP Ichigaya Plant)	Tokyo Shinjuku Ward
March 2009	8th Annual Integrex Survey: "Survey of Corporate Honesty and Transparency (Ethical and Social)" Overall ranking: 11th	Integrex Inc.
April 2009	Transition to a city designated by ordinance/120th anniversary of municipal government administration Letter of Gratitude (For contributions to culture) (DNP Okayama Plant)	Okayama City, Okayama Prefecture

SRI indices in which DNP is included:



FTSE4Good
http://www.ftse.com/Indices/FTSE4Good_Index_Series/index.jsp



Ethibel
Pioneer label
<http://www.ethibel.org/>



Dow Jones Sustainability Indexes
November 2008/09
<http://www.sustainability-index.com>



sam | 2009 silver class
<http://www.sam-group.com/html/main.cfm>



MS-SRI | モーニングスター社会的責任投資株価指数*
Morningstar Socially Responsible Investment Index
<http://www.morningstar.co.jp/sri/index.htm>

* The Morningstar Socially Responsible Investment Index, developed by Morningstar Japan K.K., tracks the share performance of 150 selected Japanese companies based on their commitment to CSR.

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Special
Report

DNP's Printing Technologies: Contributing to a Sustainable Society

Yoshitoshi Kitajima, President

“Expansion Printing” Deepens Our Ties With Society

It is no exaggeration to say that the history of DNP is the history of our application of printing technologies.

Since our founding as Shueisha in 1876, DNP has with each successive generation achieved the highest international standard of printing technology, and we continue to expand our fields of operation through the broad application of each printing technologies.

Our first such achievement was into the packaging field in 1951. At first, printing was done on paper, but the application of printing technology later expanded to fabric, wood, plastic, and even metal, resulting in the creation of items that today we cannot live without.

DNP refers to this broad application of printing technologies as “Expansion Printing,” but Expansion Printing is not limited to our business operations; rather, it also describes how we expand our contribution to society through our business. With printing technology at our core DNP continues to challenge new fields of business, and in so doing we seek to deepen our relationship with stakeholders.



Lifestyles Supported by DNP Group Printing Technologies

Instant ramen was first introduced in Japan in 1958, and gained instant popularity due to the convenience and simplicity of its pouch packaging. DNP supported the success of this product by creating soft packaging materials developed in response to the trend toward individually-packed servings. Products we have developed since then, such as paper containers, laminated tubes, retort pouches, and PET bottles, are currently used as packaging in all kinds of products.

We refer to the materials and components that go into creating living spaces as “Lifestyle Materials.” DNP products are used in this field as well, across a broad range of applications from interior materials, such as those used in walls, flooring, ceilings, and interior doors, closets, and kitchens, through home electronics and even in train and automobile interiors. In addition, while DNP products are used in easily seen items, such as digital cameras and photo-seal printing materials, as well as in the LCD displays used in TVs and mobile phones, they are also present in items hidden from view, such as LCD display color filters and semiconductor parts.

Each of these products was born of printing technology, which stimulates the emergence of groundbreaking products and supports the rich lifestyles we experience today.

Printing is an Accumulation of a Variety of Technologies

Printing is generally defined as “A general term for the technique for the transfer of ink from engraved graphic images to a surface for image duplication.”

The main components of the printing process are planning, typesetting, plate making, press, and fabrication, with a broad range of technologies accumulated in each.

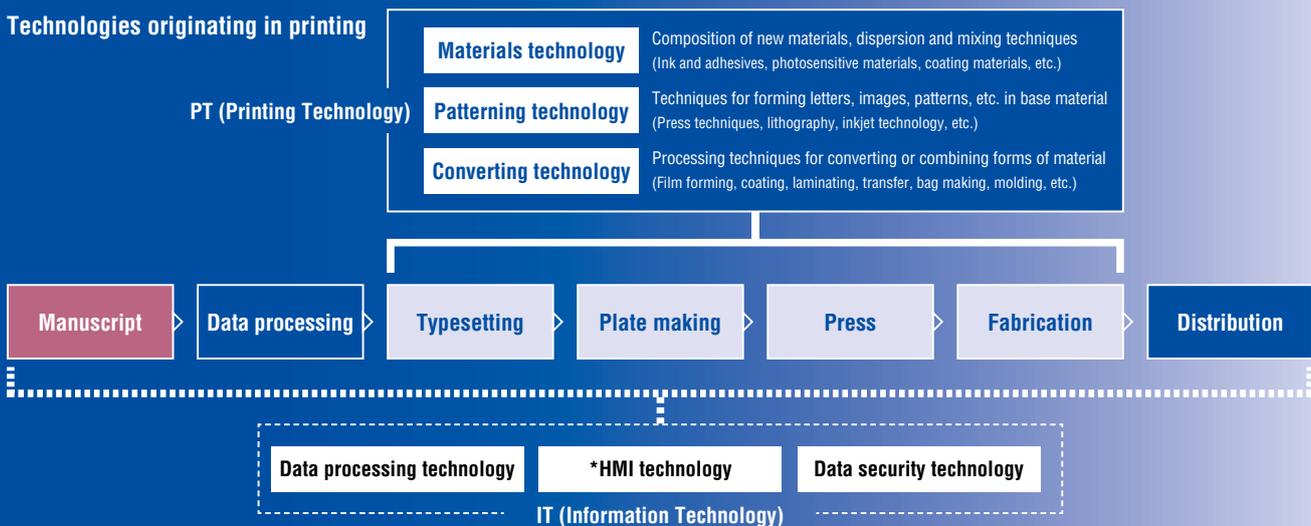
Broadly speaking, printing technology is divided into three areas: materials technology, patterning technology, and converting technology.

Materials technology consists of design techniques for composition, dispersion, and mixing, with the representative material being ink. The ink must be adapted to the material being printed, and therefore materials technology is most fundamental to printing.

Patterning technology consists of the techniques for forming the letters or images on the base material, including techniques such as photolithography and etching, and is used in the typesetting, plate making, and press processes.

Converting is the processing techniques for converting or combining forms of material, and is represented by methods used for the coating of base material such as film with other material.

Printing therefore represents an accumulation of technologies. We at DNP are in the printing business, which is a broad field containing individual technologies with boundless potential for improvement, and that has made it possible for us to expand into other fields and generate new areas of business.



*"Human Media Interaction Technology" is technology related to the interaction between people and information.

The Boundless Possibilities for Expanding Printing Technology + Related information

One feature of printing technology is the ability to form extremely precise patterns. Ultrafine processing technology, such as the photolithography and etching used in typesetting and plate making processes, makes this possible.

With such technology forming the axis of our operations, we have been able to break into new product areas completely different from what came before.

Our first such breakthrough occurred when DNP developed the first made-in-Japan color TV-use shadow mask in 1958.

The technology was applied to create millions of microscopic holes in a copper plate about 0.2 mm thick.

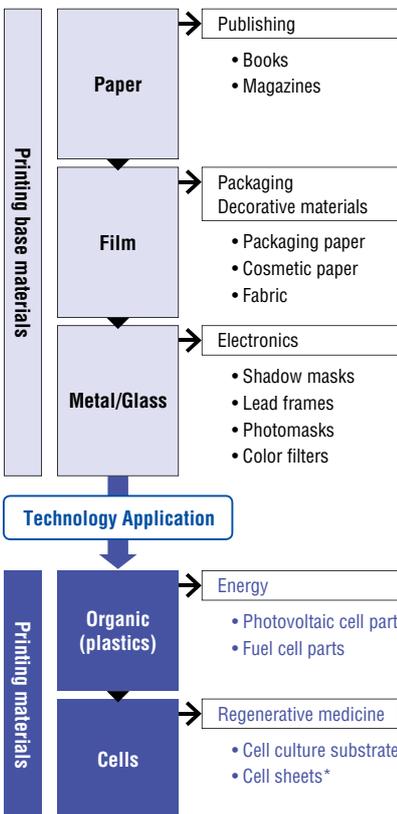
The application range of this ultrafine processing technology was afterward expanded to photomasks for LSI circuit substrates, lead frames for connecting terminals on semiconductor chips, and color filters for use in liquid crystal displays. Application of this technology has recently expanded to the field of regenerative medical care for the regeneration of capillaries, and in the energy field for use in items such as organic photovoltaic cells.

The field of printing has gone from paper to film, metal, and glass, and now has extended even to human cells. Our DNP printing technology makes this possible.



DNP's Printing Technology Leads the Way to the Future

Expanding the Boundaries of Printing



The 20th Century could be called the “Printing Century” because of the amazing progress achieved through printing technology during that time.

The history of DNP is the printing- DNP and printing evolved and developed in tandem.

Now we are in the 21st Century. While IT is another driving force for social development, in recent years printing technology has gained attention in a variety of fields of industry.

While printing can be simply described as “a system for the mass production of the same item,” when the technologies that support this system become the driving force for the mass, stable production of high-quality products, they are revised anew.

Mass production is the key to the popularity of the products that distinguish the era.

Printing technology may therefore be considered the pinnacle of 21st Century production technology.

DNP has been devoted to the development of printing technology since our founding.

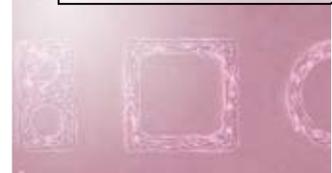
We at DNP have an ever more important role to fulfill in the present time, when the expectations of society toward printing technology are increasing.

We continue to seek out new possibilities for printing technology.

Developments in the field of energy
P25: Clean energy



Developments in the field of regenerative medicine
P27: Life science



* Research and development for mass production underway as of June 2009.

Special Report: DNP Printing Technology Contributes to the Sustainable Society

Clean Energy



Next generation energy is vital to realizing a low-carbon society. DNP is contributing to the spread of next generation energy by making full use of our printing technology to create breakthrough products such as photovoltaic cells and fuel cells.

Takanori Oboshi, General Manager, Kansai Laboratory, Research & Development Center

Efforts in the Clean Energy Field

Energy is one field in which DNP is making especially strong efforts. We are conducting research into photovoltaic cells and fuel cells, which are often referred to as “next generation energy.”

We started development of back sheets and filler materials for photovoltaic cells in 2003, and began production of these at a special plant in January 2009. In addition, we began research into organic photovoltaic cells (dye-sensitized photovoltaic cells and organic thin-film photovoltaic cells) in 2002, and are currently seeking to create practical-use dye-sensitized photovoltaic cells for mobile power source use. At the same time, our fuel cell research kicked off in 2000. DNP began research into lithium batteries around the mid 1990’s, after which we established a partnership with a Kansai company and began factory production of lithium-ion rechargeable battery electrode materials.

We thought that the benefits from the lithium battery research would be useful in fuel cells. We are currently entering into the commercialization of MEA (membrane electrode assembly) and the catalyst transfer film for manufacturing MEA, and we are also proceeding with research and development into vital parts necessary to fuel cells, such as metal separators.

Film Photovoltaic Cells Made Possible by DNP Printing Technology

Photovoltaic cells convert light energy directly into electrical power, and both organic and inorganic power generating materials can be used. While inorganic silicon is most commonly used at present, the manufacture of the inorganic type requires a large investment in terms of both facilities and energy, creating cost and environmental impact issues.

The hope is that organic dye-sensitized photovoltaic cells, which are manufactured by sealing a thin dye-sensitized layer onto a plastic sheet, can replace the inorganic cells. Similar to plant photosynthesis, the cells use the dye’s ability to absorb light and emit electrical energy. DNP’s printing technology makes this film-type photovoltaic cell possible. A variety of converting techniques are used, such as low-temperature coating, transfer, pressing, and microwave irradiation. These make it possible to create extremely thin and light photovoltaic cells which can be mass-produced at a low cost.

Strengthening our Photovoltaic Cell Business



Dye-sensitized photovoltaic cell module

Achieving The World's Highest Conversion Efficiency

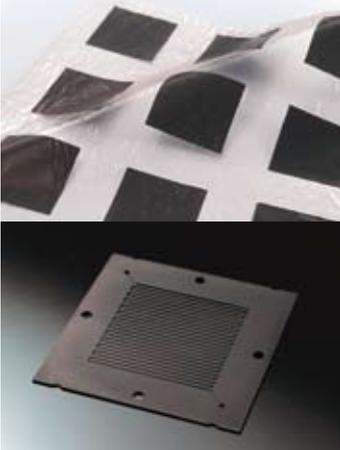
While dye-sensitized photovoltaic cells are getting a lot of attention as next-generation photovoltaic cells, conversion efficiency remains an issue. DNP has developed dye-sensitized photovoltaic cells achieving the highest conversion efficiency in the world at 7%. DNP's proprietary printing technology transfer techniques for combining titanium dioxide, organic dye, and electrolyte solution have made this high conversion rate possible through the development of cell manufacturing technology using dye-sensitized photovoltaic cells with organic plastic film substrate as the key component. DNP aims to improve the conversion rate even more, while achieving highly productive manufacturing technologies, so as to make dye-sensitized photovoltaic cells available for practical use.

New Plant for Photovoltaic Cells Comes Online

DNP has constructed a new plant for the manufacture of back sheets and filler material for photovoltaic cells within the Izumizaki Plant compound (Nishi Shirakawagun, Fukushima Prefecture). Production began in January 2009, and by summer photovoltaic parts capacity will be up to the equivalent of 1 gigawatt (GW) annually, three times that up to now. In addition, we inaugurated our Energy Systems Operations in January, combining sales, development, and manufacturing under a unified structure with the goal of strengthening and expanding our photovoltaic cell business. The converting technology cultivated by DNP over many years forms the core of the new operation, and we will contribute to the realization of a clean energy society through the development, manufacturing, and sales of the back sheets and filler components for photovoltaic cells.



Izumizaki Plant



Fuel cell components
Upper- MEA
Lower- Metal separator

Fuel Cell Development

Development of the Key Component for Widespread Fuel Cell Use

The key component in the power generating area of a fuel cell, the MEA (membrane electrode assembly), is the special membrane. This is made by coating the surface of the membrane with ink into which the catalytic element, platinum powder, has been mixed, but both the mixing of the catalyst and the coating have posed difficulties for manufacturers. DNP resolved this by using our thermal press transfer technology to press onto the membrane a coating that had been placed on a separate substrate, rather than directly coating the membrane itself with catalytic ink. We market this substrate as "Catalyst Transfer Film for Manufacturing MEA," and currently it is being used in items such as residential fuel cells (Ene-Farm).

DNP has also developed an electrodeposited aluminum separator for fuel cells. The separator sends hydrogen to the fuel cell, and up to now they had been made from carbon or stainless steel, but the application of printing/coating technology has made possible the electrodepositing of an electrically conductive corrosion-proof film. This has opened the way to achieving thin, light, low-cost fuel cells.



Yukinori Kuwano

President
Photovoltaic Power Generation
Technology Research Association

DNP is splendid company with a proud history of over 130 years. The company's prosperity during such a long period means that the company became a part of society and prospered along with it. Our society is now entering into the age of environment and energy. DNP is already engaged in the development and application of environmentally conscious products and management. I believe that if DNP works to refine its proprietary technologies, it will be able to contribute broadly to the environmental and energy fields. Important future energy sources include photovoltaic cells, 2nd-generation batteries, and fuel cells. The printing technologies DNP has cultivated over many years, such as thin membrane formation techniques, as well as the company's manufacturing and sales abilities, will be of use in the energy field. The era in which such energy sources will become big business is already upon us. I have great expectations for DNP's ability to meet this challenge.

Special Report: DNP Printing Technology Contributes to the Sustainable Society

Life Science

**Printing technology opens up a New world of medical care.
DNP's area of operations now extends to human cells,
contributing to quality of life (QOL).**

Yoichi Takahashi

General Manager, Research & Development Center Biomaterials Laboratory



DNP's Life Science Business

While it may be difficult to explain how the connection between DNP and human cells came to be, we see the expansion of the application of printing technology from paper to film, metal, glass and now biological cells to be both natural and inevitable. DNP's life science business got its start in 1985 with the application of printing technology in developing "enzyme ink technology." This technology was applied for commercial use in products such as urine test strips, tear and saliva test strips, and pregnancy tests.

Since then, we began research into cell cultivation in 1990, developing technologies for cultivating a variety of cell pattern formations on substrates. In 2004, we teamed up with Tokyo Medical and Dental University and succeeded in patterning capillary blood vessels, opening up a path toward entry into the regenerative medicine business. We have also been working, mainly through the efforts of our Biomaterials Labs, with leading medical research institutions and companies both in Japan and abroad, such as our collaboration with Tokyo Women's Medical University on the mass production of the cell sheets developed by that University. DNP will continue to strive to put our proprietary printing technology and IT to use in the life science field.

Pillars of New Business for Social Contribution

DNP's life science-related business is expanding rapidly. We have already started the actual commercialization of the application to cells of patterning techniques from printing in the field of regenerative medicine, and henceforth we expect the range of applications to expand broadly to areas such as skin regeneration and periodontal disease treatment. We are also proceeding with commercialization in other areas, such as the mass production of cell sheet creation substrates using the EB (electron beam) technology used in construction materials, culturing systems using a combination of the device manufacturing technology used in microfabrication and image analysis technology, and clinical test kits based on technology developed in industrial materials.

We seek to establish leading edge technologies for application to diseases not easily treated with methods used up to now, and to make progress in the development of regenerative and preventative medicine. This will enable us to create new values through advances in QOL, so we can construct new business models while contributing to society.

Challenging the Field of Medicine

DNP is the first to make capillary regeneration possible

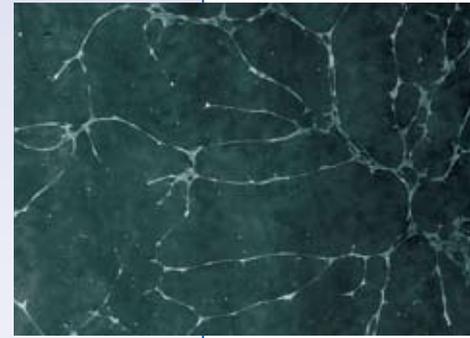
Through joint research between the DNP Biomaterials Lab and Tokyo Medical and Dental University, we have succeeded in achieving patterning technology for capillary blood vessels. This technology uses printing technology patterning techniques and surface processing technology to transfer capillary patterns, which spread out like the mesh of a net, after which the capillaries themselves are formed. We anticipate that this technology will prove beneficial in restoring skin damaged by bedsores, the treatment of periodontal disease and other medical applications.

Up to now, skin restoration has been treated either with drugs that encourage skin regrowth or through skin grafts from the patient himself or a donor. We are developing technology whereby capillaries are formed using skin cells from within the patient's own blood vessels, and then transferring (attaching) them to collagen or a similar membrane for adherence to the affected area. This eliminates the need for surgery and prevents the body's rejection response, and so is expected to greatly hasten the development of regenerative medicine.

Commercialization of the world's first cell pattern culture substrate

In July 2008, DNP began selling our CytoGraph, a tool that enables culturing while controlling the zone of cell adhesion on a glass surface, to research institutions. Medical and healthcare-related basic research labs using cells needed substrate that provides for reliable data, i.e., substrate for culturing identical patterns or one cell at a time. Nonetheless, equipment allowing pattern culturing of cells in microscopic area covering only a few microns was not being sold. Now DNP has developed and commercialized cell culture substrate that allows for stable culturing of cells in a variety of patterns.

Post-transfer human capillaries



TWIns exterior

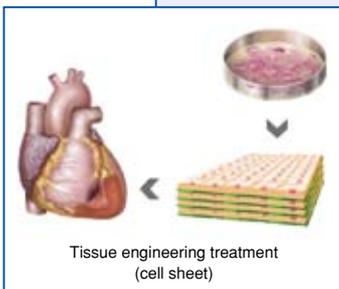
New Technology Awaited by the World

Joint research for the development of mass production technology for cell sheets

Cell sheet engineering is getting a lot of attention as a breakthrough method for regenerative medicine. Cell sheet engineering is a technology by which cells from the patient's own skin, cornea, periodontal membrane, or heart muscle are artificially cultured on a Petri dish with a specially made surface, after which the cells can be extracted as an easily absorbed sheet. It is hoped that this technology can be applied to the healing of previously untreatable conditions.

DNP is engaged in research and development of mass production technology for the cell sheets we developed in tandem with Tokyo Women's Medical University beginning in 2004. We are making progress in our efforts toward commercialization of these cell sheets through the use of DNP's proprietary EB (electron beam) technology used in decorative material fields, and the technology for high-speed, high-volume printing using roll-formed material. In addition, DNP has established a regenerative medicine research lab within the TWIns research and education facility at Tokyo Women's Medical University, so as to strengthen our research structure. Full-scale leading edge regenerative medicine research will begin at TWIns in March 2009.

* TWIns: A center for the study and research of advanced medicine and life sciences, jointly operated by Tokyo Women's Medical University and Waseda University.



Tissue engineering treatment (cell sheet)



Teruo Okano

Professor, Director
Institute of Advanced Biomedical
Engineering and Science, Tokyo Women's
Medical University

The world's industry has passed through the era of streamlining and laborsaving, as well as large-scale systems and mass production, and gradually transitioned its focus from uniformity to diversity, form to function, and macro to micro and nano. The advanced technology that made this possible applies not only to industry but also to the field of medicine, and I believe this will enable the achievement of an even greater level of medical technology.

We have achieved the world's leading success in the detachment and recovery methods, without loss of form or function, for cultured cells and mono-layered cells (cell sheets). This is due to the creation of new technology for imposing cell culture surface structuring through heat change only, and for effecting change from a hydrophobic (cell adherent) to a hydrophilic (cell non-adherent) surface. DNP is seeking to establish the technology for the mass production of new culturing surfaces for cell sheet production and patterned cell sheet production surfaces, applying their advanced printing technology to the ultrafine microstructure control surface made of temperature responsive polymer. Attention on what may be a revolution in regenerative medicine is gathering worldwide. A new challenge has commenced to bring the world's first regenerative medicine for cornea, heart, esophagus, periodontal membrane, liver and other tissues from Japan to patients the world over.

Activities Governed by Laws and Social Ethics

We instill the importance of corporate ethics and encourage self-initiative in our employees, because sincerity on the part of each and every one of our employees earns the trust of society, which is vital to the sustainable growth of the DNP Group.

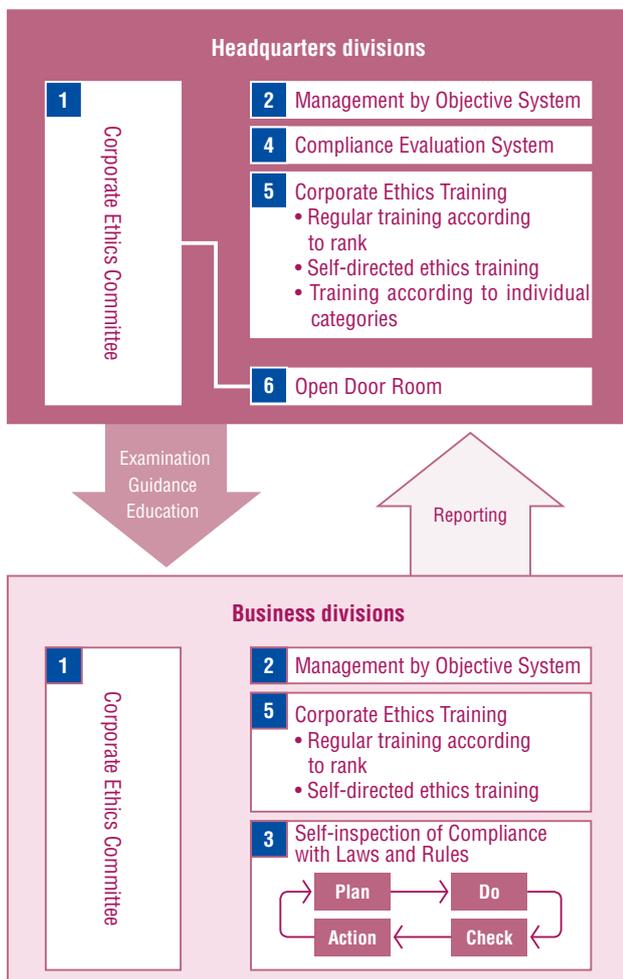
Our Basic Stance + [Related information](#)

The DNP Group shall continue to uphold the law and social ethics, and unflinchingly propagate a thorough understanding of corporate ethics, so that we can continue to make progress as a trusted company capable of contributing to society. The basic corporate ethics stance of the DNP Group can be expressed in three key words: “Continuity,” “Self-Initiative,” and “Positive.” The behavior of each and every employee according to those three principles helps ensure sincere corporate activities by the entire DNP Group.

Corporate Ethics Efforts: Keywords

Continuity	Make ongoing daily efforts that are a part of everyday work.
Self-Initiative	Actively engage issues oneself, rather than leaving them to others.
Positive	Take a forward-looking approach toward the efforts necessary to gaining the trust of society.

Structure for Ensuring thorough Corporate Ethics



1 Corporate Ethics Committee

This committee is composed of the directors and corporate officers in charge at each Headquarters division, with the goal of promoting the propagation and thorough understanding of corporate ethics throughout the DNP Group. In addition to Headquarters, Corporate Ethics Committees are also in place within each Business Division, operation, with a Business Office under the direction of each Committee.

The Corporate Ethics Committee also handles the overall management in the DNP Group of internal controls required of companies under the Corporate Code and the Financial Instruments and Exchange Law (See p. 14). The Committee executed a variety of inspections and evaluations company-wide in FY2008, the first year of operation of the Internal Control System, and plans to submit an Internal Control Report to the Financial Services Agency.

2 Management by Objective System

Corporate ethics is one of the themes of the Management by Objective System, which encourages the active participation of each employee so as to create a strong corporate ethics foundation. Employees are expected to conduct their daily activities in accordance with company rules. Employees confirm that they are doing so at biannual individual interviews with superiors at term-end, and improvements are made when necessary (see p. 42).



One Akiyama
President, Integrex Inc.

Stakeholder Opinion

The DNP Group has already received high marks for conducting PDCA-based corporate ethics activities, but they have not rested on their laurels. DNP has included corporate ethics in the employee Management by Objective System, implementing compliance evaluations for each business division and reporting the results at the Executive Committee Meetings, and has also implemented self-directed ethics training at which the supervisors themselves serve as instructors. They can be credited for continually making efforts to ensure that their corporate ethics activities have real substance.

I view the DNP Group as an enterprise that has achieved a "Company-wide Optimum" in terms of creating structures and systems with sufficient functions to achieve the "Social Optimum." Going forward I would like to see further efforts, such as efforts to link the "Personal Optimum" of individuals directly to the "Social Optimum," and "Sustainable," "Voluntary," "Positive" efforts that emphasize the mindset and individuality of each employee.

3 Self-inspection of Compliance with Laws and Rules

The system of self-inspection, under the motto of "Guarding our own organization ourselves," was launched in 1997. Headquarters supervisors establish the inspection categories by which the business divisions conduct self-inspection, evaluation, and efforts for improvement. Aggressive revision of this process was executed in FY2008, especially concerning Inventory and priority risks, improving effectiveness.

4 Compliance Evaluation System

In contrast with the Self-Inspections, in this system, which was inaugurated in 2005, the inspection function is exercised by the Headquarters supervisors, who measure the potential risk to the entire Group of the operations of each business unit. Compliance Evaluations are regularly conducted twice annually. This system provides an objective evaluation of the compliance situation in each business unit and the level of risk of each unit within the Group, and the results are reported at the Executive Committee Meetings. Each unit is made aware of their degree of compliance success, and makes efforts for improvement.

Revisions for the sake of greater objectivity, such as increasing the number of evaluation categories and further strengthening of the system, were implemented in FY2008.

5 Corporate Ethics Training

DNP believes that the awareness of corporate ethics on the part of each and every one of our employees makes our corporate ethics efforts more certain, and we therefore have established a variety of various training programs. We seek to propagate a thorough understanding of corporate ethics by encouraging each employee to think and act autonomously, through programs such as self-directed corporate ethics training, in which unit supervisors deepen *TAIWA* with their subordinates so as to provide instruction about specific issues in their own units in order to come up with more practical solutions.

In FY2008, self-directed corporate ethics training placed particular emphasis on thoroughly informing employees about the DNP Group Code of Conduct. We also began efforts directed at Group subsidiaries overseas by distributing an English-language version of the DNP Group Code of Conduct. As a result of the creation of region-specific training menus created by top management at those sites, we were able to improve the awareness of local employees and develop a

sense of common purpose as a Group. We will continue to expand this program and enhance its content in FY2009.

6 Open Door Room

The "DNP Group Open Door Room" was established in October 2002 to so that employees with concerns about corporate ethics can feel secure when consulting or reporting information. Thanks to efforts to increase awareness within the Group, the Open Door Room now performs a vital role within the internal control system. While around 20 consultations took place in FY2008, they were mostly of a general nature, and none had an impact on our business.

Corporate Ethics Training Trends in training recipient numbers

(Unit: Total attendance)

2004	5,434		
2005	6,787		
2006	12,358		
2007	14,281		
2008	17,253		
Breakdown	Entry-level education (new graduates/ mid-career hires)	Regular training according to rank	Self-directed ethics training
2004	364	548	4,522
2005	438	534	5,815
2006	851	655	10,852
2007	570	535	13,176
2008	757	518	15,978

Intellectual Property Efforts

+ Related information

Creating a Corporate Culture of Compliance with Intellectual Property Laws

The DNP Group creates, nurtures, and seeks to enhance the "quality" of intellectual property of high business value so as to realize our P&I Solutions vision. At the same time, we work to acquire and protect patents and similar intellectual property while maintaining a system for preventing infringement on the intellectual property owned by other companies.

We also seek to create a corporate culture of compliance with intellectual property laws and regulations through employee education and awareness training and the establishment of a compliance system. In addition, in creating our patent portfolio we seek to maximize the benefits by maintaining cost-consciousness and seeking benefit optimization.

Protecting Personal Information

We naturally view the protection of information assets, such as the personal data and the information entrusted to us by customers in the course of executing our P&I Solutions, as our duty.

The DNP Group sees information security and personal information protection as one of our most important management issues, and we maintain strict, continuous controls through a strong management system and employee training programs

Maintaining/Sustaining Information Controls and their Further Expansion + Related information

The DNP Group handles data properly in accordance with our Personal Information Protection Policy, protecting the rights and interests of individuals. We will continue to operate our Personal Information Protection Management System, maintaining strict, continuous controls over all facets of information security. Furthermore, by involving all employees in the planning, execution, and monitoring of security control policies- in other words, the PDCA cycle- we gain the laborsaving and efficiency benefits of IT at the workplace while activating our IT know-how and technology in our DNP security solutions.

Strengthening Policies through System Improvements

Since establishing the Office for the Protection of Personal Information in April 1999, DNP has continued to strengthen our information security measures in response to changes in the security environment in Japan and overseas. We established the Headquarters DNP Group Information Security Committee as the umbrella organization for company-wide control, under which we created the Information Security Headquarters for security auditing and guidance for our business operations and Group companies. Also, Information Security Committees have been established in each of the business operations and Group companies where under the direction of the committee chairpersons and persons in charge of personal information control (together with the heads of each operating unit), they handle issues such as training, security zoning, and computer measures, as well as taking charge of inspections.

Major Audits and Guidance Executed in FY2008

DNP Group Information Security Committee		
Committee Chairman Guidance	26 offices Total	45 times
Information Security Headquarters		
Auditing / Guidance	37 offices Total	117 times
Compliance evaluations	121 headquarters divisions, operations, Group companies	Total of 302 hours
Audits of Personal Information Management Systems	50 headquarters divisions, operations	Total of 158 hours

Maintaining Internal Procedures and Rules

Personal information protection includes the development of the Personal Information Protection Regulations and the establishment of joint rules regarding actual standards for information protection within the Group. We also developed

the Basic Personal Information Policy and Basic Personal Information Rules, under which seven standards have been established concerning information security, including those for document control, computer use, areas from which non-DNP employees are restricted from entry, etc. We rapidly send out notices and establish or revise our rules accordingly in response to new threats and risks, and we make sure that employees are thoroughly informed about them.

Web [Personal information protection](http://www.dnp.co.jp/about/privacy.html) <http://www.dnp.co.jp/about/privacy.html>

Establishment of a Management System

DNP has been promoting the establishment of a management system based on the Japanese Industrial Standards, "Personal Information Protection Management System Requirements" (JISQ15001), which is a standard for the thorough compliance with laws and the management of the protection of personal information at all offices which handle personal information. Also, we are actively making progress toward acquiring the Privacy Mark* and ISO/IEC27001*.

In July 2008, we were certified as having a JISQ15001-compliant personal information protection system, and DNP also acquired Privacy Mark certification as a corporation. DNP had already by this time acquired Privacy Mark certification for five operations, beginning with the IPS Operations in 2000 and followed by the C&I Operations, Information Communication Kansai Operations, Commercial Printing Operations, and Chubu Operations. Extending certification to the entire company entailed strengthening auditing and guidance structures by re-organizing headquarters specialized organizations, improving physical measures and standardizing rules for data processing offices, and a variety of other enhancement measures which finally resulted in company-wide certification.

We also received PCI DSS certification in June 2008 for our SIGN 3D™ ("signed") cardholder verification system for safe online shopping.

* Privacy Mark

A certification system for contractors that have established systems composed of appropriate personal information security measures compliant with JISQ15001.

* ISO/IEC27001

Information security control standards

* The PCI DSS

A set of comprehensive requirements for enhancing payment account data security, was developed by the founding payment brands of the PCI Security Standards Council, including JCB, MasterCard, and Visa, to help facilitate the broad adoption of consistent data security measures on a global basis.

Important Security Measures + Related information

Measures at Offices Handling Personal Data

Various measures are in place at the Data Processing Offices, including entry/exit controls using biometrics to ensure that unauthorized persons cannot access the facilities, surveillance cameras that keep improper behavior in check, and pocket-free uniforms for on-site workers. We also have enhanced information controls by separating the locations where information is written to media and employing checks using metal detectors. We continued to strengthen these measures and enhance our facilities in FY2008. In addition, we have further strengthened controls by implementing access logs and reducing the number of employees engaged in the work of writing to recording media.

Physical Measures at Operational Bases

Security systems using IC card employee IDs were newly installed at 19 operational bases, bringing the total number, including sales offices, to 107. We will continue to increase this number. We also are expanding the use of systems (developed jointly with copier manufacturers) for data leak prevention that require use IC card employee ID verification for our printers and copy machines, allow the printing solely of documents for which the employee has clearance, and prevent printouts from being left unattended.

Beginning in FY2009, we also plan to begin installing the forklift entry/exit system developed jointly with Mitsubishi Electric Corporation, so as to improve security at plants.

Efforts toward Safe Data Transfer

DNP uses our in-house-developed “Gendarme” system when transferring the personal data of customers via networks. Gendarme uses the electronic certificates stored on both our and the customer’s IC cards for verification. We ask our customers to use this system, and also use it for transferring data within our company.

In 2007, DNP also began selling our “Dreadnought” CD-R loaded with software that not only encrypts data sent and received between customers and DNP, but also can be used for the encryption of important information by the customer. About 3,000 of our customers used this software in FY2008.



Stakeholder Opinion

Akiyoshi Hiraoka

Superior Senior Corporate Officer, Nihon Unisys, Ltd.

Corporations and other organizations must work ceaselessly to shore up data security, because there will always be new threats requiring a response. We at Japan Unisys have created a new general data security strategy every two years since 2004, always with the aim of increasing the security level. We have received major help from DNP in strengthening data security, early on with IC card employee IDs and then with physical security measures in 2008.

The future global business success of corporations will require the lateral use of data, and the key to doing so is the maintenance of a constant level of security. Therefore, it seems to me that value chain optimization is tied to strengthening the company’s ability to compete. My hope is that DNP will make a strong push forward with its P&I Solutions business vision, and create a variety of secure solutions.

Strengthening Security through Human Resource Development

We are engaged in raising the awareness of each employee through efforts such as pamphlet distribution, mass education, network learning and other forms of training.

Main FY2008 Training/Conferences

Personal Information Protection Management System (PMS) Education
July 2008 ~ March 2009 Total of approximately 41,000 participants
Information Security Course for Technicians (held 5 times)
February ~ March 2009 Total of 390 participants
Information Security/Personal Information Protection Tester/Auditor Education (JISQ15001, ISO/IEC 27001) (Held 8 times)
August 2008 ~ February 2009 Total of 268 participants
Nationwide Information Security Conference and Seminar for Information Security Promotion Office Managers
September 2008
Seminar on the Act on Regulation of Transmission of Specified Electronic Mail and the Act on Specified Commercial Transactions
December 2008
Seminar for persons responsible for security zoning measures
March 2009 120 participants



Seminar scene

Sincere Dealings with Suppliers

We seek join with our suppliers in fulfilling all of our social responsibilities, including legal compliance, environmental conservation, and fair labor practices, so as to offer products and services that benefit our customers and can be used with confidence.

Our Basic Supply Chain Philosophy

DNP is also working to enhance the compatibility with society of the entire value chain. The existence of superior goods and services is pointless if the production or procurement processes create social disharmony. We are moving forward with a variety of management measures with the goal of attaining high value creation working in tandem with a strong compliance awareness.

Web Materials procurement <http://www.dnp.co.jp/procurement/jp/>

DNP Group CSR Procurement Criteria

+ Related information

In March 2006, DNP amended our Basic Procurement Policy, and newly established our Group-wide DNP Group CSR Procurement Criteria. We held explanatory meetings for suppliers and conducted CSR Procurement Criteria surveys. We conducted the second such survey in March 2008, and in an effort to improve CSR compliance awareness on the part of our suppliers we provided them with feedback on the survey results in the form of an "Evaluation Sheet." From autumn 2008 through spring 2009 we also will be conducting visits to supplier factories so as to verify compliance with our CSR Procurement Criteria.



Compliance Audit Evaluation Sheet

On-site audit

Stakeholder Opinion



Toshikazu Tanaka
General Manager, CSR Promotion Dept.
DIC Corporation

We underwent the DNP Group CSR Procurement Criteria compliance audit in 2008, after which we received the Evaluation Sheet feedback. The compliance audit was clearly arranged in terms of question content and categories, and responding to the audit was simple. The Evaluation Sheet is in radar chart format, which makes it easy to understand the feedback on categories requiring improvement. We also hosted an on-site visit at the beginning of March 2009, at which we engaged in direct TAIWA concerning the audit results and other items. This provided a sense of improved mutual understanding about CSR activities.

The DIC Group has been doing business with the DNP Group for many years, not only in the field of printer's ink but also electronic parts and other items. Our group of companies is also engaged in strengthening the supply chain for our products, and the DNP Group's "CSR Activities Across The Entire Supply Chain" has provided a great point of reference for our efforts.

Expanding the CSR Procurement Criteria to Group Companies

We explained the gist of the DNP Group CSR Procurement Criteria to suppliers of DNP Group companies as well in FY2008, and called upon them to make efforts to comply. We monitored the situation by sending compliance audit forms to all companies endorsing the Criteria. By expanding compliance efforts to Group company suppliers we have achieved coverage of practically the entire DNP Group supply chain.

The audit results revealed some variation in the efforts made by supplier companies. We will therefore continue to conduct seminars and make other efforts to deepen mutual understanding between the DNP Group and our suppliers so as to improve the effectiveness of their efforts to comply with the Procurement Criteria.

Promoting Prompt Disclosure and Communication

DNP emphasizes TAIWA with all of our stakeholders.

We therefore work hard to achieve timely disclosure of appropriate information, so as to fulfill our duty of accountability.

Doing so promotes active TAIWA, which allows us to uncover new issues and find solutions.

The opinions we get from our stakeholders provide feedback for management, helping us to improve corporate transparency and achieve our goal of realizing a sustainable society.

Enhancing IR Efforts + Related information

DNP conducts information disclosure according to our Disclosure Policy, so as to ensure timely and accurate disclosure of information to all shareholders and investors based upon transparency, fairness, and continuity. We established the Information Disclosure Committee in May 2006, which gathers corporate data and determines disclosure methods and other considerations, with the goal of executing prompt disclosure.

In addition to more than 200 individual IR meetings a year, we also hold factory tours and strategic technology seminars concerning operations and products attracting a high level of interest among our shareholders and investors. We seek to meet the needs of our overseas investors by conducting meetings via telecommunications networks.

We create use displays and images at our general shareholders meetings as a way of introducing our company and our business to all shareholders, so as to deepen their understanding of DNP. We are also working to improve convenience by introducing Internet-based shareholder voting. In addition, we seek to enhance our global communications by posting IR information such as annual reports and consolidated financial report summaries on our website in both English and Japanese.

Promoting Communications within the Group

We are making strong efforts to promote communications between the company and our employees, as well as among employees themselves, with the goal of nurturing an ideal organizational culture for the creation of fertile ground for providing P&I Solutions. One of these efforts, our company magazine "DNP Family," provides a balanced introduction to the multifaceted operations of DNP and the employees ex-



Company Magazine "DNP Family"



Stakeholder Opinion

Kiyoshi Karasawa

Center Chief, Internal Communication Center
Nippon Keidanren Business Services

The main work of our Business Services Internal Communications Center is the selection of superior in-house corporate publications for our annual "Nippon Keidanren Recommended Company Magazine" awards.

The DNP Group company magazine "DNP Family" received the "Special Prize" in 2005 and 2007, and 2008 won the "Overall Performance Award" for comprehensive superiority from design through layout. Not only were a variety of worksites and employees engaged in various jobs featured in the magazine, but the magazine also displays excellence in providing information from a broad spectrum of areas, and each issue is elaborately designed. The magazine is particularly aptly named given the consideration it gives to the families and children of employees. I was touched by the warmth of the DNP culture that produces such a magazine.

cuting the wide variety jobs within those operations. This publication seeks to deepen the understanding of our employees about the overall work of the Group, and to impart a sense of common purpose. It is distributed to employee residences for family members to become more familiar with DNP's efforts, so that our employees can enjoy the strong support of their families.

As a printing company we are able to put our knowledge to work in every facet of publishing "DNP Family," from design, photo layouts, and editing through printing. Our "total production effort" earned us the "FY2008 Nippon Keidanren Overall Performance Award" in the Company Magazine Category.

We also provide video news features for our stakeholders both inside and outside the company at the "DNP NEWS CHANNEL" on our website and on the company intranet. We seek to execute timely information disclosure by means of both printing technology and IT.



DNP NEWS CHANNEL

Web [DNP NEWS CHANNEL](#)

<http://www.dnp.co.jp/movie/>

Efforts to Realize a Safe and Convenient Society

Demands for Universal Design are increasing as society changes and values diversify. The DNP Group is working to make our products and services easy to use for as many people as possible.

The DNP Group's UD + Related information

The upgrading and improvement of products and services from a consumer perspective is essential to realizing a universal society that is safe and convenient for all. At DNP, the realization of Universal Design (UD) is an important issue in the daily work of all employees. In 2008, we continued to incorporate UD into our products and services, implementing a UD Action Declaration in each business operation, conducting education and awareness activities to improve understanding of UD, and promoting tie-ins with external organizations.



*Universal Design: The design of items such as appliances, buildings, and living spaces that from the outset takes into account usability by as many people as possible.
*DNP UD Mark: A special mark symbolizing the attempt to incorporate UD as promoted by the DNP Group.

The Universal Design Declaration

The UD Promotion Committee Chairman issued the DNP Group Universal Design Declaration in October 2008, with the goal of clearly stating DNP's position on UD. The Declaration is based on DNP's principles since our founding of "dedication to print that is beautiful and easy to read" and "dedication to creating secure, safe and convenient products that are easy to use by every individual consumer," and expresses our desire to meet the needs of our client companies and consumers. Together with the DNP Group 5 Principles Of Universal Design, it constitutes a practical guideline for our employees.

UD Efforts + Related information

DNP focuses our UD efforts on the Packaging segment. We established our USE•FULL® packaging design guideline in 2000, and in 2007 we won the 2007 Barrier-Free Performance Award/Special Cabinet Office Grand Prize issued by the Cabinet Office in recognition of our efforts to encourage the use of packaging that is usable by a majority of people, such as the use of Braille on containers and easy to open and close packaging.

We continued to develop easy to use package design and packaging in 2008. We were awarded the Japan Packaging Contest 2008 Touch-Distinguishable Labeling Award for our retort pouch with a large opening tab that easily identifiable by sight or touch, and which can be handled even after immersion in boiling water.



Double-tab pouch



Human Research Laboratory for the study of consumer behavior.

Environmental Enhancements for Problem Solving

DNP is improving our evaluation functions with the goal of increasing UD quality. In addition to the PUL (Packaging Usability Laboratory) in Osaka, in March 2009 we established another facility for verification of consumer usability with our Tokyo Human Research Laboratory. In addition to UD evaluation, this laboratory is engaged in developing methods of analysis of all facets of consumer behavior, from brand recognition and purchasing at stores through use and disposal.

5 Universal Design Principles

Our determination to consider everyone as the source of DNP Group UD's. We set forth the DNP Group 5 Universal Design Principles so as to make our UD efforts more fruitful, and we strive to make all DNP products and services usable to as many people as possible.

- | | |
|---------------------------------------|---|
| Principle 1: Make it clear | Label properly according to the circumstances of the information recipient. |
| Principle 2: Make it intuitive | Design so that usage is easy to understand, enabling intuitive handling. |
| Principle 3: Make it flexible | Design to enable diverse users and usage methods. |
| Principle 4: Make it safe | Design so that even if misused there is no danger. |
| Principle 5: Make it easy | Design for comfortable handling with minimum force. |

The DNP Group 5 Universal Design Principles are based on the "7 Universal Design Principles" of Dr. Ronald Mace, an American who coined the term "Universal Design."

Stakeholder Opinion



Masafumi Narikawa

Chairman of the Board of Directors
International Association for
Universal Design

Our association is engaged in accomplishing and expanding the acceptance of Universal Design (UD). UD is, of course, recognized as one of the corporate social responsibilities required of companies. The promotion of UD from a CSR perspective by DNP is a wonderful development. We hope that DNP will continue the “natural and bold” development of products with designs that actively incorporate user perspectives, creating even more value for the DNP brand.

UD Information and Awareness Activities

We have created courses such as the “Intro to Universal Design,” a network learning course combining basic information and information about DNP’s UD products so as to improve understanding and awareness of UD amongst our employees. A total of 38,000 employees, including those from Group companies, have taken this course. We also conducted a seminar with expert participation in January 2009 in Tokyo, which was attended by highly interested employees from a variety of business fields.

We have also created a special site accessible from our homepage for UD information, so that stakeholders can become informed about DNP’s UD efforts. We also demonstrated our UD design efforts at a number of exhibitions, most importantly the Tokyo International Packaging Exhibition 2008 (Tokyo Pack).



Tokyo Pack UD Booth

Web DNP Group Universal Design

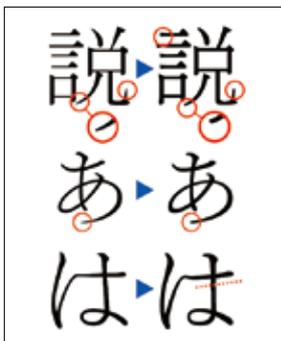
<http://www.dnp.co.jp/ud/>

Cooperation with Outside Organizations

DNP engages in cooperation with outside organizations in promoting UD. We joined the International Association for Universal Design in 2003 as a trustee and directing company, and have been at the center of development of several projects. In 2008, in cooperation with the Accessible Design Association of Japan we collected samples of packaging, such as milk packs and cartons, with touch-identifiable design features, and sent them to special needs schools (schools for the visually impaired).

We also work with the Color Universal Design Organization, an NPO that promotes designs that are easily recognized irrespective of color perception discrepancies. We are working to acquire certification across a broad range of media, from reports through advertising, videos, packaging, and more.

Example: Easy to Understand Display



Left: Former Shuei Mincho
Right: New Shueiyokobutori Mincho
We improved legibility without losing the Mincho flavor and style by not changing vertical line thickness and leaving the graceful transport and dynamic thickness of the strokes.

Development of “Shuei Mincho,” a Mincho Font Easy on the Eyes and to Read

Mincho is the most commonly used Japanese typeface, but the characters can be difficult to read clearly when it is used for video captioning because the horizontal lines are thin in comparison with the vertical, making it easy for the thin horizontal lines to become diffuse on the screen. DNP has been conducting our “Heisei Major Engraving Improvement” digitalization project for our original Shueitai font, part of which includes the development in July 2008 of the “Shuei Mincho” font for use on screens and for printed materials for the visually-impaired.

Since then, the DNP Group has used Shuei Mincho in all of the documentaries, animated videos, and corporate presentations we produce. The success achieved by the new typeface thanks to the high marks received from the visually-impaired and elderly for its visibility has resulted in our licensing its use outside the company beginning April 2009. We will actively continue to develop this font for a variety of display environments, such as mobile phones and digital signage, with our goal being broad popularization of its use.

* **Shueitai:** DNP’s original typeface. It has received high marks from printers and readers for beauty and legibility for over 100 years. The lineup of Shuei fonts includes Shuei Mincho and Shuei Gothic.

* **Heisei Major Engraving Improvement:** The Shueitai digital font project begun in 2006. Work includes improving the existing digital font, the digitalization of hot metal type-era typeface, the development of new fonts, and other efforts.

Providing the World's Highest Quality Products and Services

The DNP Group views providing products and services meeting or exceeding the expectations of our customers and consumers as our most important social responsibility as a company. We strive to reach the highest standard of quality in the world in our products.

Providing the Highest Standard of Quality

+ Related information

Promoting "Production 21"

The DNP Group created the "Quality Policy" in 2005, with the goal of maintaining and improving our manufacturing at a level that produces safe products with the highest standard of quality in the world, and we promote the participation of all DNP Group units and employees in "Production 21."

While seeking to invigorate our manufacturing activities, we are also putting a lot of effort into improving our planning and development and sales segments, which are the units through which customers first contact our company. This will help us optimize the entire process, from the placement of the order through distribution and delivery. We have quantified activity targets and result indicators for quality, cost, delivery, and environmental aspects, and we seek to achieve these targets and eliminate all waste by opening this system up to all employees. We also seek to encourage *TAIWA* not only within each business operation, but across operations as well, while at the same time continuously working to provide solutions to client issues by maintaining daily *TAIWA* with them.

* **Production 21:** This is a Group-wide project to create a muscular manufacturing structure responsive to changes in the marketplace, with the goal of realizing the DNP Group's Vision for the 21st Century. We are creating a manufacturing structure capable of constant improvement and continuous, sustainable strength, so as to improve profitability and asset efficiency in our manufacturing.

Acquiring Certification for Quality Assurance

We are making all efforts to acquire a variety of certifications so as to continue making steady progress in quality improvement.

All of our business operations have acquired ISO9000 series certification for quality management, as well as HAC-CP9000 certification for food safety and quality systems in our packaging operations.

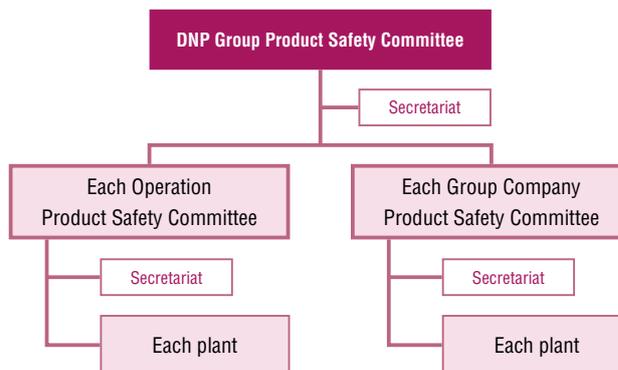
We are currently proceeding in the area of information management with the acquisition of IT security certification (ISO/IEC15408) for the handling of credit cards, securities, and other business documents, "privacy marks" for personal information, and Information Security Management Systems (ISO27001/ISMS).

Product Safety Efforts

Product Safety Management System

Our basic policy regarding product safety is to work to fulfill our social responsibility by not only producing products consistent with the relevant standards and laws, but also exceeding the needs and expectations of customers.

DNP Group Product Safety Control Structure



The DNP Group has placed Product Safety Committees at our Headquarters, in each Operation, and in each Group Company. We have also created guidelines for product safety, such as the DNP Product Safety Regulations, the Product Safety Standards Guideline, and the Product Accident Response Guideline, and have distributed them throughout the Group. Each Operation and Group Company is working to ensure product safety by improving their systems for product safety control based upon these regulations and guidelines.

Ensuring a Higher Degree of Safety

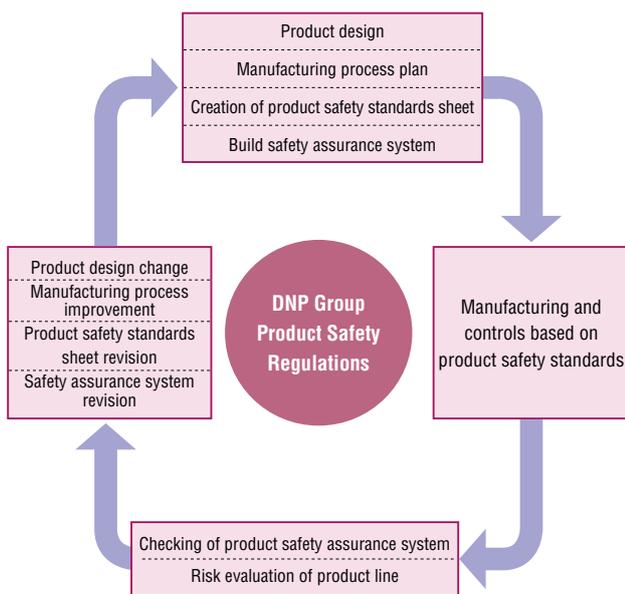
Continuity is important in product safety efforts. We twice annually conduct checks of product safety assurance systems, as well as risk evaluations of product lines, and based upon the results we make design changes, manufacturing process improvements, and systems revisions so as to ensure an even higher degree of safety.

While our controls on chemical substance content in products are of course in compliance with Japanese law, we also take regulations such as the Stockholm Convention on Persistent Organic Pollutants (POPs), the US Toxic Substances Control Act (TSCA), and European Community Registration, Evaluation, Authorisation and restriction of Chemicals

(REACH), the latter of which was enacted in 2007.

We also began studying product liability prior to the enactment of the Product Liability Act (PL Law) in 1994. In addition, we started network learning (PC-based study) on this subject for general employee participation in FY2000, and continue to work to improve employee education and awareness about product safety.

Product Safety Management System



Product Accident Response

Product Accident Caused by Residual Toluene

In October 2008, some of the wiener sausage packaging DNP makes was found to contain higher than normal residual content of the solvent toluene, which is used in the manufacturing process. This was caused by a malfunction of some of the manufacturing equipment, which caused an excess in the amount of adhesive coating used in some instances. We at DNP offer our sincere apologies to everyone affected by this occurrence, especially purchasers of the product. Measures for recurrence prevention include switching to a non-toluene adhesive, implementation of thorough maintenance controls on manufacturing equipment, and the strengthening of residual concentration measurement controls. We shall continue to strive for thorough quality control.



Stakeholder Opinion

Shigeru Ishino

JAB Certified Auditor
 CEAR Registered Auditor (A1982)
 JRCA Registered Senior Auditor (A00068)
 Representative, Advanced Management Laboratory

I have been involved in management system audits of many DNP Group divisions and companies for more than 15 years. I know from direct discussions with everyone at these divisions and companies, from top management to general employees, that the mission of the DNP Group is the provision of products and services of a standard of quality unsurpassed in the world, and that everyone does their best to accomplish this at their positions on a daily basis.

Despite such efforts there was an unfortunate product accident due to residual toluene, causing trouble for the many people involved. It is necessary for all employees to bear in mind that a small error can result in significant damage. Even the most comprehensive control system depends on people for maintenance and operation. It is important for each employee to recognize how much his or her own mistakes can damage the company's products and services, and to understand the meaning and importance of one's own role and job.

From a recurrence prevention perspective, I hope DNP will include verification of the degree of awareness of employees during the conduct of regular product and service safety system checks and risk evaluations.

Business Continuity Plans

Creation of Action Plans for Emergencies

It is Japan's fate to be subjected to the risk of earthquakes, so BCP (Business Continuity Plan) Creation Teams attempt to estimate the scale of potential earthquakes at operational sites based on earthquake risk assessments, so as to take the necessary measures for business continuity. A great deal of our business is international, but it would be difficult to contract our production to other companies and therefore the impact on society would be large. In response, we have completed BCPs for the Electronics Business Division, the Information Systems Division, the IPS Operations Division (which conducts production and issuance of ATM and credit cards for banks, database development and operations, and the production and distribution of direct mail and various request forms), the Packaging Division, and some of the Materials Supply Division, and the transition to BCM (Business Continuity Management) is being executed.

We are also establishing a BCP creation structure for other divisions, which is also a part of the ongoing movement toward ISO certification, and BCPs are planned for all remaining operations in 2009.

Realizing an Energetic Workplace

As the DNP Group Code of Conduct proclaims, human dignity is of the greatest importance, and we respect diversity in the culture, nationality, creed, race, ethnicity, language, religion, gender, age, and ways of thinking of each individual. Our “efforts to create an energetic and inspiring workplace” are founded on this principle.

Respect for Diversity + Related information

Diversity Promotion Meetings

We conducted these meetings so as to uncover issues we must address in our attempts to create a workplace in which everyone in the DNP Group is able to work to his or her fullest potential, and in which everyone understands the philosophy of “Respect For Diversity” proclaimed in the DNP Group Code of Conduct. Three such meetings were held in 2008, with about 80 persons in charge from the General Affairs Divisions, which are tasked with promoting diversity at each Group Company, in attendance. Each meeting featured lectures by guest speakers and group work, and the participants shared information about issues at each company (in the various operations) with examples from each Division. The meetings succeeded in deepening understanding of the need for diversity.



Meeting scene

Henceforth support will be provided for actual efforts toward the resolution of issues at each Group company as part of our ongoing effort to promote diversity.

Employee Comment: Participating in Diversity Promotion Meetings



Discussion about our own workplace issues as part of the DNP Group was meaningful.

Takumi Osuga

General Manager, DNP
Tohoku General Affairs

Kiriko Sato

DNP Tohoku
General Affairs

Attending the Diversity Promotion Meetings, understanding the point of view of women (who are considered a “minority”) and discussing the issues that DNP Tohoku must resolve as part of the DNP Group was meaningful in terms of revising our work habits. We once again became aware of the need for more understanding and operational reform of working hours management, the promotion of the taking of paid leave, and the systems for balancing work and life.

Of these, we have established “Bring Your Child To Work Days” through joint labor-management cooperation, with the goal of creating an improved work environment and realizing work-life balance. A lot of employees showed an interest in this plan and are participating, and there is a real sense of energy and appreciation of the “good working atmosphere.” We would like to build on this energy and turn it into a trend by continuing such active efforts.

Support for Success of Personnel Diversity + Related information

Female Employee Active Support Meetings

We began holding Female Employee Active Support Meetings (Kick-Off Meetings and Network Meetings) in 2006 with the goal of nurturing an organizational culture that allows our female employees to display their skills to the fullest. Kick-Off Meetings precede the Network Meetings, and are attended by female employees and their superiors with the aim of improving their understanding of company policies and systems and their current status, as well as to make everyone conscious of the need for the active support of female employees. The company’s efforts and systems for supporting of female employees are explained, examples of how senior female employees took advantage of these systems are shown, and talks are given by lecturers from outside the company.

Network Meetings are attended by 30 female employees on each occasion. The career paths of successful role models within the company are introduced, and discussion and networking with other female employees takes place concerning topics important to female employees, such as work-life balance, career development, and others. In Fiscal 2008, the meetings were open to the entire Group, with 675 female employees participating by March 2009.

Efforts to Employ the Physically-Challenged

The DNP Group actively strives to create workplaces in which our physically-challenged employees can work



Signing Seminar

energetically. We put particular efforts into supporting the employees working alongside the physically-challenged, part of which is deepening their understanding of disabilities. These efforts are based on our philosophy of “normalization” of the physically-challenged and the able-bodied working together. Many of our employees working alongside hearing-impaired colleagues attend our regular Signing Seminars and Signing Comedy Storytelling sessions, helping to improve communication with the hearing-impaired at the workplace.



Akio Doteuchi

Chief Researcher, NLI Research Institute

The DNP Group conducts Diversity Promotion Meetings and promotes work-life balance so as to enable its employees to perform to their fullest abilities. Of particular note is their creation of a work environment in which childrearing and work are balanced, so female employees can use their skills fully, and for this they were certified by the Tokyo Labor Bureau in April 2007 as a "Business Proprietor Supporting Next Generation Nurturing."

Henceforth, the realization of work-life balance will go further than balancing work and childrearing by making possible the lifestyles of diverse individuals through activities such as education for life and community efforts. Work-life balance can then become something more than in-company welfare; it makes the personnel portfolio more diverse and thereby strengthens the corporate culture and enhances productivity, leading to the creation of new added value. Employees can shine in a company that embraces diversity.

Support for Next-Generation Childrearing

+ Related information

Kangaroo Club 2009

In January 2009 we held a return-to-work seminar called Kangaroo Club 2009 as part of the Back-to Work from Childcare Program for employees that have taken leave for childbirth or childcare. There was a lecture by a career adviser and group work, and the 56 participants discussed and learned about worries concerning creating a balance between childcare duties and work, as well as methods for communicating with those around one.



Male partners appear for the first time

We had been holding such meetings for employees that had taken leave for childbirth or childcare every year, but some of the participants mentioned that they would like their partners to

be able "hear the same lecture" and "to have a place where we can discuss mutual concerns." In response to their requests we opened the meeting to partners as well, and 12 male partners, both DNP employees and men from outside the company, took part. There is a tendency to think of the childcare/work balance as a women's issue, but DNP seeks to provide a place where

partners can consider lifestyle issues, such as childcare/work balance, together irrespective of sex, as part of our goal of creating a workplace where diversity is mutually acknowledged.

DNP Family Friendly Days

Our "DNP Family Friendly Days" ("bring your child to work days") represent another of our efforts to support next-generation childrearing. We held two of these at Ichigaya in August during the summer school holidays, and 71 people (of which 34 were children) from 23 families participated. The children got tours of the printing plant and saw their parents' workplace, which gave them an understanding of their parents' jobs. DNP Tohoku held their Family Friendly Day in February 2009, with 33 people (of which 17 were children) from 10 families participating, and the program was great success. Of our overseas subsidiaries, DNP Denmark also held a Family Day in June 2008, with 75 people from 18 families participating.

We will broadly extend this program throughout the DNP Group, so as to promote work awareness and interest among children, who will take charge of the next generation, as well as better parent-child (family) communication for our employees.

Employee Comment: Participating in Kangaroo Club 2009



The meeting made me confident about returning to work, and it was a good chance for families to learn about childrearing together.

Mariko Sugiyama (with her husband)
Ichigaya Publication Printing Operations
Sales Division

Raising children can make it easy to become an unintentional shut-in, and I was caught up in worries about returning to work. By participating in the meeting I was able to talk with other working mothers at DNP, which really improved my mood and gave me confidence about returning to work.

Also, because childrearing is a new experience for both my husband and me, the ability of partners to participate in the meetings whether or not they are DNP employees helped us realize once more that bringing up a child is really something for spouses to do together.

My child (and I) are experiencing daycare for the first time, and it seemed to me that this was like a dress rehearsal for returning to work.



Touring a computerized proof-making worksite (DNP Ichigaya)



Tours were also held at an overseas location (DNP Denmark)

Creating Pleasant Workplaces that Increase Group Dynamism

The strength of the DNP Group lies in our employees. We are working to create pleasant, free and vigorous workplaces with a variety of systems in place that support the growth of our employees and meet their needs as diverse individuals, creating dynamism that spills over into the workplace and causes the emergence of values in new areas.

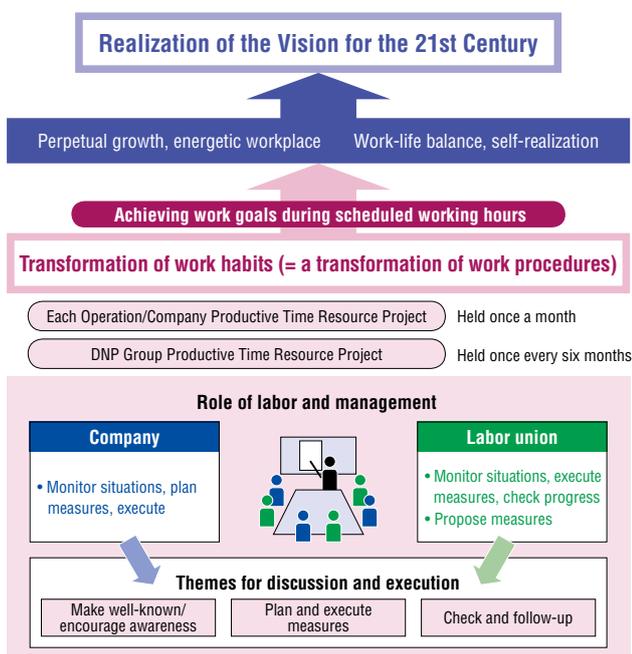
Creating a Creative and Energetic Corporate Culture + Related information

Transformation of work habits (= a transformation of work procedures)

Realization of the sustainable development of the DNP Group along with rich and rewarding lives for our employees, as well as a creative and energetic corporate culture, requires “a highly efficient, productive, self-starting way of working in which the desired role and desired results of each individual are met, so our people attain even fuller personal lives.” At the same time, the business environment in which the DNP Group operates is changing greatly, and building a company with the resilience to support future growth requires the achievement of a “transformation of work habits (= a transformation of work procedures),” which entails innovative changes from old work habits, with all DNP Group employees “making a sweeping review of everything” and remaining conscious of the added value created through one’s own work.

In recognition of this, the DNP Group took a hard look at the work procedures of all of our employees in FY2008, and as a result expanded a variety of the activities in which we had already been engaged so as to take them to next stage and promote the efficient use of time resources.

Outline of Productive Time Resource Project



(1) DNP Group Productive Time Resource Project

In 2004, DNP labor and management cooperated in initiating the Productive Time Resource Project, establishing mid-term policies and goals shared by all members of the DNP Group with the aim of generating time resources and using them effectively. In recognition of the ongoing importance of that Project and of creating deeper ties and cooperation between labor and management, the DNP Group Labor-Management Committee has extensively restructured that Project by creating the DNP Group Productive Time Resource Project.

The DNP Group Productive Time Resource Project Stage 1 Plan established a three-year plan beginning April 2009 (FY2009-2011) setting out the joint policies and goals of the entire DNP Group, which all employees shall seek to achieve. In tandem with this, the Group Operation Productive Time Resource Projects have been launched as subordinate organizations to the DNP Group Productive Time Resource Project, so as to engage in productive time resource efforts at the operational level and optimize overall efforts.

(2) Work Streamlining Measures

In FY2008, we distributed two types of the DNP Group Work Streamlining Handbook so that each employee would take a close look at his or her own work progress and think about the original goals of that work, as well as consider what type of work system is required in their own division and to make optimum work flow a reality. The Handbook is also designed to support work streamlining activities through the participation of all employees.

We also continued the Work Streamlining Training begun in 2007 (Work Streamlining Management Training, 1st Term Expert Seminars) by holding 2nd Term Expert Seminars for the cultivation of work streamlining coordinators in each Group Operation. At these seminars, representatives of each Group Operation conducted seminars on 20 topics over a six-month period for each step, from data accumulation, workflow creation, function definition and evaluation, and backup plans through establishment of a firm action plan.

Fair Evaluation and Assignment + Related information

Development of New Personnel System Policies in the Group Companies

In 2007, DNP restructured the basic personnel system so that each individual employee might display his or her abilities and help us realize our Vision, and sought to introduce a new system (rating, wages, working hours, commendations). The new system is founded on the Demonstration of the Desired Role/Desired Results concept, and applies new systems such as new work organization categories and new rankings, including a new wage system, application of a planned work-type discretionary labor system, and commendations for timely work results.

The “Demonstration of the Desired Role/Desired Results” concept is shared by the entire Group as the personnel system policy. While it had already been introduced at 50 Group companies, it was put in place at 18 more in FY2008. The goal is for each Group company to rebuild its personnel system with the same core as that of DNP, while reflecting the individual characteristics and personnel strategies of the particular company.

Management by Objective System

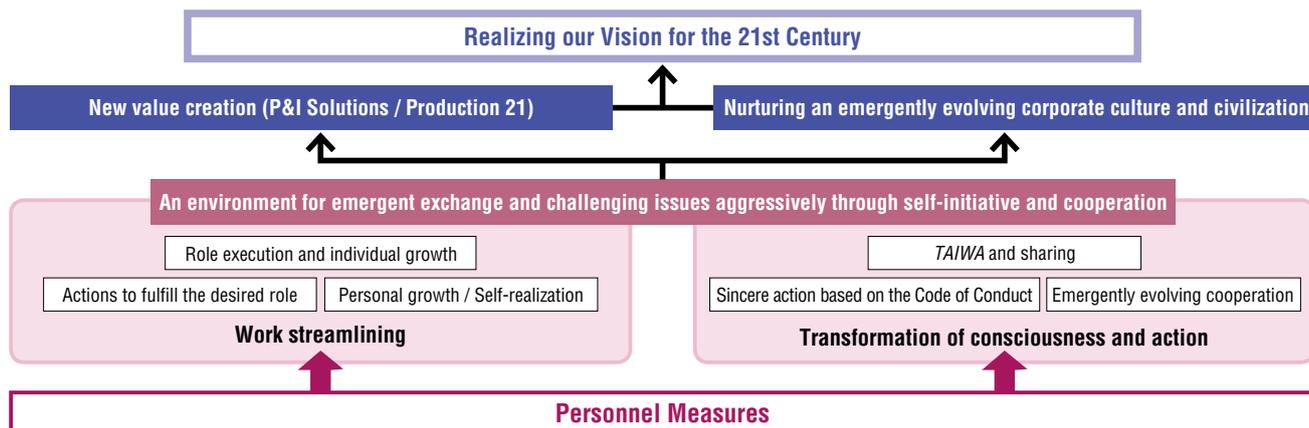
After introducing the new personnel system, DNP conducted an employee survey so as to assess the degree of permeation and the implementation status of the new system and

examine measures to strengthen its application. One of the actions taken in FY2008 based upon the results of that survey was to compose an Evaluation System Correlation Chart that shows the goals, gist, and rating relationship of each of the evaluation systems (Goal Challenge System and Rank Assessment System) for distribution to all employees so as to enhance the actual operation of the system and ensure that employees correctly understand the system.

Furthermore, the Management by Objective Training for management level employees that is intended to improve the evaluation system by deepening an understanding of evaluation methods and interview techniques was held in FY2008 (55 sessions, a total of 1,700 participants). In addition, Goal-Setting Training, which is basic training conducted since 2004 that uses actual case studies of goals achieved at the company, was expanded in FY2008 to include the upper echelons of the general employee ranks (15 sessions for senior personnel, a total of 450 participants; 76 sessions for general employees, a total of 1,900 participants).

We will continue to implement training in FY2009 for those who have not yet received it. Also, in addition to the comprehensive training for managers, we are looking into executing workshops or similar programs to verify that goal setting has been performed for themes from the organizational action program requiring manager efforts.

Basic Personnel Measures for Realizing our Vision for the 21st Century



Creating Pleasant Workplaces that Increase Group Dynamism

Human Resources Development Support

+ Related information

We attach great importance to the acquisition of knowledge and skills by each of our employees, so they can fulfill their duties to the fullest as self-starting individuals, and also so they can experience personal growth and self-realization. We support such efforts through a personnel system that allows the selection of desired work, systems for learning of specialized knowledge and technologies, and evaluation / worker treatment systems.

Personnel System Allowing Desired Work Selection

The following are among the career development support personnel systems in place at DNP that expand the parameters of work and increase opportunities for the independent selection of work: the In-house Recruiting System, to which experienced employees with specialized skills seeking self-realization can apply; the Self-Reporting System, in which the self-realization steps and workplace transfers desired by the employee are examined and a relationship of trust is built between superior and subordinate; the In-house Venture System, which brings to fruition seeds of business unearthed at the company or in employee ideas; and, the In-house Learning in a Different Department System, in which employees sharpen their skills by spending a fixed period of time working in different department.

Results for each system

	In-house Recruiting System		Self-Reporting System		In-house Learning in a Different Department System
	Applicants	Transfers	Persons consulting	Transfers	
2005	78	55	287	80	3
2006	120	51	302	120	3
2007	119	47	312	115	0
2008	90	40	302	112	1

Group companies established through the In-house Venture System

Company name	Date established	Type of business
CP Design Consulting	March 28, 2002	Personal information security consulting business
M's Communicate	September 12, 2003	Consulting business related to customer membership services
At Table	September 1, 2004	Sales promotion support for supermarkets
YouToo	January 23, 2006	Mobile phone website operation featuring soccer and other sports content
My Earth Projects LLC	July 7, 2008	Global environment card game "My Earth" sales

Promoting Human Resources Development

+ Related information

Practical and Diversified Training Programs

The DNP Group offers a variety of practical and diversified training programs for acquiring the necessary basic and specialized knowledge for each field, as well as for the devel-

Rough estimate of education costs (per unit)		(Unit: ¥ millions)
2005		1,132
2006		980
2007		1,038
2008		1,027

opment of self-management ability and conceptual skills in support of the career designs of each individual. We aim to cultivate employees capable of conceiving their own future vision and acquiring the skills to attain it, and who can work with people both in and outside of the company as confident and responsible professionals functioning independently in their field.

We also conduct practical courses in communication skill enhancement for managers and leaders, so as to deepen their understanding concerning the need for a career development system that enables their subordinates to display their abilities to the fullest.

Employee Comment: Company Established Through The In-house Venture System



Doing what we must to make dreams take form, with the support of superior staff

Yoshifumi Okabe
My Earth Projects LLC

One day while trying to come up with themes for "corporate contribution to education," the company was visited by two college students pitching a card game called "My Earth," which was designed to teach children about the global environment. Their passion and novel ideas stirred my heart, and I resolved to apply to the In-house Venture System for the three of us.

The industry-academic tie-in, the creation of a joint venture with students, and the development and sales of a card game through an LLC were first-time efforts for DNP, but with the help of a lot of expert in-house departments, such as Legal, Intellectual Property, Labor, Accounting, manufacturing sites, and others, we were able to get the venture established. I again was reminded of how the In-house Venture System, which supports employee dreams, is in turn supported by superior DNP staff.

Worksite Safety + Related information

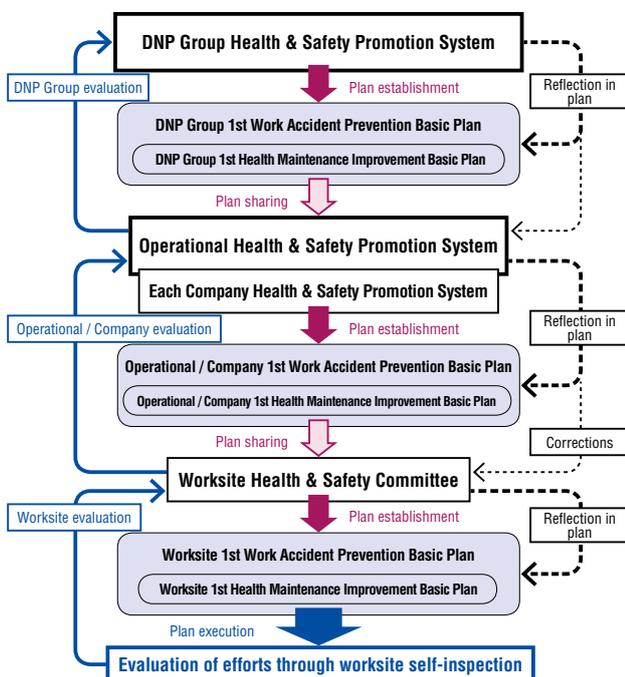
The DNP Group has been working to improve the health and safety standards for the overall Group by increasing the health and safety measures we have employed up to now and seeking to create uniform Group standards. We have newly placed the DNP Group Health & Safety Liaison Conference at the center of our health and safety structure, for the examination of joint efforts in cooperation with the labor union and monitoring of progress. All Group Operations and companies also have their own health and safety promotion systems, and we are seeking to strengthen ties within the Group.

Improving Group Health and Safety Standards

We have revised our Health & Safety Control Regulations in response to changes in the social environment surrounding health and safety, as well as to contribute to strengthening Group ties so as to improve the DNP Group's health and safety standards.

We are systematizing the health and safety items that must be common to all DNP Group employees, such as the original Health & Safety Control Regulations, bylaws, and guidelines, and are conducting the procedures for enacting the DNP Group Health & Safety Control Regulations in each company.

DNP Group Health & Safety Promotion Structure



Planned Efforts toward Work Accident Prevention

In accordance with the need for comprehensive and planned measures to prevent work accidents, we have established the DNP Group 1st Work Accident Prevention Basic Plan, which goes into effect in FY2009 and targets FY2011. The Basic Plan states numerical targets for work accident reduction rates, establishes firm goals for items to be promoted, and clarifies measures to be executed henceforth.

Our health and safety efforts are executed from the twin perspectives of risk reduction of decreasing work accidents overall and preventing serious accidents. Our measures take into account work accident trends both within and outside our Group.

Work Accident Occurrence Rate (rate of accidents accompanied by lost worktime)

	DNP Group	Printing industry overall	All industries
2005	0.60	1.45	1.95
2006	0.55	1.45	1.90
2007	0.47	1.52	1.83
2008	0.49	0.94	1.75

Practical Seminar on Health and Safety Management

Prior to going forward with the DNP Group 1st Work Accident Prevention Basic Plan, we held skill improvement training for a total of 120 General Affairs general managers, section managers, and health and safety coordinators from all worksites within our Group Manufacturing Segments six times during the period August 2008~January 2009 (30 participants a session for a total of 24 sessions), so as to enhance the planned measures taken at each worksite.

The curriculum included deepening understanding of the DNP Group Health & Safety Control Regulations, as well as talks by experts from the Japan Industrial Safety and Health Association and case studies of accidents that have occurred within the Group. In each session, the development of management measures for accident prevention at one's own worksite in relation to the risks cited was made a topic for discussion, with actual risk identification and countermeasure development taking place in parallel. The final issue was the creation of a three-year plan for work accident prevention at each worksite, with the goal of enhancing the basic plans and improving the skills of those involved. We are looking into future practical seminar content along the theme of development at the conference of analysis skills for each worksite.

Creating Pleasant Workplaces that Increase Group Dynamism

Nurturing Active Health Maintenance Improvement + Related information

DNP has been serving the health maintenance improvement needs of our employees and their families up to now with our DNP Group Total Health Support System, and to that base we have added the DNP Group Health Maintenance Guideline. This Guideline spells out the DNP Group's health maintenance policies. Our goal is to improve the health awareness of each individual, as well as to respond to social demands for lifestyle disease prevention and the changing philosophy and needs pertaining to "health," such as the need for improved health maintenance by employees and their families.

The actual measures to be executed are established in the DNP Group 1st Health Maintenance Improvement Basic Plan and elsewhere, as part of our efforts to ensure a solid health promotion structure.

System Promoting Planned Health Improvement Efforts

We established the DNP Group 1st Work Accident Prevention Basic Plan, which goes into effect in FY2009 and targets FY2011 for sustained and planned health maintenance improvement on the part of our employees and their loved ones, based on the DNP Group Health Maintenance Guideline. The Basic Plan states the targets for health maintenance improvement measures, and establishes evaluation methods, the promotion structure, and the items to be promoted.

In creating a system for planned efforts, we newly established the DNP Group Health Maintenance Guideline at headquarters to provide a model for the annual plans to be executed by each worksite. Health Improvement Offices are in placed under the auspices of the Health & Safety Committees at each worksite, and they conduct efforts for the active pursuit of the basic plan-

ning targets at all worksites, such as the active use of health examination results and events for promoting health maintenance. Also, we are in the process of bolstering the system by assigning specialist staff to boosting these activities.

"Second Life" Preparation Guidance

The DNP Group is offering "Second Life" Preparation Guidance as part of the joint labor-management Life Plan Promotion System so as to offer support to the "realization of a fulfilling and rich 'second life'" for employees reaching mandatory retirement age.

Employees and their spouses are encouraged to take part in this program, which covers creating a "post-retirement life purpose" to replace the life purpose provided by work during years of regular service, methods for "healthy life extension" through the prevention of lifestyle diseases, and other ways of preparing for one's "second life." The three aspects of "second life"- purpose, health, and household finances- as well as related items for careful attention are explained. Sessions were held 11 times in FY2008, with 472 participants.



"Second Life" Preparation Guidance

Life Plan Promotion Office Commentary

One's old-age pension and company pension are not enough for realizing a rich and fulfilling "second life" nowadays, so self-help is required. By saving through the DNP Group Asset Building Pension Fund and group life insurance, and not worrying about the company life that was left behind, one can take a forward-looking approach and achieve greater fulfillment.

Systematic Measures

	Awareness Promotion	Strengthening Disease Prevention / Health Maintenance Improvement	Health Exams / Health Guidance	Medical Examination / Treatment Environment Enhancement
Current System	<ul style="list-style-type: none"> Health exam reference menu Reports, PR activities ("Healthy Life" pamphlet, etc.) Stress check "Second Life" preparation guidance 	<ul style="list-style-type: none"> Consultation offices (Health Consultation Office, Mental Health Consultation Office) Telephone consultation (DNP Health Network) Nutrition and exercise counseling Mental health counseling Mental health education (network learning) Health Services (distribution of cold medicine) Physician interviews (for people working long hours, etc.) 	<ul style="list-style-type: none"> Regular physicals Lifestyle disease examinations Re-testing, complete physicals Comprehensive medical examinations 	<ul style="list-style-type: none"> Infirmery Mental Health Clinic Ties with cooperating hospitals Rehab Leave System
Newly added systems, etc.	<ul style="list-style-type: none"> Expansion of the health exam reference menu Health events that include measurement and activities Health Challenge Campaign 	<ul style="list-style-type: none"> Expansion of nutrition and exercise counseling Offering of anti-lifestyle disease menus Expansion of DNP Group outside mental health consultation 	<ul style="list-style-type: none"> Specific health exams, specific health guidance System of special health examinations for dependents, and enhancement of the specific health guidance system 	<ul style="list-style-type: none"> Refurbishing of infirmery, review of facilities and operations

Secure Working Environment

+ Related information

Efforts to Establish Crisis Action Plans

The long-term loss of our functions and ability to conduct business during a crisis caused by, for example, a large-scale natural disaster or fire could seriously affect and cause trouble for our clients and all of our stakeholders. DNP would not only lose sales as a result, but could also lose trust, suffer damage for the brand, or the impact could even threaten the continued existence of the company. As part of our overall crisis management, DNP has therefore created BCPs (Business Continuity Plans) to serve as the action plans in the event of a crisis and minimize risk.

Earthquake Response Efforts

The DNP Group has created an earthquake response outline and a central disaster prevention basic plan for use as guidelines for securing employees' safety, restoring function to worksites, and supporting employees' families and local residents in the event of a disaster. This includes establishing "Disaster Prevention Councils" in operations and Group companies at our headquarters and regional areas. In the event of an earthquake, these councils are prepared to begin functioning automatically as response headquarters. Six action teams have been created to take specific disaster prevention measures and earthquake response measures: the Human Needs Action Team, Building Care Action Team, Asset Protection Action Team, Business Operations Action Team, PR Action Team, and Community Aid Action Team.

Beginning in 2006, BCP (Business Continuity Plan) Creation Teams were established within the Central Disaster Prevention Council, and began establishing measures for high-priority businesses. As of FY2008 we have completed BCPs for seven Operations, and the transition to BCM (Business Continuity Management) is being executed. We are also establishing a BCP creation structure for other divisions, which is also a part of the ongoing movement toward ISO certification, and BCPs are planned for all remaining operations in 2009.



Stakeholder Opinion

Shizuya Yamashita

DNP Health Insurance Association
Namba Health Office

DNP is trying to improve employee health by putting the company and the clinic together. We have targeted a 100% health exam participation rate, with no misdiagnoses, for our employees.

Lifestyle diseases such as diabetes, hyperlipidemia, high blood pressure, and others have been on the increase in recent years, even at DNP. We are also seeing an increase in the number of patients with metabolic syndromes of these that pose a number of risk factors for hardening of the arteries. Therefore we seek to conduct detailed and thorough post-exam guidance particularly in regard to the lifestyle diseases of metabolic syndrome patients. We provide a detailed explanation of metabolic syndrome risks in our Health Lectures, and we conduct the Health Challenge Campaign for recording weight, blood pressure, and other health data.

We at the clinic believe there is nothing more important to the Group overall than the health of its employees, so we encourage employees to improve their health.

Influenza Pandemic Countermeasures

We are in the process of establishing a Special Council on Influenza Pandemic Countermeasures within our Central Disaster Prevention Council to direct our actions as a Group. In addition to already standing members of the Central Disaster Prevention Council, the Special Council includes treatment specialists, the Overseas Safety Promotion Office, the Logistics Division, which is expected to be affected in the event a nationwide pandemic occurs, and a team to look into the advance stockpiling of products. The Special Council has proceeded to examine measures to be taken in all areas.

The decision has been made to establish an Influenza Pandemic Countermeasure Network and a Basic Action Plan. We will also create a DNP Group Influenza Pandemic Guideline that will include behavioral and infection prevention/infection expansion prevention standards for Group employees, based on the official government response manual, information from other companies, and hearings with public health departments.

Efforts as a Good Corporate Citizen

We seek to provide corporate philanthropy with originality, focusing on printing technology and the graphic arts as suggested by our motto, "Living side-by-side with our trade."

DNP's Unique Corporate Philanthropy + Related information

Supporting Culture by Providing Art

Graphic design and graphic art are the artistic endeavors with the closest ties to printing, and we have sought to increase the appeal and evolution of these arts by opening the "ggg" (Ginza Graphic Gallery) in Tokyo's Ginza in March 1986 as the first gallery dedicated to graphic design, and it continues to function as the foundation of our cultural activities. The ggg has for over 20 years held unique monthly exhibitions highlighting the works of the best graphic artists from Japan and overseas. We also opened the "ddd" Gallery in Osaka in 1991, and the CCGA (Center for Contemporary Graphic Art) in Sukagawa, Fukushima in 1995. Our exhibitions received 82,500 visitors in FY2008, for a grand total of 1,245,000 since these programs began.

Web Gallery http://www.dnp.co.jp/foundation/

Continuous Publicly Beneficial Development through Arts And Culture

DNP seeks through our exhibition talks and similar activities to deepen public awareness that the artistic and cultural value of works of art is part of our common human heritage. To both elevate the level of such activities and make them permanent, we established the DNP Foundation for Cultural Promotion in July 2008 as part of our memorial activities on the 130th anniversary of DNP's founding. We shall continuously develop art activities of great benefit to the public by maintaining our regular exhibition work while developing the work of the Foundation, which is outlined at right.

DNP Foundation for Cultural Promotion Mission

1. Archiving	Collection, storage, and public as well as Foundation examination and research of artworks and materials, as well as joint research or similar cooperation with Japanese and foreign institutions and individuals
2. Exhibitions	Exhibition of superior artworks, and joint research or similar cooperation with Japanese and foreign institutions and individuals depending upon need
3. Education and public awareness	Educational and public awareness activities such as seminars and information provision by means such as publications or the Internet
4. International exchange	International exchange activities such as exhibition projects for artists from overseas or the introduction of Japanese graphic design in foreign countries
5. Support for research	Granting of awards and subsidies for artistic and cultural activities

FY2008 Exhibition Record

Gallery	ggg	ddd Gallery	CCGA
Number of exhibitions	12 times	8 times	3 times
Annual visitors	65,000	15,000	2,500
Total visitors	936,000	245,000	64,000





Our "Creators' Files" collection of interviews (DVD set)

Offering a More Experiential and Expressive Approach to Learning

The Louvre - DNP Museum Lab (LDML), a joint project of DNP and France's Louvre Art Museum, opened in 2006 at the DNP Gotanda Building in Tokyo under the theme of "providing new techniques for art appreciation." The LDML held two exhibitions in FY2008 as well, at which 12,000 visitors were able to experience and appreciate artworks from the Louvre collection by way of DNP's state-of-the-art display and information technologies. Our seminars and film offerings also attracted 2,640 visitors.



Visit by students of the Lycée Franco-Japonais de Tokyo

Visitors included Japanese elementary school students led by their teachers and students from a French international school in Japan, as well as

university students for whom the visit to one of our galleries was part of their studies and research groups from both Japanese and foreign institutions. The ggg, ddd, CCGA, and LDML hosted 1,600 visitors representing 67 educational institution groups in FY2008.

Web [LDML](http://museumlabor.jp/english)

Providing Information to Educational Institutions

The ggg and the ddd offer gallery talks by exhibiting artists for both the general public and students. Participants gather with great interest to hear front-line designers and art directors speak. Gallery talks from the ggg are broadcast via TV at the ddd and at universities.

We also produced the "Creators' Files," a collection of interviews with 20 of Japan's leading graphic designers, including images, in FY2008 (set of 20 DVDs). We donated these to 100 institutions throughout Japan, such as schools, libraries, and art museums, for use as research and learning materials.

Providing Information about French Art

The Maison des Musées de France (MMF) in Tokyo's Ginza provides information about French exhibitions and art museums to the general public. In addition to holding various seminars, the MMF Information Center offers not only materials for viewing but also the advice and assistance in information gathering of expert staff. With 2,000 visitors annually experiencing its atmosphere as a sanctuary for learning, the MMF is becoming a famous place for adult education in Ginza.

Web [MMF](http://www.museesdefrance.org/)

FY2008 Educational Opportunities Offered

Site	LDML		ddd Gallery	MMF
	Exhibition	Event	Gallery Talk	Lecture
Sessions	2 times	64 times	30 times	14 times
Visitors / Participants	12,000	2,640	2,500	330



Exhibition scenes

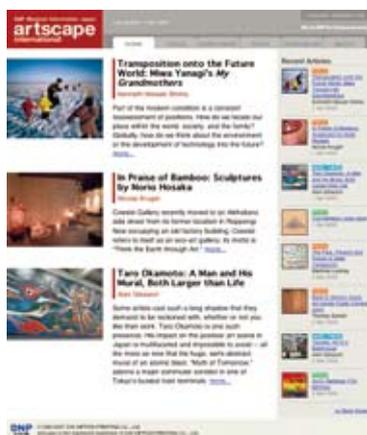
Efforts as a Good Corporate Citizen

International Exchange through Art

The LDML hosted a succession of groups representing overseas art museums in 2008, such as the Pompidou Center in France, the Museum of Fine Arts in the USA, and the German Die Neue Sammlung - Bayern State Museum of Applied Arts and Design, who came to examine our new ways of art appreciation and to exchange opinions. The ggg held three exhibitions representing artists and groups from England, France, and Germany. Foreigners involved in graphic arts also visited, deepening their ties with Japanese designers.

The ggg's 2008 TDC Exhibition was hosted by the Giorgio Cini Foundation Museum of Italy, introducing the latest in Japanese graphic design.

Also, our "artscape international (English version)" website



artscape international website

Web <http://www.dnp.co.jp/artscape/eng>

Developing Exchanges with Communities

DNP takes an active approach to developing exchanges with communities. In FY2008, CCGA held the "Invitation To Modern American Printing: CCGA (Center for Contemporary Graphic Art) Collection Exhibition" at the Tonami Art Museum in Toyama Prefecture, using only items from its own collection. The CCGA then expanded its chain of exchanges with other Japanese art museums by offering this collection. The CCGA also seeks to play a role in the cultural development of



Stakeholder Opinion

Takako Terunuma

Executive Director, Tokyo Type Directors Club (NPO)

The TDC Awards (international awards) International Traveling Exhibition was held in Venice (September 10~11, 2008). In addition to the competition results, a selection of award-winning works from past competitions was also exhibited.

While there are a number of pieces from Japan, the introduction of works from countries all over the world as "Originating In Tokyo" has deep significance in terms of international exchange. The "Tokyo Perspective" is strongly represented in the TDC Awards selection of works, and the world gives it high marks. The uniqueness of Issei Kitagawa's "We Choose This" perspective in his event lecture also tells the story of Japan.

*TDC Exhibition: An annual international competition that gathers the latest works of typography in a single location so as to introduce the results of the Tokyo Type Directors Club-sponsored Tokyo TDC Awards.

- Ginza Graphic Gallery (ggg)
- '08 TDC Exhibition- April 4~26, 2008
- '09 TDC Exhibition- April 3~25, 2009



The CCGA Collection exhibited at the Tonami City Art Museum (a CCGA staff member explaining a piece)

its Sukagawa City community by offering a Woodblock Printing Workshop as part of its series of public courses, as well as participating in student art contests and art events, and providing tours for elderly residents of assisted living facilities.

The LDML also conducts workshops for residents of its local community, which get better each time and are becoming a routine practice in that community.



Limited design "Hokkaido" label
Georgia Santos Premium

Contribution to Communities + Related information

Indonesian Reforestation through Donations

DNP Facility Service introduced a fee for including shopping bags with purchases (¥5 per bag) at its My Shops and elsewhere as part of its environmental conservation efforts, with any amount over that added to the donation fund. In October 2008, the DNP Group donated ¥640,000 collected from October 2007 through September 2008 to the Indonesian government, with which the DNP Group has close ties. This money was used for reforestation in Gede Pangrango National Park in November of that year. Local citizens prepared the area within the park for reforestation, which was performed by local elementary school children. This was not simply a reforestation



Commemorative photo of the local citizens and elementary school students who participated in the reforestation.

project, but was in fact based on a program designed to make it possible for future community residents not to have to depend on logging for a living. Donations are set to continue each half term from now on.

My Shop: DNP Group employee stores for food and household items. They are also open to residents of our local communities.

Gede Pangrango National Park: Located in West Java, consisting of two 3000-meter volcanoes. The area covered by the park is equal to that of 4,700 Tokyo Domes.

Selling Bread from a Vocational Aid Center

Bread made by the Warabi "Rainbow Matsubara" vocational aid center for the intellectually challenged is on offer during lunchtime at the IPS Operations Plant in Warabi. The reputation of this bread keeps on growing, thanks to the friendliness of the sellers, the goodness of the bread itself, and the location provided for the



The "Rainbow Matsubara" crew

sales counter. Its popularity shows in the growth in sales from 50 items once a month to around 400 items in what are now twice monthly sales. The plant intends to expand this activity so as to continue to deepen the sense of mutuality with the local community.

Support for Environmental Activities in Hokkaido

Hokkaido Coca-Cola Bottling has become much appreciated by the people of Hokkaido in the 16 years since the company was founded in 1993. The company launched its "Shiretoko" World Natural Heritage Site label cans for sale only in Hokkaido in 2006, so as to make its Georgia Santos Premium coffee even better loved by the local citizens. The company also works to boost consumption of local products by using milk products and sugar from Hokkaido, and contributes to reduced "food mile-age," which indicates the distance food items are transported, for its products through production at its Sapporo plant.

In October 2007, the company entered into an agreement with Hokkaido to donate continuously a portion, corresponding to total units sold, of sales of the Georgia Santos Premium Hokkaido-only label coffee to environmental conservation activities in Hokkaido. Thereafter, donation of the amounts for each respective six-month period has taken place in May and November 2008. The can design was changed to a green leaf motif in December so as to conjure the image of Hokkaido greenery, with the hope of developing the environmental consciousness of the consumer through the iconic imagery and message.



Second donation ceremony

Donations from sales of Hokkaido-design cans

	First donation	Second donation
Donation date	May 27, 2008	November 26, 2008
Period	November 2007 - May 2008	May 2008 - November 2008
Amount	¥5,681,775 (corresponding to approx. 11,363,550 cans)	¥6,398,130 (corresponding to approx. 12,796,260 cans)

Efforts as a Good Corporate Citizen

Supporting Children's Education through the Kidzania Exhibit

DNP is the official sponsor of the "Printing Workshop" pavilion at Kidzania Tokyo. This gives children a chance to experience the joys and difficulties of graphic design by using PCs to create the message, photo, and illustration layouts for "information transmission" on posters for environmental and other themes, which they can then take home. At the same time, we have created an environment for using typesetting and letterpress printing machinery together with PCs at Kidzania Koshien, so children can experience the work of a printing technician and the "rich expressive power of printing technology." After doing the basic design of a post-card on the PC, a child is able to self-print gold or silver letters or patterns by using rubber stamps and plastic plates.

DNP seeks to make a broad contribution to society by presenting to children the technologies and know-how we have developed through printing, as well as its powers of expression and fascinating creativity, so as to help them discover the possibilities the future offers.



Enjoying PC-based design (Kidzania Tokyo)



First experience printing on letterpress printing machinery (Kidzania Koshien)

Kidzania: An "edutainment town" where kids can try work they might enjoy and have fun while learning about the social system. It is the first facility in Japan offering a place for children to learn through experience about grown-up life. The Toyosu, Koto-ku, Tokyo Kidzania opened on October 5, 2006, while the Koshien Kidzania in Nishinomiya, Hyogo Prefecture opened on March 27, 2009.

Web Printing Company information <http://www.dnp.co.jp/kidzania/>

Web Kidzania <http://www.kidzania.jp/>



Stakeholder Opinion

Kenjiro Kaneshiro

Executive Director
Fukutake Foundation for the Promotion of
Regional Culture

Three things come to mind when considering the relationship between companies and culture.

First, "A policy for the distribution of limited resources that is both sustainable and consistent." While there are a lot of demands placed on companies by society, in the final analysis a 10-year range is roughly appropriate.

Second, "Think broadly, act narrowly." Printing culture and the arts world encompass an extremely broad range, and also are always changing. It is important that "support" is in a form that does not give in on this point.

Finally, "Contribute to the dynamism of local communities and society." Corporate support for culture should, even in a narrow sense, transform local communities and be appreciated by the world. Companies that make superior contributions to culture are, in Japan and abroad, proven to show continuous good results, and DNP is no exception.

We will be paying close attention to future activities.

30 Years of Landmark Cleanups at Arashiyama

The Packaging Operations Kansai Region and DNP Technopack Kansai have, mainly through the efforts of their trade unions, engaged in cleanups of Kyoto's Arashiyama and the Nakanoshima Park (Katsuragawa) areas, with the goal of preserving landmarks. The cleanups take place twice annually, in spring and autumn, with a local company, Omron, also taking part in the autumn cleanup.

These cleanups had their 30-year anniversary in 2008,



Cleanup at Arashiyama

and the companies were commended for their activities by the Kyoto Arashiyama Preservation Society, a participating local civic organization.

Labor Union Comment: Cleanups



We reached 30 consecutive years thanks to the participation of most members.

Fumio Morimoto,
Union Chairman
DNP Technopack Kansai Labor Union

The cleanups of Arashiyama started early, and we have quickly surpassed 30 years. Each cleanup event saw the participation of a lot of members, including their families. The DNP Group will continue to conduct these twice yearly cleanups in the future.

Environmental Conservation and the Realization of a Sustainable Society



53 Environmental Controls through Management Systems

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72 Independent Review Report Comments by an Independent Institution

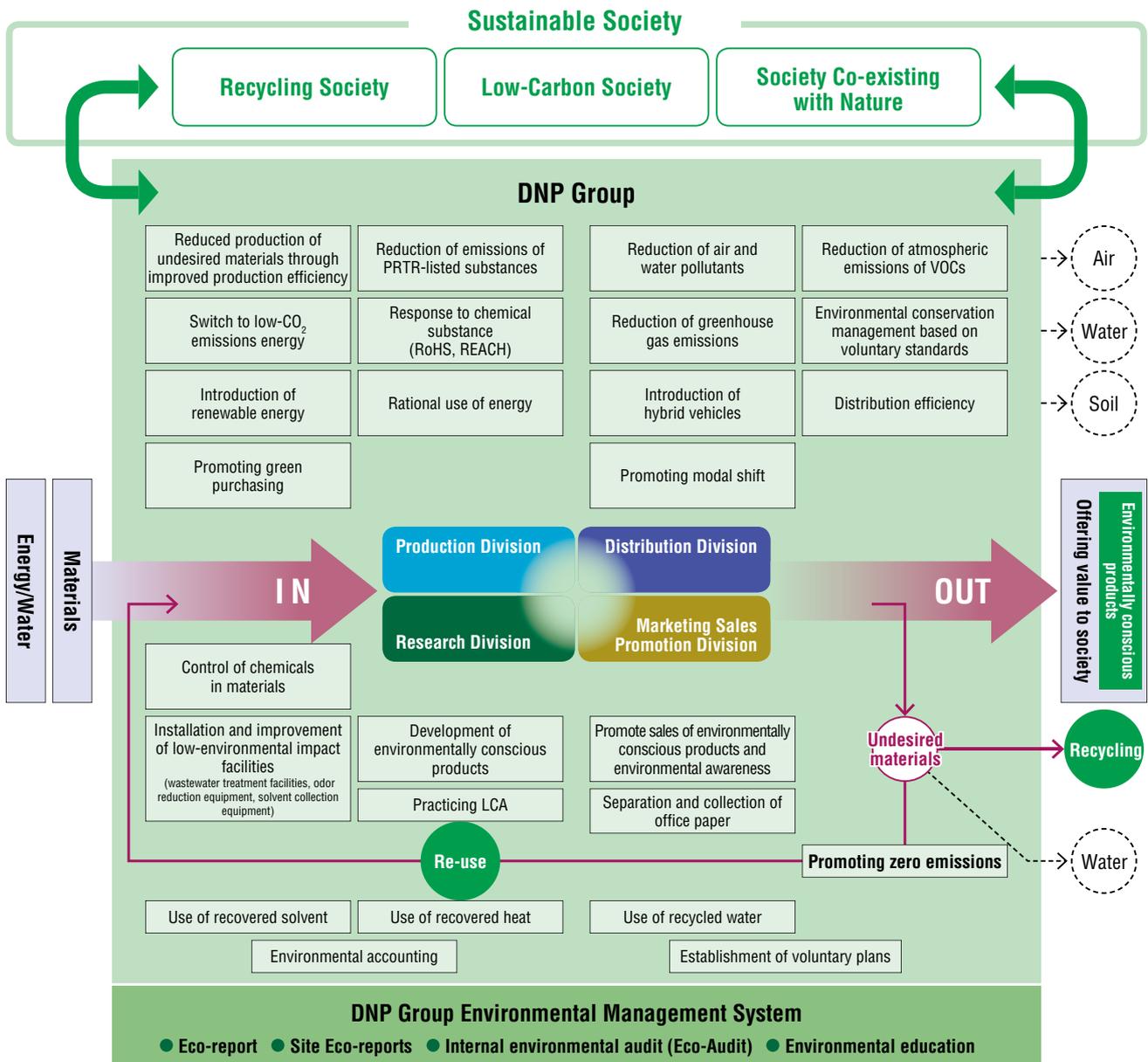
Environmental Controls through Management Systems

We are developing continuous environmental controls based on practical environmental management systems that take business content, customer trends, and the overall company situation into account in establishing policies and targets.

DNP Group Environmental Action + Related information

As a manufacturer, the DNP Group is constantly thinking about how to coexist with the global environment. We value the gifts of nature, and strive for coexistence so we can pass those gifts on to the next generation. Our efforts to do so are of primary importance to us now in the 21st Century, which is called the "Environmental Century."

We do our best for the planet day in and day out, as required by our DNP Group Code of Conduct, which states that "We shall strive to use resources effectively without destroying or polluting the global environment, so as to pass on a beautiful planet to the generations that follow."



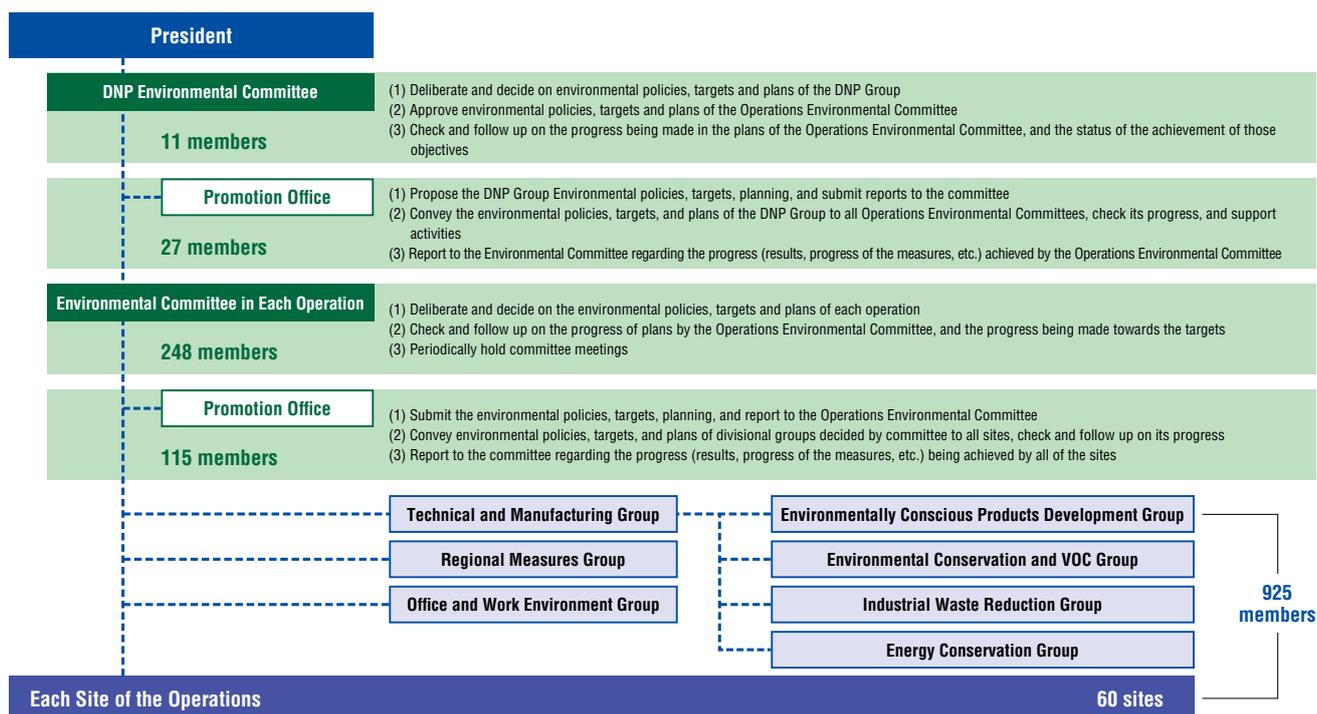
Environmental Management Structure

+ Related information

The DNP Group emphasizes environmental conservation and the efficient use of resources throughout the entire company.

Our environmental management system consists of the DNP Group Environmental Committee, which is in charge of the management of the entire Group, and Operations Group Environmental Committees for each area of business. Each committee has its own promotional office. The DNP Group Environmental Committee, which is made up of the directors in charge of the basic organizations at company headquarters, deliberates and decides on environmental policy, objectives and plans for the entire Group, and monitors the progress of the plans and the status of the achievement of those objectives. The decisions made by the DNP Group Environmental Committee are further developed by the Operations Group Environmental Committees with consideration paid to the characteristic features of each particular sphere of business.

DNP Group Environmental Management Structure



Our Primary Concern: Preventing Global Warming

Yoshiki Nosaka
Director and Chairman
DNP Group Environmental Committee

The DNP Group environmental policy promises continuous improvement in environmental performance and consideration of the environment in every aspect of our business. We set concrete goals for global warming prevention, VOC emissions reduction, industrial waste reduction, expanding our sales of environmentally conscious products, and promoting green purchasing.

Currently, our primary concern is prevention of global warming. We recognize that the reduction of the gross volume of greenhouse gas emissions is vital to reducing environmental impact on the planet, and therefore in FY2008 we continued with our efforts and added to our emissions volume targets. By placing Energy Conservation Teams in our plants and offices across the company and taking actions such as energy conservation diagnostics, lateral development of energy conservation technologies, fuel switching (such as from oil-fired boilers to city gas) and activating NAS batteries for nighttime electrical power, we were able to reduce our year on year emissions of greenhouse gases by 7.2%. The DNP Group will continue to strive fulfill our social responsibilities and remain a leading environmental company in the 21st Century.

Environmental Controls through Management Systems

Environmental Management System + Related information

The DNP Group created our own EMS (environmental management system) in 1993, prior to the publication of ISO14001. Our EMS uses the twin tools of eco-reports and site eco-reports, and executes the “Plan-Do-Check-Action” cycle every six months, setting the pace for the DNP Group environmental management efforts.

Eco-Audits

In 1996 we also began implementing “Eco-Audits,” which are internal management audits aimed at making the Eco-Report System more effective. When an audit discovers that corrective measures are necessary, a Correction Measures Performed Sheet is issued to the site involved, and the response report must get the approval of the DNP Group Environmental Committee.

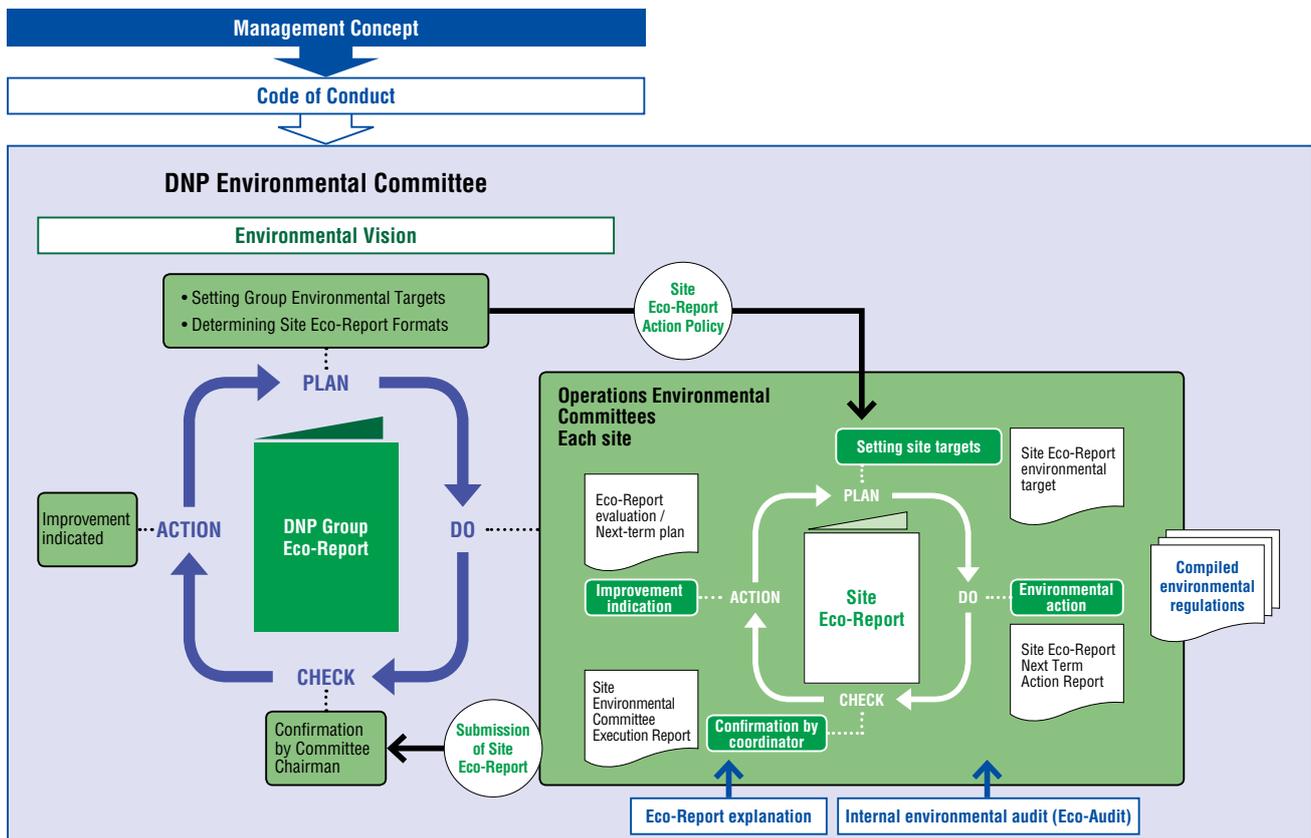
We conducted Eco-Audits at 64 sites. While there were areas needing improvement indicated in some cases, such as insufficient reporting at specific sites and other legal violations, we confirmed that the necessary improvement measures are being taken in each case.

The areas indicated as requiring improvement are analyzed and actions are decided upon, and follow-up Eco-Audits will be carried out in fiscal 2009.

2008 Eco-Audit Performance

Number of sites audited	64 sites
Number of attendees at sites	537 persons
Cumulative auditor numbers	129 persons
Cumulative auditing hours	297 hours

Outline of the DNP Group Environmental Management System



Environmental Risk Management + Related information

Environmental Conservation Measures

The DNP Group monitors trends in environmental regulations and publishes regular Eco-Reports so as to ensure full compliance. Our compliance efforts also include the establishment and strict adherence to our own voluntary standards (air, water, noise, vibration, odor) and voluntary guidelines (chemical substance management, soil contamination measures), which exceed what is legally required.

The DNP Group handles a wide variety of chemicals in its production processes. We have drawn up a Chemical Substance Management Guide for chemical substance handling, and have set up levees and shut-off systems to prevent liquids from over-flowing and installed two-tier storage tanks for the prevention of accidents at plants handling chemicals.

Furthermore, we stock up on materials that can be used during emergencies and hold emergency response drills.



Sound abatement shield



Emergency drill

Soil and Groundwater Contamination

The DNP Group conducts soil inspections based upon the guidelines we have established. When soil contamination is discovered through our inspection, we file a report with the office of the governor or mayor in charge of that prefecture or city, and upon receiving instructions from the local authorities, we implement appropriate measures for removing the contamination. In addition to continuing the purification of pump water at one site in FY2008, we also implemented the updating of tank equipment, leak inspections, and levee building so as to prevent soil contamination.

PCB Storage

PCBs are currently in storage at 28 sites, with a total of 309 condensers and 6 transformers, for a total of 315.

The PCBs were contained in electric equipment that was used in substation facilities in our plants. The PCBs are stored in special containers in special storage rooms, and are managed under the strictest of conditions in accordance with applicable regulations to ensure prevention of leakage or loss. All PCB currently in storage will be disposed of as required by law according to the disposal plans for each region.

Legal Compliance Situation

While we make all efforts to comply with environmental laws and regulations, over the past three years we have experienced 5 incidents of water quality abnormalities in wastewater, 1 case of inadequacy of qualified personnel, and 1 case of odor in excess of standards. There are no ongoing legal disputes involving environmental issues. We have unfortunately had some complaints from areas neighboring our plants concerning noise and odors. Whenever we receive such complaints, we respond promptly by launching a thorough investigation into the cause of the problem and working to make improvements.

The authorities conducted a water quality test in FY2008, and informed us that pollution levels exceeded their standards. We conducted a cleanup of the reservoir and changed the absorbent material, after which measurements confirmed that water quality again met the standards.

Environmental Controls through Management Systems

Current Status of Environmental Impact + Related information

The DNP Group manufactures a variety of different products closely related to the everyday lives of consumers, with main materials such as paper, film, plastic, metal (iron, aluminum, etc.) and ink, as well as electronics.

The Information Communications Segment, which mainly manufactures magazines and other printed material through offset printing, uses a great amount of paper.

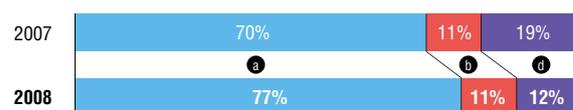
The Lifestyle and Industrial Supplies Segment, is one of the biggest users of solvents in the DNP Group as it manufactures packaging, construction and other industrial materials and uses solvents for its gravure printing, coating and lamination.

The Electronics Segment uses and discharges a great amount of water in proportion to the rest of the Group for its color filters and lead frames.

Main materials

	2007	2008	
Paper	2,191,600 tons	2,031,700 tons	(7.3% decrease)
Film	130,900 tons	126,500 tons	(3.4% decrease)
Plastic	83,100 tons	87,800 tons	(5.7% increase)
Metal	59,900 tons	48,500 tons	(19.0% decrease)
Ink	58,300 tons	53,400 tons	(8.4% decrease)
Others	138,000 tons	139,300 tons	(0.9% increase)

Percentage distribution by individual segment for paper



Main secondary materials

	2007	2008	
Solvent	25,200 tons	23,200 tons	(7.9% decrease)
Acid and alkaline	19,700 tons	19,900 tons	(1.0% increase)

Percentage distribution by individual segment for solvent

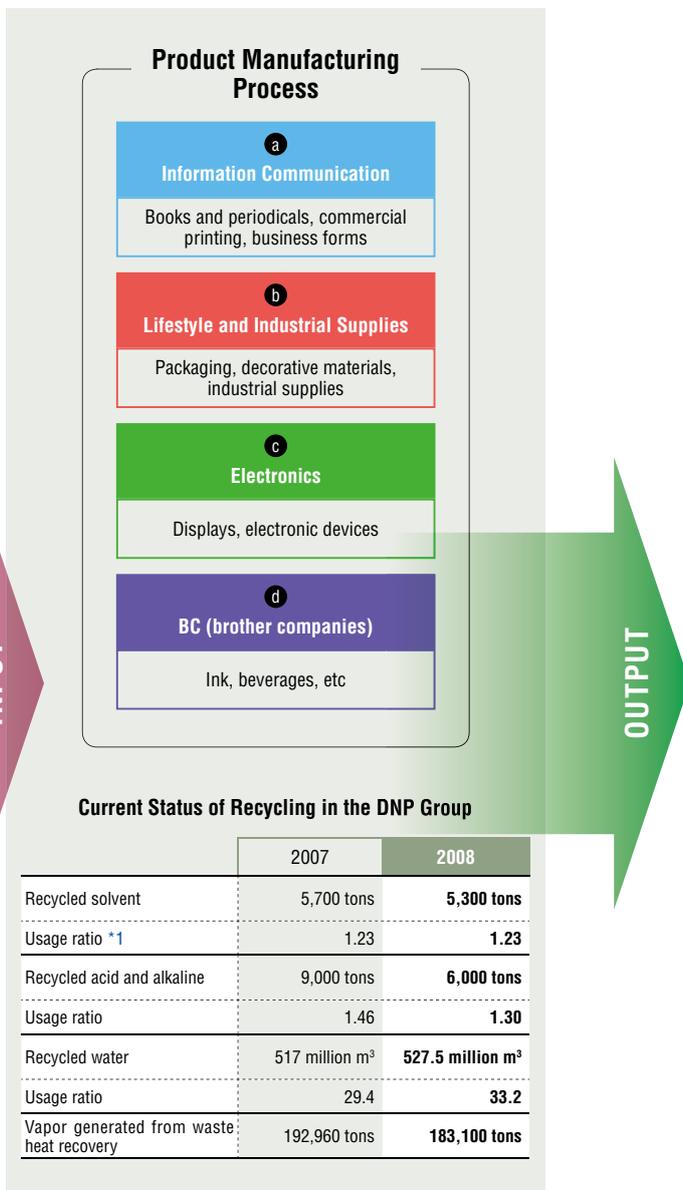


Utilities

	2007	2008	
Electricity	1,410.6 million kWh	1,392.7 million kWh	(1.3% decrease)
City gas	145.3 million m ³	127.6 million m³	(12.2% decrease)
LNG	3.8 million kg	11.1 million kg	(192.1% increase)
LPG	19.5 million kg	9.9 million kg	(49.2% decrease)
Fuel oil	10,100 kl	6,100 kl	(39.6% decrease)
Steam	441 TJ	391 TJ	(11.3% decrease)
Kerosene	1,500 kg	850 kg	(43.3% decrease)
Water	18.2 million m ³	15.9 million m³	(12.6% decrease)

Percentage distribution by individual segment for water





^{*1} Usage Ratio: This is a calculation of (input+ recovery and recycling)/input. It does not include vapor or solvent in ink. Figures for water are calculated by the same method at page 66.

^{*2} GHG: Green House Gases

^{*3} SOx emissions volume was calculated based on the energy consumption amount through FY2007, but in FY2008 we switched to calculation per boiler unit operating hour so as to improve accuracy.

^{*4} This covers water discharge channels which apply to the Water Pollution Control Law.

Emissions into the air

	2007	2008	
GHG ^{*2} emissions	1,091,000 tons-CO ₂	1,012,000 tons-CO₂	(7.2% decrease)
NOx emissions	794 tons	735 tons	(7.4% decrease)
Ox emissions ^{*3}	85 tons	16 tons	-
Atmospheric emissions of VOCs	11,100 tons	11,570 tons	(4.8% decrease)

Percentage distribution by individual segment for GHG emission amounts

2007	22%	35%	33%	10%
	a	b	c	d
2008	22%	36%	32%	10%

Emissions into bodies of water

	2007	2008	
Water discharged	15.2 million m ³	13.1 million m³	(13.8% decrease)
COD ^{*4} emissions	56.7 tons	45.4 tons	(19.9% decrease)
Nitrogen ^{*4} emissions ^{*4}	18.8 tons	13.2 tons	(29.8% decrease)
Phosphoric ^{*4} emissions	0.7 tons	0.7 tons	-

Percentage distribution by each segment for water discharge

2007	6%	13%	71%	10%
	a	b	c	d
2008	6%	13%	70%	11%

Undesired materials generated

	2007	2008	
Total amount of undesired materials	435,300 tons	410,600 tons	(9.4% decrease)
Waste emissions	84,700 tons	70,600 tons	(16.6% decrease)
Landfill waste amount	7,900 tons	5,500 tons	(30.4% decrease)

Percentage distribution by individual segment for undesired materials

2007	39%	23%	25%	13%
	a	b	c	d
2008	44%	26%	19%	11%

Chart: FY2008 Targets and Results

Topic	Targets through 2008	2008 results	
Global warming prevention	To reduce GHG emissions by 10% from the 2005 level (fiscal 2020).	Emissions in 2005: 1.069 million tons	5.3% decrease from that in 2005
		Emissions in 2008: 1.012 million tons	
	To reduce per unit CO ₂ emissions by 15% from the 1990 level (fiscal 2010).	Per unit in 1990: 252 tons/100 million yen	2.0% increase over that in 1990
		Per unit in 2008: 257 tons/100 million yen	
Reduction of environmental impact incurred during transport	To reduce per unit fuel use for transport (amount of fuel used/sales) at 1% per annum, and 4% by fiscal 2010 compared to fiscal 2006.	Per unit in 2006: 2.15 kl/100 million yen	14.4% decrease from that in 2006
		Per unit in 2008: 1.84 kl/100 million yen	
VOC	To reduce emissions of VOCs by 70% from the overall Group 2002 level by fiscal 2008.	Emissions in 2002: 21,312 tons	50.4% decrease from that in 2002
		Emissions in 2008: 10,570 tons	
Reduction of industrial waste	To reduce per unit waste emissions (waste emissions/production) by 50% from the 2000 level (fiscal 2010).	Per unit in 2000: 0.312 tons/million yen	46.8% decrease from that in 2000
		Per unit in 2008: 0.169 tons/million yen	
	To reduce undesired material generation by ratio (undesired material generation/ total material input) at all sites by more than 3%, 35% less than the 2000 level (fiscal 2010).	Generation rate of undesired materials in 2000: 17.7%	24.3% decrease from that in 2000
		Generation rate of undesired materials in 2008: 13.4%	
	To achieve a 98% recycling ratio (recycled amount/total amount of undesired material generation) in disposing main raw materials (fiscal 2010).	Recycling rate in 2007 paper 99.9%, plastic 95.8%, metal 99.2%, glass 75.7%	
	Recycling rate in 2008 paper 99.8%, plastic 95.9%, metal 99.3%, glass 65.1%		
	To achieve zero emissions for the entire DNP Group (fiscal 2010).	Landfill waste rate in 2007: 1.7%	
		Landfill waste rate in 2008: 1.3%	
Development and sales of environmentally conscious products	To increase the level each year by 10% (over the previous year), and achieve 300 billion yen (fiscal 2010).	Sales of 315.4 billion yen in 2007	2.3% reduction compared to FY2007
		Sales of 308.1 billion yen in 2008	
Green purchasing	To increase the rate of the products purchased according to the green purchasing standards of DNP, to 40% (fiscal 2010).	39.3% green purchasing rate for materials in 2007	
		42.5% green purchasing rate for materials in 2008	
	To 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 50% (fiscal 2010).	47.0% green purchasing rate for materials in 2007	
		48.2% green purchasing rate for materials in 2008	
Environmental conservation	To keep the maximum concentration of air emissions subject to emissions regulations at 70% of the required standard or less.	93% achievement rate of targets for 2008 (voluntary target)	
	To keep the maximum concentration of wastewater discharges subject to wastewater regulations at 70% of the required standard or less.	93% achievement rate of targets for 2008 (voluntary target)	
	To keep the maximum concentration of odors at our site perimeters at 70% of the required standard or less.	93% achievement rate of targets for 2008 (voluntary target)	
	To keep the maximum level of noise at our site perimeters at 95% of the required standard or less.	65% achievement rate of targets for 2008 (voluntary target)	
	To keep the maximum level of vibration at our site perimeters at 95% of the required standard or less.	100% achievement rate of targets for 2008 (voluntary target)	
Office environment	To increase the rate of the fractional recovery of waste paper to 70% of that for general waste.	73.1% rate wastepaper separation in 2008	
Environmental management system	To perform Eco-Audits at all sites.	Eco-Audits conducted at all sites in 2008	

- ◎ : Target broadly achieved
- : Conducted activities but target not achieved
- △ : Achieved target or in steady progress toward target
- × : No sufficient activities

	Evaluation	Reference page	Targets from fiscal 2008
	○	P 61 - 62	<ul style="list-style-type: none"> ● To reduce GHG emissions by 10% from the 2005 level (fiscal 2020). ● To reduce per unit CO₂ emissions by 15% from the 1990 level (fiscal 2010).
	△		
	◎	P 63	<ul style="list-style-type: none"> ● To reduce per unit fuel use for transport (amount of fuel used/sales) at 1% per annum, and 4% by fiscal 2010 compared to fiscal 2006.
	△	P 64	<ul style="list-style-type: none"> ● To reduce emissions of VOCs by 70% compared to 2002 by fiscal 2010.
	○	P 65	<p>We aim to achieve the following targets by 2010:</p> <ul style="list-style-type: none"> ● To reduce per unit waste emissions (waste emissions/production) by 50% from the 2000 level. ● To reduce undesired material generation by ratio (undesired material generation/total material input) at all sites by more than 3%, 35% from the 2000 level. ● To achieve a 98% recycling ratio (recycled amount/total amount of undesired material generation) in the disposing of main raw materials. ● To achieve zero emissions for the entire DNP Group.
	△		
	○		
	○		
	○	P 67 - 70	<ul style="list-style-type: none"> ● To increase the level each year by 10% (over the previous year), and achieve 300 billion yen (fiscal 2010).
	◎	P 70	<ul style="list-style-type: none"> ● To increase the rate of the products purchased according to the green purchasing standards of DNP, to 40% by 2010. ● To 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 50% by 2010.
	○		
	○	P 56	<ul style="list-style-type: none"> ● To keep the maximum concentration of air emissions subject to emissions regulations at 70% of the required standard or less. ● To keep the maximum concentration of wastewater discharges subject to wastewater regulations at 70% of the required standard or less. ● To keep the maximum concentration of odors at our site perimeters at 70% of the required standard or less. ● To keep the maximum level of noise and vibration at our site perimeters at 95% of the required standard or less.
	○		
	○		
	△		
	◎		
	○	P 66	<ul style="list-style-type: none"> ● To increase the rate of the fractional recovery of waste paper to 70% of that for general waste.
	○	P 55	<ul style="list-style-type: none"> ● To promote Eco-Audits at all sites.

Global Warming Prevention Efforts

People throughout the world are using knowledge and effort in a movement to prevent global warming, so as to protect our irreplaceable Earth.

We at the DNP Group see this as a vital issue, and are making efforts in all areas, including planning, design, purchasing, production, and distribution, to reduce greenhouse gas emissions.

Greenhouse Gas Emissions Reduction

Switching to low CO₂ emissions fuels

The DNP Group is making progress in the switch to low-CO₂ emissions fuels so as to reduce emissions of greenhouse gases such as CO₂.

We have been making the switch from diesel, kerosene, and similar high-CO₂ emissions petroleum fuels into low-CO₂ emissions utility gas and LPG (liquefied petroleum gas) since 1990. We also switched from Grade A fuel oil to city gas at DNP IMS Odawara, as part of our ongoing effort to switch over to low emissions fuel. We predict that this switch will result in an annual reduction in Grade A fuel oil use of 7,000 kl, cutting annual CO₂ emissions by 2,600 tons.

Employee Comment: A worksite that switched to cleaner fuel



We contribute to the Group's environmental efforts by switching to low emissions fuels and daily energy conservation.

Makio Koto

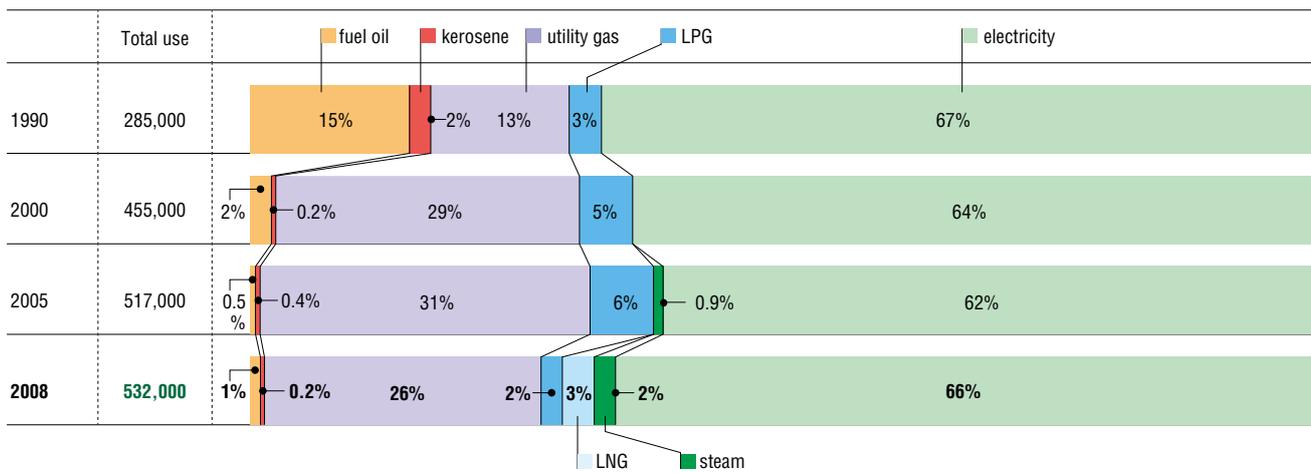
Manager, Facilities Section, DNP IMS Odawara

We at DNP IMS Odawara became members of the DNP Group in October 2006, when Konica Minolta HD was sold and transferred to DNP. Although we had already been taking an active approach to energy conservation, our shop generators and through-flow boilers were running on Grade A fuel oil, resulting in roughly 30,000 tons of CO₂ emissions for the entire plant in FY2005. We shut off our shop generators in September 2007, and switched our boilers to city gas in November 2008, and we forecast that these measures will cut our FY2009 CO₂ emissions to under 20,000 tons.

We are going to continue to try to conserve energy, for example by working daily to save electricity and by making the switch to more efficient plant equipment. This will not only help us contribute to the Group's environmental efforts, but will also help to reduce our environmental impact on the Earth.

Changes in fuel composition

(Total use unit: kl)



Greenhouse Gas Emissions Volume and Per-unit CO₂ Emissions

The DNP Group's overall greenhouse gas emissions* in FY2008 were 1,012,000 tons. This breaks down as follows: energy source CO₂ emissions, 978,000 tons; non-energy source CO₂ emissions 29,000 tons; methane converted to CO₂ emissions equivalent, 80 tons; CO1 emissions, 690 tons; SF6 emissions, 1,110 tons. There were no emissions of HFCs or PFCs.

Per-unit* CO₂ emissions in FY2008 amounted to 25.7 tons-CO₂ /billion yen, an increase of 2.0% in comparison to fiscal 1990. We continued to make efforts in FY2008 to reduce CO₂ emissions through using less energy for air conditioning and power, switching to low emissions fuels, improving production line operations, efficient co-generation, etc. In FY2009, we will continue our aggressive efforts to limit greenhouse gas emissions by continuing with the switch to low-emission fuels, introducing energy-saving equipment such as inverters, and improving production efficiency.

Employee Comment: Energy conservation practiced at a DNP plant



We are working to conserve energy by making its use visible.

Shingo Kimura

Group Leader, Kobe Facility, No. 2 Technical Section, Lifestyle Materials Operations

We are working to make it easy to see how much energy is being used at the Kobe Plant by placing meters on our production and utilities equipment. In FY2008, we improved per-unit energy efficiency by 13.9% compared to FY2007.

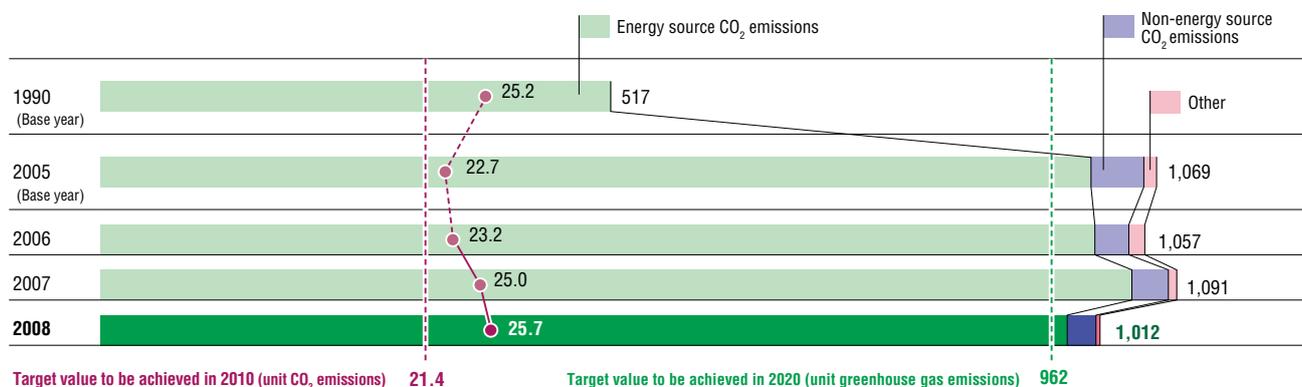
Our plant takes part in the DNP Energy Conservation Practice Council as an energy conserving facility. The Energy Conservation Practice Council represents an effort at plants across the DNP Group, through which participating plants monitor and diagnose their energy usage situation, and then look into measures to be taken. These measures become case studies for lateral development in the Group.

As a member of the DNP Group, our plant shall continue to engage in aggressive energy conservation and CO₂ reduction efforts as we seek to build low environmental impact production lines.

Unit greenhouse gas and CO₂ emissions

—●— Line graph: CO₂ emissions unit (Unit: tons-CO₂/¥1 billion)

Bar graph: Unit greenhouse gas emissions (Unit: 1,000 tons CO₂)



* Greenhouse gas emissions volume

Electricity use, fuel use/combustion, burning of waste, atmospheric emissions of HFC / PFC / SF6 from plants, as well as greenhouse gas emissions due to the fuel use and running of DNP Logistics trucks are calculated according to the "Greenhouse gas emissions calculation and reporting manual Ver. 2.1" (Published June 29, 2007; Ministry of the Environment and Ministry of Economy, Trade and Industry). Electricity emissions coefficients for 2007 and 2008 are according to FY2007 values published by the Ministry of the Environment on December 19, 2008; for other years those published in the environmental reports of the electric companies are used. All emissions volumes are converted to CO₂. Also, the Guideline for Greenhouse Gas Emissions Calculation for Businesses (Draft Ver. 1.6)(July 28, 2005, partially revised; Ministry of the Environment) is followed in recalculating the greenhouse gas emissions amount standards, etc., in regard to the changes in the calculation range due to the change in our aggregate accounting range resulting from M&A.

* Per-unit CO₂ emissions

This is direct CO₂ emissions volume from plants through energy use divided by production output. Production output indicates business activity, and added value is distributed to the direct amount according to the ratio of the energy amount for direct emissions and the energy amount for indirect emissions.

Global Warming Prevention Efforts

Efforts in transport

In FY2008, the Group's overall transport volume was 457 million ton-kilometers. 29,200 kiloliters of energy (converted to crude oil) was used in shipping, with CO₂ emissions of 73,300 tons. Per unit fuel use for transport (amount of fuel used/sales) was 1.84 kiloliters/JPY100 million, a reduction of 7.1% over FY2007.

We continued to implement distribution-related environmental impact reduction measures such as the optimization of transport routes, improved efficiency through digital tachometer installations, an idling-stop campaign, a modal shift to rail transport, and the introduction of hybrid vehicles.

Anti-global warming measures at offices and homes

The DNP Group has participated in "Team Minus 6%," a program encouraging CO₂ emissions reduction efforts both at the office and at home, since 2005. Nine of our facilities participated in the "CO₂ Reduction/ Lights Down Campaign" in FY2008 as well.

Case Study: Rooftop Gardens

By Creating Rooftop Gardens We Help Prevent Warming and Get a Place to Relax



Naoki Taniguchi

Group Leader, IPS Technical Section
Technical Department
DNP Data Techno Kansai



We installed a rooftop garden on top of the new Nara Plant building constructed in October 2008. While the goals in doing so were to reduce the air conditioning equipment burden through the exterior thermal insulation effect and to prevent the structural degradation caused by heat fluctuation, a space for "R&R" was also created.

After looking into a number of different plants, we decided to use a variety of Mexican succulent planted in trays. When measured to check the effect we found that this reduced the maximum rooftop temperature from 40 to 25 °C. We have also calculated that this will reduce CO₂ emissions by 6,000 kg due to the reduced burden on air conditioning equipment. We initially found it difficult to maintain the plants, with some of them withering and others being damaged by birds, but when yellow flowers bloomed about a year after installation we experienced a deep sense of satisfaction.

We are going to continue to take good care of this garden, and hope it will be a place where everyone can come to relax.

Efforts to Reduce Environmental Pollutants

As a manufacturer we are constantly thinking about how to coexist with the global environment. We avoid polluting the global environment, and work hard for environmental conservation and environmental pollutant reduction, so as to pass on a beautiful planet to the generations that follow.

Reducing Air Pollutants + Related information

The Air Pollution Control Law regulates substances such as toxic air pollutants and ozone depleting substances, including sulfur oxide (SOx) and nitrous oxide (NOx), as well as volatile organic compounds (VOC). These substances have an impact on health and the global environment, causing problems such as urban ozone formation and ozone layer depletion. We at the DNP Group are working hard to monitor and reduce emissions of such substances.

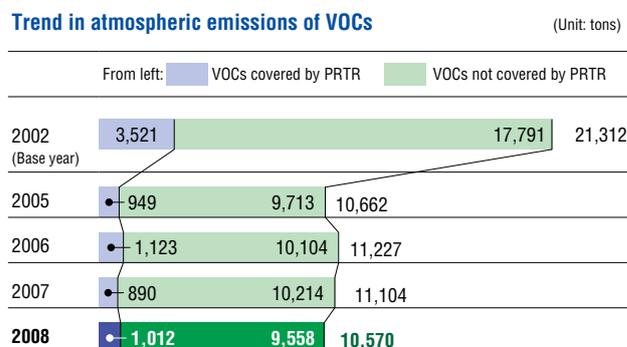
We are making progress in our switch from dichloromethane to water-based cleaners in our printing process, and in FY2008 our total atmospheric emissions fell from the 2001 level of 53 tons to 0.9 ton. Also, dioxin emissions, which are created by the burning of waste, were completely eliminated in small furnaces due to strict burning controls. Currently, atmospheric emissions from large furnaces, which have been brought up to the 2002 control standards, were 4.8 mg-TEQ in FY2008 for the 6 furnaces currently in operation.

While we still use the ozone-depleting chemical HCFC-141b (1,1-dichloro-1-fluoroethane) as a cleaner, we have continued to make the switch to a substitute, and as a result our FY2008 atmospheric emissions fell to 4.9 tons, a 9% reduction over FY2007.

Sulfuric acid emissions result from burning fuel oil and kerosene containing sulfur. We have reduced emissions in existing plants by eliminating boilers or switching from oil to low-sulfur utility gas boilers and other equipment, resulting in atmospheric sulfuric acid emissions of 16.2 tons, a major reduction compared to FY2007. Beginning in FY2008, we also are changing to a more accurate means of emissions calculation. Also, nitrogen oxide emissions, which are caused by the burning of fuel, are being reduced through our efforts to install low NOx burners, and fell to 735 tons in FY2008.

Reducing VOC Emissions + Related information

The Revised Air Pollution Control Law, which was enacted in April 2006, strengthened emissions controls on VOCs (Volatile Organic Chemicals) emitted from printing processes and other processes. Printing processes use VOC-containing materials such as ink, solvents, adhesives, and cleaners, and the DNP Group is making efforts not only to regulate concentrations but also to reduce emissions overall. We have been switching to substitute products with a lower environmental impact and installing equipment for VOC treatment and collection. These efforts have resulted in a 49.6% reduction, to 10,570 tons, in comparison with 2002, which is used as the yardstick for performance. This emissions total breaks down to 1,012 tons of substances regulated by the PRTR Law, and 9,558 tons of substances not covered by that law.



Reducing Water Pollutants + Related information

We detoxify and reduce the pollution load of the wastewater from our industrial processes and dining halls by using purification tanks and wastewater treatment equipment. We continued to conduct measures in FY2008, such as changing out the filtration membranes and absorbent materials in wastewater processing equipment, improving the wastewater treatment in the kitchens, and reducing the organic materials in rain runoff, and a have reduced COD.*

* COD: Chemical Oxygen Demand

Building a Recycling Society

We seek the effective reduction of environmental impact by selecting and purchasing materials according to our Green Purchasing Policy, and by working to reduce undesired material output through the effective use of resources in our production processes. DNP is taking part in the production of more and more environmentally-conscious products as the demand for such products increases; we are engaged in designing easily recyclable products, making more use of biomass materials, etc.

Use of Recycled Materials + Related information

Reduction of undesired materials in production processes and the use of recycled materials

The DNP Group is working to “improve resource productivity” and “promote the reuse of undesired materials” so as to contribute to the building of a recycling society. These efforts require that the materials input in production processes are used without waste, and that resources are used effectively by reusing to the greatest extent possible any undesired materials that are produced.

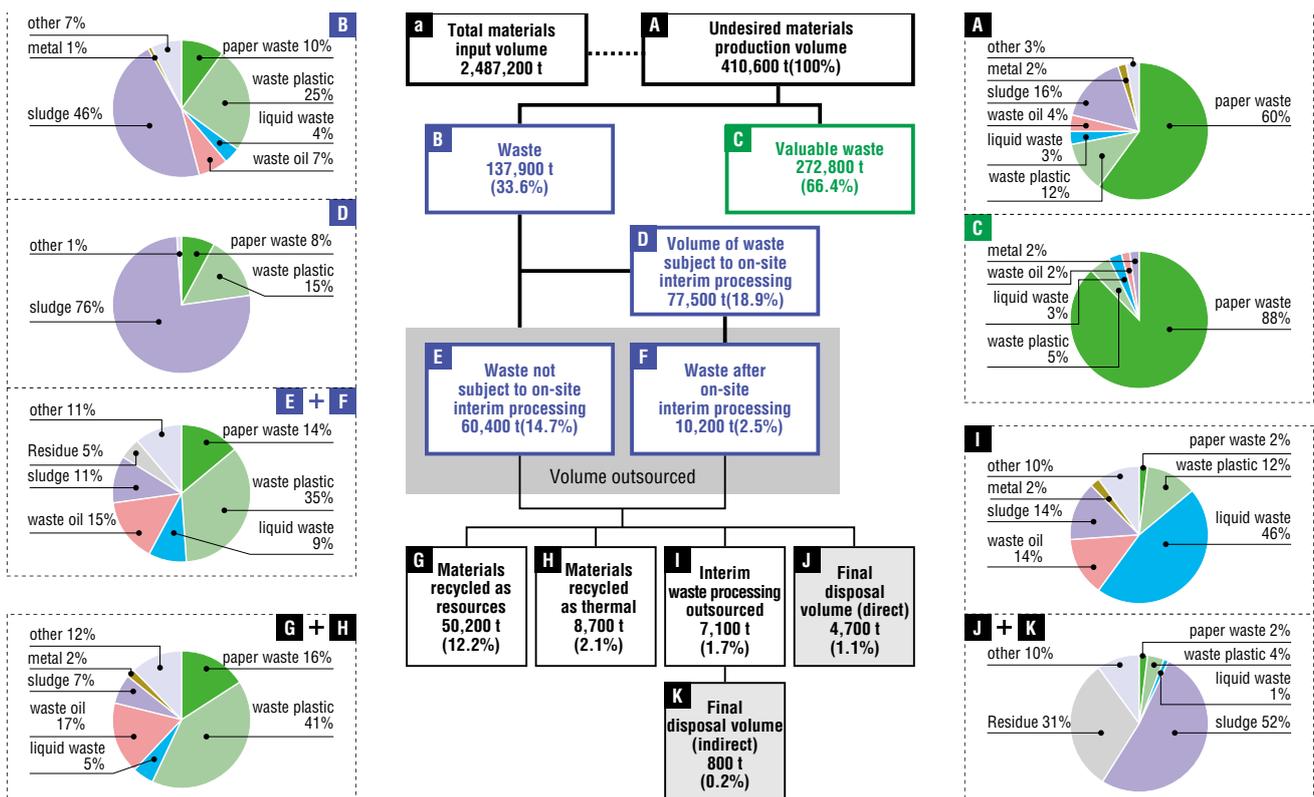
We use waste per unit of production (waste emissions (E + F) / production volume*) and the undesired materials production ratio (volume of undesired materials*/ materials input volume) as productivity indicators, and incorporate it in “Production 21”. Waste per unit of production in FY2008 was 0.169, which represents an improvement since 2007, when it was 0.180. This is mostly due to a shift to shadow masks and color filters by the Electronics Division, and a decrease

in waste fluid and sludge generation. At the same time, the undesired materials production ratio was 13.4%, which is worse than the 12.9% in FY2007.

We use the recycling rate as the indicator for undesired materials reuse promotion, with the goal being zero emissions. Zero emissions means efforts to bring the landfill waste amount (J+K) / undesired materials production volume (A) to 0.5% or less, and while the rate for the Group overall is 1.3%, 45 sites have achieved zero emissions, adding 2 sites since last year. We have also achieved a recycling rate of 99.1%, despite low rates for waste plastic (95.9%) and glass waste (65.1%).

* Production output
This shows the output from our business activities, and uses added values.
* Undesired materials production volume
The volume of undesired materials, which excludes undesired materials originating as primary raw materials not used by the Electronics Division and Data Techno.
* Recycling rate
Ratio of effective use through the processing of undesired materials originating as primary raw materials [(G + H + I) / J]; however, the amount of paper and plastic for which volume has been reduced through intermediary use in on-site processing equipment (heat recovery furnaces) (D - E) is added.

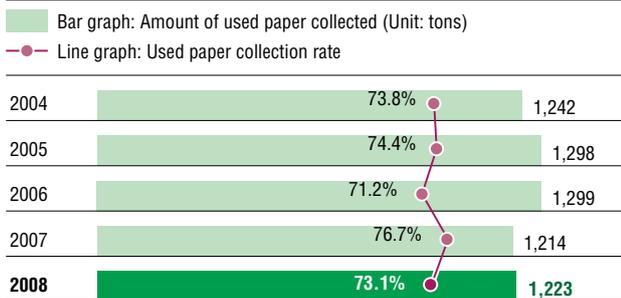
Breakdown of undesired materials production volume



Collection of paper for recycling from offices

We make serious efforts to separate and recycle paper discarded from offices. Our rate of office paper recycling* was 73.1% in fiscal 2008, meaning that we are continuing to meet our targets. The business of the DNP Group is deeply connected to paper, and we have been collecting data about paper separation and collection for some time. Data was gathered at 34 sites in fiscal 2008.

Paper Collection Trends



* Wastepaper collection rate

Waste paper collection / (wastepaper collection + general waste amount (excluding cans, bottles, and garbage)) x 100

Employee Comment: Efforts to reduce waste



We are working to reduce waste not only in our production processes, but also in the Development and Technology segments.

Katsumi Kishida

General Affairs Group 1, General Affairs
DNP Opto-Materials

We produce optical film for products such as LCD and plasma televisions at the Opto-Materials Okayama plant. We have for some time been taking measures such as improving yield rates, reduced packaging use, and recycling and extracting value from waste so as to reduce waste emissions, but we had not necessarily been producing results. In our drive to acquire ISO14001 certification, which we achieved in May 2009, we made progress in achieving thorough waste separation, which not only reduced the waste products from our production processes, but also cut those of our development processes, which had been overlooked.

Once they became aware of the situation, the Development and Technology segment put their efforts into efficient test production. Moreover, the business office also achieved broad decreases in paper trash by reviewing the recipients of in-house documents. This enabled us to improve per unit emissions by 23.2%, and the rate of generation of undesired materials by 15.5% since 2007. We will continue to seek to make improvements from a "loss/waste" perspective as well.

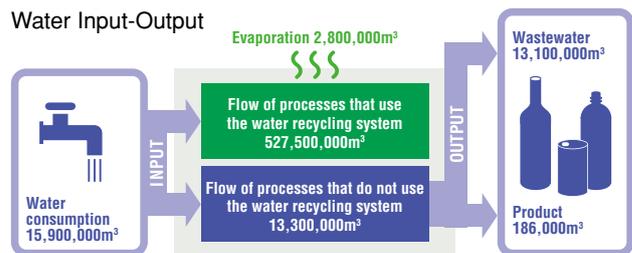
Use of recycled water

We are working hard to conserve water resources by recycling the water we use in cleaning our products, heating and cooling our production equipment, and air conditioning our buildings. We used 527.5 million m³ of recycled water* in FY2008. Our water usage ratio was 33.2-fold.

* Recycled Water

As water is mainly used for heating or cooling the manufacturing equipment, air conditioning in buildings, and in product cleaning, the majority of plants are starting to use recycled water through a closed system. The amount of recycled water is the total amount that flows through heat exchangers and cleaning equipment in these closed systems in one year.

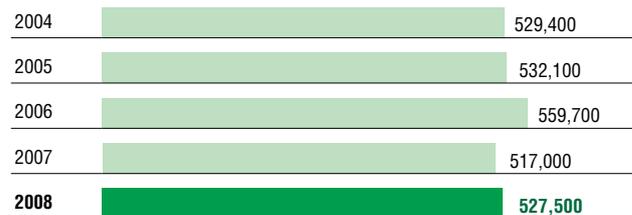
Water Input-Output



Hokkaido Coca-Cola Bottling and The Inctec use it in products.

Transition of the amount of recycled water

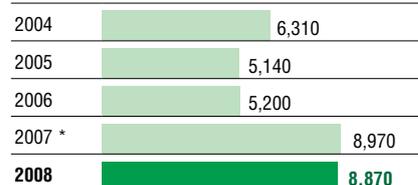
(Unit: m³ 1,000's)



We are also making effective use of rainwater in our office buildings and other areas. We used 8,870 m³ of rainwater in FY2008 for toilet flushing and watering our grounds.

Transition of the amount of rainwater used

(Unit: m³)



* The Gotanda Building also began using rainwater in FY2007.

Building a Recycling Society

Offering Environmentally-Conscious Products

Development and sales of environmentally conscious products

The DNP Group created the Environmentally-Conscious products Development Guidelines to direct from the design stage the creation of environmentally-conscious products, so as to reduce the environmental impact of our products throughout the lifecycle. We offer solutions, such as reduced environmental impact products, in each area of business so as to realize a sustainable society.

Our sales of environmentally-conscious products reached JPY308.1 billion in FY2008 (JPY315.4 billion in FY2007). Despite falling electronics sales, such as Resin BM Color Filters (LCD color filters using a resin black matrix instead of metal), our sales of printed items, such as PET-G cards (cards made of non-PVC “PET-G” material), and printed materials using Forest Certified paper (paper certified as having originated in forests that are managed according to environmentally sound practices), have improved.

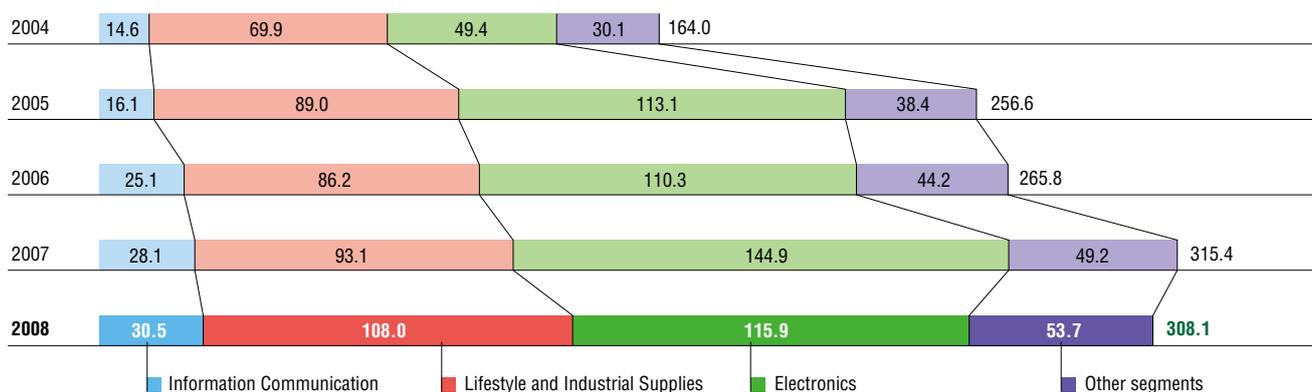
Development of products using LCA

Society now strongly demands the reduction of environmental impact. DNP has introduced LCA (Life Cycle Assessment), which evaluates the form and degree of the environmental impact of a single product over its entire life cycle, and seeks ways to make improvements. The LCA system has been incorporated into product development.

The LCA is a method for quantitatively evaluating the resource investment and environmental impact, as well as the effect on the planet or the ecosystem, that a certain product or service exerts over the course of its lifecycle. “Lifecycle” here encompasses everything that takes place during the existence of the product or service, from resource extraction through manufacture, transport, use, and the return of all waste to the Earth.

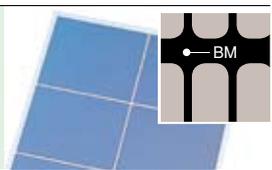
Sales of environmentally conscious products

(Unit: 1 billion yen)



Environmentally Conscious Product Development Guidelines

Examples of Environmentally Conscious Products

<p>1 Reduction of environmental pollutants</p> <p>Elimination of ozone layer-damaging substances, heavy metals, volatile organic compounds, and prevention of release into the environment of nitrous oxides and other substances</p>	<p>BM Color Filters</p> <p>These are color filters using a black matrix made of resin instead of metal. Development of this product has resulted in reduced environmental impact and cost.</p>	
<p>2 Resource and energy conservation</p> <p>Reduce the use of metals and fossil fuels Energy-conserving products and systems</p>	<p>Elbow Pouch</p> <p>Our Elbow Pouch is a refill-use pouch with improved opening and pouring features. It is useful in saving bottle resources, and post-refilling volume is reduced.</p>	
<p>3 Sustainable harvesting of resources</p> <p>Utilize natural resources in a sustainable way</p>	<p>HI-CUP</p> <p>This is an insulated two-layer cup made up of the cup itself and a sleeve. Post-use volume is reduced, and it can employ recycled paper.</p>	
<p>4 Long-term usability</p> <p>Consider the ease of repair and parts replacement, length of maintenance and repair service, and the expandability of functions</p>	<p>Safmalle</p> <p>Safmalle is our line of olefin-based decorative sheets for construction or decorative use, which meet the need for "healthy," "hygienic," and "safe" living space creation.</p>	
<p>5 Reusability</p> <p>In the case of sites and parts, considerations regarding disassembly, cleaning, and refilling; establishment of a collection and reuse system that is easy for the purchaser to use</p>	<p>Peel-off Shipping Labels</p> <p>These are shipping labels that are easily peeled off of packing paper or cardboard. The labels are one-ply, saving paper, and they make the recycling of cardboard and other packaging easy because they peel off cleanly.</p>	
<p>6 Recyclability</p> <p>Are the materials used in the product easy to recycle? Does the design allow for easy breakdown, disassembly, and separation of materials? Is there a collection and recycling system that is easy for the purchaser to use?</p>	<p>Environmentally Conscious Calendars</p> <p>These calendars are made with recycled paper and low environmental impact ink. No metal or plastic need be removed post-use, because neither is used in their production.</p>	
<p>7 Use of recycled materials, etc.</p> <p>Use as many collected and recycled materials and parts as possible</p>	<p>Magazines and Pamphlets Using Recycled Paper</p> <p>These are printed materials that use composites of used paper, such as used magazines and newspapers. Not only do they require fewer paper resources, but the use of low environmental impact soy ink and non-VOC ink is increasing.</p>	
<p>8 Ease of treatment and disposal</p> <p>Attempt to place as little burden as possible on incinerator facilities and landfill sites</p>	<p>IB (Inorganic Barrier) Film</p> <p>This packaging-use clear cling film which cuts dioxin use because it is non-PVC. It is widely used in the packaging of food, toiletries, or daily items requiring a barrier.</p>	

Building a Recycling Society

Case Study: Offering services that use green electricity

Hosting Services Contributing to the Spread of Natural Energy and CO₂ Reduction



The development of Internet businesses is causing a rapid increase in the consumption of electricity by server equipment, while at the same time worldwide efforts to reduce CO₂ emissions to prevent global warming are getting into full swing. Therefore, reducing electricity use by servers has become an issue.

DNP Digitalcom is working to cut electricity consumption and reduce CO₂ emissions by switching to energy saving equipment for use by its Media Galaxy hosting services. The company is also seeking to contribute to the environment by installing “Green Power Certified Systems,” which use “Green Power Certified” electricity generated through natural energy, for its hosting services. This marks the initiation of Green Power Hosting Services, a CSR solution that enlists the cooperation of the customer in environmental contributions.

Green Power Hosting Services is an optional service for contributing to the spread of natural energy and the reduction of CO₂ emissions in which Green Power is allotted to a portion of the electricity consumed by the Media Galaxy hosting service used by the customer, depending on how much energy is used. The Green Power mark is then displayed on the customer’s homepage or website, showing that the site is powered by green electric and thereby providing an environmental contribution appeal to viewers.

Case Study: Developing ink using biomass ingredients

Reducing Environmental Impact by Developing Web Offset Ink Using a No Petroleum Solvent



Biomass
Usage category: Printing ink
Registration no.: 080028

Web offset ink, which is the ink most often used in printing, is about 40% petroleum solvent. A switch to a non-petroleum solvent is desirable because the petroleum solvent is made by refining petroleum, which may be in short supply, and also because when burned it emits CO₂, a greenhouse gas. Nonetheless, the switch to a non-petroleum solvent has been difficult because of the web offset ink drying mechanism (heat-set drying), but a new environmental ink, “Non-Petroleum Solvent Biomass Offset Ink,” in which the petroleum solvent is replaced by plant-derived (biomass) materials, has been developed. A number of biomass-derived materials were evaluated in the course of developing this ink, of which a pine-derived solvent was selected, making the new ink a reality.

Also, by improving the biomass ratio of the product we were able to secure Biomass Mark Certification from the Japan Organics Recycling Association, the first such certification for offset ink. This ink allows us to contribute to the conservation of limited petroleum resources and to the realization of a low-carbon society through printed materials.



Catalogs using biomass web offset ink

Proper Provision of Product Environmental Information + Related information

Environmental Label Certification

We have acquired environmental labeling, such as Eco-Mark, CoC certification, and EPD, and are working to expand the number of such products. The Eco-Mark is granted to products that are valuable in terms of environmental conservation, and our “S-mail recycled paper type” (pressure-bonded postcard). CoC certification guarantees that the pulp used in making the printed materials is Forest Certified, meaning it originated in forests that are managed according to environmentally sound practices. CoC certification has been acquired by a total of 16 divisions as the system for certifying that the printed materials are made from such pulp. EPD is an environmental declaration program developed by Sweden’s Environmental Management Committee for the disclosure of LCA data reviewed by a third party. DNP has acquired EPD certification fused thermal transfer materials and dye-sublimation transfer materials.

Environmentally Conscious Materials Procurement

We choose and prioritize for purchase those materials with the lowest possible environmental impact, so as to offer goods and services that are both valuable for society and can be used with confidence. We also seek to control the chemical substances contained in materials.

Promoting Green Purchasing

We employ Green Purchasing in selecting and buying parts, materials, provisions and equipment, and office supplies that cause the least possible environmental impact, so as to reduce the environmental impact of upstream production processes and of our business overall, and to reduce the environmental impact of DNP’s products. We also give priority in materials and equipment purchasing to suppliers that take environmental conservation seriously.

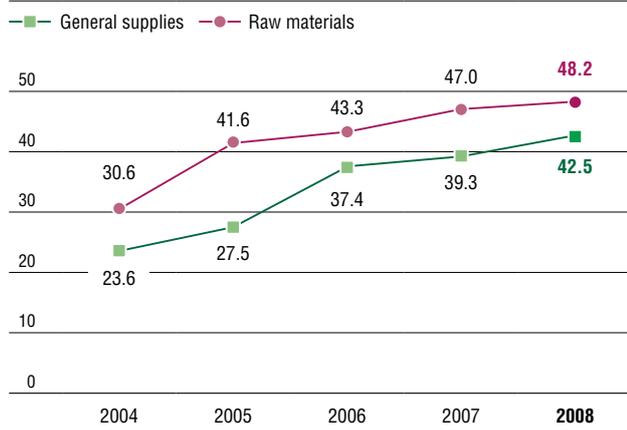
Management of Chemical Substances in Product Materials

As part of DNP’s efforts to improve product safety, in response to the RoHS Directive adopted by the EU and various environmental conservation regulations, as well as client demand, the DNP Group monitors and manages chemicals contained in the materials we purchase.

We conducted a study of the amounts of chemicals contained in materials we purchase from suppliers, and in 2004 we completed a chemical content database. This has allowed us to monitor the chemicals used in each product, thereby strengthening our controls. In addition, it has created a mechanism for the manufacture of products according to established standards.

We require a report from the supplier in the form of an examination slip with every new purchase; in addition, when we start trading with a new supplier we explain the use of the chemical content examination slip when the trading account is opened, and request that one be submitted with each delivery.

Purchasing rate for environmentally conscious products (Unit: %)



Certificate of non-use of chemical substances/ Chemical substance content examination slip

Activities at Overseas Bases

We operate our Management System and Overseas Surveillance at our overseas bases as well, engaging in activities for achieving targets and enhancing environmental management.

Efforts at Overseas Sites

We implemented the Eco-Report System (see p.55) at our overseas sites as well beginning in 2005. We will continue to work to enhance our environmental management. Our Headquarters Promotion Office also visits all overseas manufacturing sites and offices, checking on the environmental management situation and giving guidance through our Overseas Surveillance program.

We promote compliance with all local laws and regulations at our overseas manufacturing sites, as well as environmental conservation measures such as setting targets for energy conservation, waste reduction, and recycling. We also promote the setting and achievement of targets for items such as energy conservation, reduced use of copier paper, and recycling at our overseas offices.

① ~ ⑧ Overseas Manufacturing Sites ○ Overseas Offices



Environmental impact status at overseas production sites	① ~ ⑥ tabulated between April 2008 and March 2009 ⑦ ~ ⑧ tabulated between January 2008 and December 2008	CO ₂ emissions (Unit: CO ₂ tons)	Final amount of waste disposals (Unit: tons)	VOC emissions (Unit: tons)
① DNP Photomask Europe S.p.A.	Manufacturing photomasks	4,960	33	less than 1 ton
② DNP Denmark A/S	Manufacturing projection television screens	810	0	less than 1 ton
③ DNP IMS America Corporation	Manufacturing information media supplies	1,800	319	less than 1 ton
④ DNP Electronics America, LLC	Manufacturing projection television screens	1,340	13	less than 1 ton
⑤ Tien Wah Press (Pte.) Ltd. (Singapore)	Offset printing and binding	14,280	316	123
⑥ Tien Wah Press (Pte.) Ltd. (Johor Bahru)	Offset printing and binding	4,310	0	110
⑦ DNP Indonesia (Progadoon)	Gravure printing and offset printing	19,560	1,852	2,411
⑧ DNP Indonesia (Karawang)	Gravure printing and offset printing	20,390	838	4,208

Independent Review Report Comments by an Independent Institution

(Third-party review: Ernst & Young ShinNihon Sustainability Institute Co., Ltd.)

Independent Assurance Report

June 17, 2009

Mr. Yoshitoshi Kitajima
President and Director
Dai Nippon Printing Co., Ltd

1. Purpose and Scope of our Assurance Engagement

We have performed certain assurance procedures, based on the engagement with Dai Nippon Printing Co., Ltd (the "Company"), on the "Company's Key Environmental Performance Indicators". These comprise the "material environmental information" of the Company and its major subsidiaries for the year ended March 31, 2009, as stipulated in the "2009 Environmental Reporting Assurance and Registration Criteria" of the Japanese Association of Assurance Organizations for Sustainability Information ("J-SUS") and that were reported in the "DNP Group CSR Report 2009" (the "Report"). The assurance procedures are with respect to whether the Key Environmental Performance Indicators have been measured and calculated accurately and whether material information has been fully disclosed in accordance with the reporting standards for CSR reports¹.

The preparation of the Report is the responsibility of the Company's management. Our responsibility is to express an independent opinion on the Key Environmental Performance Indicators.

¹The reporting standards refer to the "2007 Environmental Reporting Guidelines" of the Ministry of the Environment, the "2006 Sustainability Reporting Guidelines" of the Global Reporting Initiative, and the "2009 Environmental Reporting Assurance and Registration Criteria" of the J-SUS in the context of specifying the material subject matter to be disclosed.

2. Outline of the Assurance Procedures Performed

We have performed limited assurance procedures² in accordance with the "2003 International Standard on Assurance Engagements (ISAE) 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information" of the International Federation of Accountants (IFAC) and the "2008 Practical Guidelines for the Assurance of Sustainability Information" of the J-SUS. Therefore, our assurance engagement provides relatively limited assurance compared to a reasonable assurance engagement.

²We have mainly reviewed and assessed the Company's procedures for the collection and aggregation of data, performed analytical procedures, as well as recalculated and reconciled them with the corroborating evidence on the quantitative environmental information on a test basis. In addition, we have mainly made inquiries and reviewed the minutes on the qualitative environmental information.

3. Conclusion

Based on the assurance procedures performed, nothing has come to our attention that causes us to believe that the Key Environmental Performance Indicators have not been measured and calculated accurately in accordance with the reporting standards of CSR reports, or material information has not been disclosed in accordance with the "2009 Environmental Reporting Assurance and Registration Criteria", in all material respects.

4. Independency

We, as a subsidiary of Ernst & Young ShinNihon LLC, comply with the "Certified Public Accountants Law", and the "JICPA Code of Ethics" of the Japanese Institute of Certified Public Accountants. Therefore, there has been no interest to be noted between the Company and us.

Akihiro Nakagome
Representative Director
Ernst & Young ShinNihon Sustainability Institute Co., Ltd.

Note: This Independent Assurance Report has been prepared as a translation of the original Japanese version.



On site audit
DNP IMS Odawara



On site audit
DNP Technopack Kansai, Kyoto Plant



On site audit
Ichigaya Publication Printing Operations
Kuki Plant



On site audit
Hokkaido Coca-Cola Bottling

Third Party Opinion

Saburo Kato

Chairman, Japan Association of Environment and Society for the 21st Century President, Research Institute for Environment and Society

Upon graduating from the Faculty of Engineering of the University of Tokyo in 1966, joins the Ministry of Health and Welfare. Takes charge of Pollution and Environmental Administration at the Environmental Agency after its establishment. Appointed as the first Head of the Global Environmental Department in 1990. After participating in the Global Summit and the creation of the Basic Law for the Environment, leaves office in 1993. Establishes the Research Institute for the Environment and Society in the same year, of which he is currently President. Serves concurrently as Chairman of the Japan Association of the Environment and Society for the 21st Century (formerly, Association for the Study of the Environment and Society in the 21st Century). Major published works include *The Power of the Environment to Create Wealth* (2005, Goma Shobo); *The Power of the Environment* (2003, Goma Shobo); *The Environmental Century* (2001, Mainichi Shinbunsha); *Conditions for Creating the Recycling Society* (1998, Nikkan Kogyo Shinbunsha), *The Environment and the Future of Culture* (PRESIDENT Inc.).



I have been commenting on the DNP Group CSR Reports for several years now, but one thing I've noticed about this one in comparison to previous year's reports is that each section it goes beyond a businesslike approach and lets the people in charge speak naturally and show their can-do spirit. In the "Top Message," President Kitajima notes that "TAIWA is indispensable to gaining a firm understanding of what our wide variety of stakeholders, including customers and consumers, find unsatisfactory, as well as of what they desire. I think the



approach in this year's report demonstrates the "starting point of DNP's CSR" that President Kitajima describes.

There are three responsibilities DNP must meet to be a trusted company. The first is the ongoing offering of the "value creation" necessary to a sustainable society. The second is "sincere conduct" in creating values fairly and honestly. The third is "high transparency" for accountability through TAIWA with all stakeholders. While the report provides explanations on each of these points, what draws my attention is that DNP seeks to create an "emergently evolving" society that gives birth to new values through the synergies of the various types of value created through both printing technology and information technology. DNP ascertains the customer needs and creates solutions by synthesizing its bedrock technologies of printing and IT.

Governance must of course be completely solid if a company is to be able to offer such values. In addition to internal controls, I sensed a freshness in DNP's establishment of clear goals for each of the company's themes, such as "Contributing to the development of society," "Compliance with all laws and societal ethics," "Ensuring information security," and the "Realization of a universal society."

DNP is active in a lot of unexpected areas, but this year's report focuses on the company's challenging of the green

energy and medical fields. Organic dye-sensitized photovoltaic cells are manufactured by coating a thin layer of dye on a plastic sheet. What makes this film-type photovoltaic cell possible is the application of a wide variety of DNP's printing technology techniques, such as low-temperature coating, transfer, and microwave irradiation. DNP is challenging the possibilities of capillary regrowth, and discusses the commercialization of patterning cell formations on culture substrates. This is not only unexpected, it is interesting.

DNP believes that improvement of products and services from a consumer perspective that provide for safe and convenient living is vital. Therefore, the company has in recent years made Universal Design a Group-wide project. The DNP Group declared the DNP Group 5 Principles of Universal Design in October 2008, based upon a "dedication to print that is beautiful and easy to read" and a "dedication to creating secure, safe and convenient products that are easy to use by every individual consumer," so as to meet the needs of client companies and consumers.

DNP gives a lot of thought to employee work habits and human resources development. Particular respect is paid to employee diversity, including women and the physically-challenged, about which the report contains an especially

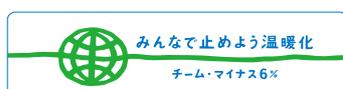
hard-hitting section. Special attention is given to the generation of employees that will be bearing and raising children.

This an urgent problem, and it is easy to understand why DNP reports its efforts, through the uniquely named "Kangaroo Club," aimed at helping employees balance childrearing and work.

In the area of environmental conservation, DNP can be credited not only for its per unit CO₂ targets, but also for including in its core issue of global warming a target of 10% total greenhouse gas volume reduction in 2020. Nonetheless, given that the Aso cabinet has called for a 15% reduction in comparison with 2005, and that there is the possibility that strict targets from 2013 onward may be set at the important global warming summit in Copenhagen in December 2009, DNP should take more forward-looking and aggressive global warming measures by hastening to set even higher targets.

While there are a lot of other issues, such as VOCs, waste, and biodiversity, there is a trend in each case for stricter measures to be taken as time goes on. It is my strong hope that the DNP Group will demonstrate its abilities and lead the industrial world in creating new technologies and new production and distribution systems from these.

• This report has been designed in consideration of the environment and Color Universal Design.



Green Power: We have started using Green Power (100kWh annually). The printing of this report was powered by "natural" energy (1,300kWh).



CUD: Approach to Color Universal Design: This report was designed using a color scheme that the majority of readers will find easy to understand. It has been certified by the Color Universal Design Organization, a non-profit organization.

Dai Nippon Printing Co., Ltd.

Corporate Social Responsibility Office

1-1, Ichigaya Kagacho 1-chome, Shinjuku-ku, Tokyo 162-8001, Japan

Tel: +81-3-3266-2111

Fax: +81-3-5225-8083

<http://www.dnp.co.jp/>

Next issue scheduled for release in June 2010.

