

Fair Operating Practices

Performance Indicators to Monitor the Achievement of the Medium- to Long-Term Vision and FY2021 Results

Performance indicators	Targets	FY2021 results
(1) Number of meetings of the Corporate Ethics Committee*1	(1) Hold meeting once a month (12 times a year) or more.	(1) Once a month (12 times)
(2) Ratio of Autonomous Corporate Ethics Training*2 conducted	(2) Achieve 100% (covering all organizations concerned).	(2) 100% (109 organizations)

*1 Corporate Ethics Committee: An organization overseeing internal controls, responsible for promoting a compliance framework to ensure that all business activities of the DNP Group are carried out appropriately. Consisting of directors and corporate officers in charge of each organization at the head office, the committee holds regular monthly meetings to formulate and determine policies and various activity implementation plans concerning the compliance framework of the entire Group. The committee is also responsible for comprehensively inspecting, reviewing and providing guidance for the framework established and operated in accordance with the implementation plans.

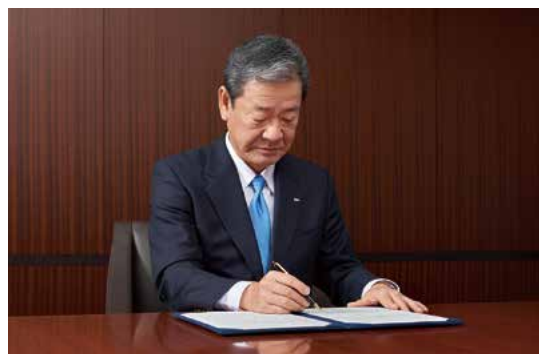
*2 Autonomous Corporate Ethics Training: Training provided continuously since 2003. The heads of each business division provide lectures on corporate ethics as a foundation of business and explain to their staff the issues and countermeasures relevant to the operations of their respective divisions.

It is our belief that in carrying out business activities, we need to do more than just ensure DNP's and its employees' compliance with laws and regulations but always remain fair and equitable, acting under high ethical standards that

exceed the expectations of society. Based on this belief, we seek to establish corporate ethics and ensure they are more firmly instilled and established in the culture throughout the DNP Group.

Intensifying Anti-Bribery Initiatives

DNP stays true to the DNP Group Code of Conduct and seeks to thoroughly prevent corruption through compliance with domestic and international laws and the ethical standards of society. The Board of Directors passed and published a resolution establishing the DNP Group Anti-Bribery Policy in 2018 to prevent bribery, express DNP's views and attitudes, and thoroughly inform all employees of the Policy to ensure compliance. As subsequent changes in social situations have clarified society's expectations regarding business enterprises' efforts to prevent bribery, the Anti-Bribery Policy was partially revised in October 2021. The management team exercises leadership in its promotion of the Policy, and all employees comply with it. Through these actions, we have intensified our anti-bribery initiatives.



Masato Yamaguchi, Senior Managing Director and Chairman of the Corporate Ethics Committee, signs the revised DNP Group Anti-Bribery Policy.

Activities toward Instilling, Establishing and Thoroughly Implementing Corporate Ethics

DNP strives to instill, establish and thoroughly implement corporate ethics among all Group employees in and outside Japan. As part of these activities, each organization conducted the Autonomous Corporate Ethics Training again in FY2021 while taking the lead in examining and implementing training details matched to the characteristics of each organization. The employees renewed their understanding of topics such as the importance of building a workplace climate that enables staff members to easily express opinions, harassment prevention, and the proper ways to conduct quality control and manage information.

In October 2021, a compliance questionnaire of all

employees was conducted, with the exception of the employees of some of our Group companies, to increase employee awareness of the importance of compliance. Additionally, the Group's efforts to analyze the voices of our employees should lead us to realizations that will facilitate our development of a sincere corporate culture. Accordingly, we will implement many different measures to instill, establish and thoroughly implement the ethical standards of the Group to elevate our governance to a higher level.

A result of these activities is that no serious violations were identified in FY2021, as in the preceding years.

Operation of Internal Whistle-Blower Systems

While working to prevent breaches of social ethics, DNP has established the Open Door Room and Global Internal Whistle-Blower System for Group employees to directly report cases or potential cases of non-compliance for early detection and to improve our self-cleansing capability. In addition to these internal systems, we have set up and operate an external helpline, through which lawyers receive relevant inquiries and reports. Also, the Consultation Office is available for employees seeking the advice of specialists regarding any concerns, and the Inquiry Office is open to all stakeholders. For issues that have become visible through

inquiries and reports addressed to the offices, we make appropriate responses and adopt necessary measures after protecting the confidentiality of the information and the anonymity of whistle-blowers so that they will not be exposed to negative consequences.

In FY2021, 76 whistle-blowing reports were received throughout the DNP Group in Japan and overseas. All reports were responded to appropriately and sincerely, and recurrence prevention measures were taken whenever necessary.