

# Daiken's CSR

## CSR Basic Policy

### Vision

Contribute to the realization of a sustainable society by creating values shared with society through activities for *ecology* and *improvements in the quality of space*

### Policy

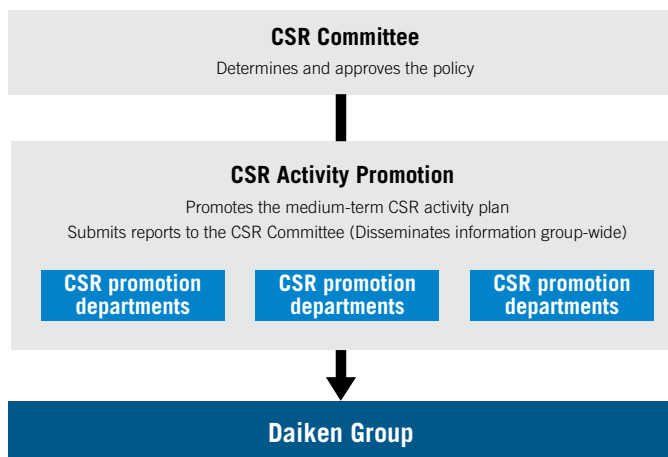
- 1 With CSR and CSV\* as the key axes, we will improve our corporate value and enhance our competitiveness to realize GP25.
- 2 Using CSR as an activity to enhance our ability to respond to and earn the trust of society, we will systematically pursue CSR with our responses to the environment, society, and governance as key axes.
- 3 Positioning CSV\* as one of our management strategies, we encourage activities voluntarily and actively through the whole business process.

\* Daiken's CSV is defined as finding solutions to social issues through the provision of common values capitalizing on Daiken's uniqueness.

### CSV Theme

- 1 Building a sustainable society
- 2 Providing secure, safe, and comfortable spaces
- 3 Comprehensive use of wood building materials—encouraging the use of cascading

## CSR Activity Promotion System



Chairperson:  
Representative director, president, and executive officer

CSR promotion departments:  
Audit Department, General Affairs and Personnel Department, Public Relations Department, Legal Affairs Department, Quality Assurance Department, Comprehensive Research and Development Center, Marketing Department, Domestic Operation Planning Department, Domestic Sales Planning Department, and Overseas Operation Planning Department

Secretarial affairs division:  
Management Planning Department

## Medium-Term CSR Activity Plan (for fiscal 2017-2019)

		Key items	Business results for fiscal 2018	Self-assessment
<b>G</b> Governance	Management area	<b>CSR management</b> <ul style="list-style-type: none"> <li>Promote company-wide CSR activities under the leadership of the CSR Committee.</li> </ul>	<ul style="list-style-type: none"> <li>Hold the CSR Committee meeting five times a year. Discuss and determine priority issues of CSR and environment plan for the next period and disclosure of the policy including the integrated report.</li> </ul>	○
		<b>Risk management</b> <ul style="list-style-type: none"> <li>Develop, update, and manage BCPs (business continuity plans).</li> </ul>	<ul style="list-style-type: none"> <li>Continue the progress management of BCPs for important bases.</li> </ul>	○
		<b>Governance</b> <ul style="list-style-type: none"> <li>Establish optimal corporate governance.</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate the effectiveness of the Board. Analyze the results and disclose them to the outside.</li> <li>Survey dissemination of the group corporate philosophy.</li> </ul>	○
		<b>Compliance</b> <ul style="list-style-type: none"> <li>Reinforce the compliance system.</li> <li>Further improve compliance education.</li> <li>Develop and implement the whistleblowing system.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the management system with the cooperation of the Legal Affairs Department and Audit Department.</li> <li>Complete the response to the revised Act on the Protection of Personal Information.</li> <li>Complete the systemization of whistleblowing contact.</li> </ul>	○
<b>S</b> Social	Consumer issues	<b>Improving product quality and ensuring product safety</b> <ul style="list-style-type: none"> <li>Reinforce the quality management system based on quality ISO standards.</li> <li>Reinforce the system to reduce quality-related problems and continue implementing measures to prevent the reoccurrence of similar problems.</li> <li>Strengthen the quality traceability system.</li> </ul>	<ul style="list-style-type: none"> <li>ISO 9001: Certify the transfer to 2015 version.</li> <li>Check the operation status by internal audit.</li> <li>Provide QEMS (quality and environment management system) usage training (4 times).</li> <li>Number of user registrants: 11,550</li> </ul>	○
		<b>Providing products and services that give high customer satisfaction</b> <ul style="list-style-type: none"> <li>Reinforce our ability to collect information by strengthening contact points with consumers.</li> <li>Reinforce the system to encourage consumer-centric new product development.</li> </ul>	<ul style="list-style-type: none"> <li>Release the paid repair and inspection contact on website.</li> <li>Held meetings and prototype evaluation meetings which widely incorporated consumer information, market researches, etc.</li> </ul>	○
		<b>Enhancing communication with customers</b> <ul style="list-style-type: none"> <li>Enhance face-to-face communication with customers in the showrooms and at exhibitions.</li> <li>Enhance communication with customers through sales activities.</li> <li>Enhance communication with customers through websites, etc.</li> <li>Enhance communication with shareholders and investors.</li> </ul>	<ul style="list-style-type: none"> <li>Participate in the Workstyle Reform Expo for the first time.</li> <li>Opened the TDY Sapporo collaboration showroom.</li> </ul>	○
			<ul style="list-style-type: none"> <li>Provide policy meetings (nine places).</li> <li>Carry out events in cooperation with TDY.</li> </ul>	○
			<ul style="list-style-type: none"> <li>Release a renewed website (June).</li> </ul>	○
			<ul style="list-style-type: none"> <li>Organize financial results briefing for institutional investors (continued).</li> <li>IR site was selected as an excellent site by third parties.</li> </ul>	○
	<b>Protecting personal information</b> <ul style="list-style-type: none"> <li>Ensure strict management of personal information.</li> </ul>	<ul style="list-style-type: none"> <li>Confirm the appropriate operational status through the possession and management status survey.</li> </ul>	○	
	Fair operating practices	<b>Ensuring fair competition and transactions</b> <ul style="list-style-type: none"> <li>Ban all transactions with antisocial forces.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained the conclusion of the said contract with all business partners.</li> </ul>	○
		<b>Protecting intellectual property</b> <ul style="list-style-type: none"> <li>Continue to provide education on intellectual property.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented intellectual property operation promotion meetings and study groups with the development department.</li> <li>Hold e-learning programs.</li> </ul>	○
		<b>Promoting CSR procurement</b> <ul style="list-style-type: none"> <li>Develop and implement CSR procurement rules.</li> </ul>	<ul style="list-style-type: none"> <li>Complete repair of the CSR investigation system and conduct investigation of actual conditions.</li> </ul>	○
Labor practices	<b>Promoting life-work balance</b> <ul style="list-style-type: none"> <li>Encourage employees to reduce overwork and cut long working hours.</li> </ul>	<ul style="list-style-type: none"> <li>Introduce the time unit annual paid leave system.</li> <li>Introduce a time limit for using PC.</li> <li>Repair the system of the attendance check through PC logs.</li> </ul>	△	
	<b>Promoting diversity</b> <ul style="list-style-type: none"> <li>Implement human resources development programs intended to promote the empowerment of female employees and develop a working environment that meets this purpose.</li> </ul>	<ul style="list-style-type: none"> <li>Provide managerial post training with the theme of promoting women empowerment.</li> <li>Provide training for improving female workers' skills.</li> <li>Organize female workers' gatherings.</li> <li>Acquired Kurumin certification.</li> </ul>	○	
	<b>Reinforcing human resources development</b> <ul style="list-style-type: none"> <li>Develop global human resources.</li> <li>Formulate human resource development programs that facilitate career development and capacity building for employees.</li> </ul>	<ul style="list-style-type: none"> <li>Employ foreign students.</li> <li>Continued to hold language training programs for new employees.</li> </ul>	○	
		<ul style="list-style-type: none"> <li>Provide training by post layer and training for newly promoted directors.</li> <li>Newly provide follow up training for 3rd year employees.</li> <li>Provide training for developing sales personnel.</li> </ul>	○	
<b>Improving the safety and health system</b> <ul style="list-style-type: none"> <li>Encourage and strengthen efforts to create a safer working environment.</li> </ul>	<ul style="list-style-type: none"> <li>Reinforce safety measures based on the diagnosis according to characteristics of plants.</li> <li>Provide training for supervisors.</li> </ul>	○		
Respect for human rights	<b>Raising awareness of human rights</b> <ul style="list-style-type: none"> <li>Continue education to raise awareness of human rights.</li> </ul>	<ul style="list-style-type: none"> <li>Provide information about general human rights at the time of new employee training.</li> <li>Provide harassment prevention training for managers.</li> </ul>	△	
Community involvement and development	<b>Community involvement</b> <ul style="list-style-type: none"> <li>Participate in local communities.</li> </ul>	<ul style="list-style-type: none"> <li>Carry out interaction, support, cleaning activities, and factory visit for people in each community.</li> <li>Held regional exchanges through the events at showrooms.</li> <li>Contributed funding to the Malaysia scholarship.</li> </ul>	○	
		<ul style="list-style-type: none"> <li>Logging (351.77 ha/year), secondary forestation (21.88 ha/month).</li> <li>Carry out forestation (84.91 ha) in the added forestation area.</li> </ul>	○	
	<b>Social contribution</b> <ul style="list-style-type: none"> <li>Continue tree planting activities in Malaysia.</li> <li>Promote the comprehensive use of domestic wood.</li> </ul>	<ul style="list-style-type: none"> <li>Proposed the use of locally grown wood across the country.</li> <li>Launch DW fiber (soil improvement additive) using domestic wood chips.</li> </ul>	○	

◎The level significantly exceeded the target ○Achieved the target △Did not achieve the target xThe level significantly below the target

Please refer to the medium-term environment plan (p. 40) for our environmental efforts.