



CSR 2017

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CEO Message

Nissha Business

We at Nissha have realized growth through expansion of our business segments, by diversifying our product lines and target markets, and entering into global markets through an evolution of our printing technology. Having extended our reach to global growth markets such as printing materials, automotive interior parts, and medical devices on top of our mainstay of the consumer electronics (IT) field, today we have taken our first steps toward a new stage of growth.



As can be seen in key Nissha products such as transfer foil and touch sensors, the evolution of our printing technology is marked by a fusion of printing with other elements like laminating, coating, molding, and cutting. Although we attained high levels of growth in recent years by concentrating our management resources on consumer electronics, this field is as prone as ever to sharp fluctuations in product demand and declining product and services prices, pressing us to cultivate comparable growth markets.

In the Fifth Medium-term Business Plan in operation since April 2015, we endeavor to acquire new core technologies and thereby optimize our business portfolio. By continuing to expand business opportunities in the consumer electronics field while also scaling up efforts in other markets that promise stable growth on a global basis, we aim to establish a balanced business foundation and maximize our corporate value over the medium to long term. An effective means of acquiring new core technologies and expanding into new fields is mergers and acquisitions (M&A). We welcomed into the Nissha Group in 2015 a global leader in metallized paper headquartered in Belgium, and in 2016 a medical devices and consumables manufacturer based in the United States, and a German molding and decorative film manufacturer for automotive interiors, creating a business foundation that will form the basis of our future growth fields.

Promoting CSR from a Global Perspective

The Nissha corporate missions states, "We are committed to pursuing a mutually trustful Co-existence with society through our business activities utilizing a unique technology development, based on Printing as a core." Perpetual corporate growth comes not only from financial growth of the company itself but also from the creation of value for society. We at Nissha believe that realizing Co-existence with our stakeholders is the very corporate social responsibility (CSR) we are required to fulfill.

In April 2012, we joined the United Nations Global Compact and declared our commitment in the areas of human rights, labor, the environment, and anti-corruption. In April 2015, we established a CSR Committee dedicated to promoting CSR management, with the aim of enhancing our value as a global company over the medium to long term. Also by conforming to standards provided by the Electronic Industry Citizenship Coalition (EICC) and identifying and addressing material issues, we hope to ensure steady reduction of CSR risks and build a solid foundation as a corporation with respect to environmental, social, and governance (ESG).

One material issue we are working to address is the promotion of diversity. With Nissha employees present across the globe, our human resources are ever more diverse. And the work of our employees is essential to the growth of Nissha. To this end, we carry on with efforts to enhance our support systems and encourage active participation in business so that all employees, regardless of age, gender, ethnicity, or disability, may shine and live up to their full potential. Another issue central to perpetual corporate growth is environment-conscious management. In this area, we promote various initiatives and participate actively in schemes such as the CDP (Carbon Disclosure Project) projects with an eye to improving our external assessment and maximizing our corporate value.

The Sustainable Development Goals (SDGs) adopted by the United Nations in September 2015 call for all sectors of the globe to contribute to the achievement of sustainable societies for future generations. As a corporate group that aims to earn your trust and be chosen by our stakeholders worldwide, we at Nissha

believe it is important to face up to the challenges of sustainable development. To do this, we will listen to our stakeholders even more closely than before, reflect your voice in our business activities, and by doing so, aspire to create further business opportunities toward realizing sustainable management and a sustainable future.



Initiatives in Corporate Governance

Recognizing corporate governance as a top management priority, we strive to ensure transparency and fairness in our business operations, thereby promoting prompt and resolute decision-making and enhancing our corporate value over the long term.

In 2008, we adopted the corporate officer system to segregate our management oversight function from our business execution function. We also make active efforts to appoint independent directors—of our eight directors, four are independent with one being a woman—to ensure transparency and fairness in our business operations, and to draw on their insight to formulate strategies and practice management oversight. We have established a Corporate Governance Policy, followed by a Nomination and Remuneration Committee, and launched efforts to evaluate the effectiveness of our Board of Directors once a year. And in our M&A activity of recent years, through the processes of due diligence and post-merger integration (PMI), we work to reduce risks and maximize synergy with the new subsidiaries we welcome into the Nissha Group.

From Nissha Printing to Nissha

On October 6, 2017, we will change our trade name from Nissha Printing Co., Ltd. to Nissha Co., Ltd., reflecting the evolution and expansion of our business far beyond the traditional boundaries of printing. “Nissha” is a corporate brand that has grown familiar not only to our employees but also to our customers, our shareholders, our suppliers, and the communities in which we operate. Following years of use, today it is recognized widely across the globe. We hope to take this change in trade name as another opportunity to aim for even greater progress.

In Closing

We at Nissha have carried on with our pursuit of customer satisfaction while aspiring to be a truly global company. Moving forward, we hope to continue working with our stakeholders in facing up to the challenges of global society, and through our efforts in sustainable management, contribute to the creation of a sustainable future.

We hope you will give CSR Report 2017 a read and offer us your candid views and advice.

We look forward to your continued guidance and encouragement.

June 2017
Junya Suzuki
President and CEO
Chairman of the Board

A handwritten signature in black ink, appearing to read "Junya Suzuki".

Nissha's CSR

Approach to CSR

Toward Realizing Our Corporate Mission

The Nissha Group's CSR is to realize our corporate mission of "pursuing a mutually trustful Co-existence with society through our business activities utilizing a unique technology development, based on Printing as a core." As a specific means to realize this corporate mission, our brand statement "Empowering Your Vision" expresses the ideal relationship of co-existence between Nissha and our stakeholders—a relationship in which we mutually affect each other toward realizing our respective visions.

Basic CSR and Strategic CSR

We define the target areas of our CSR activities as basic CSR and strategic CSR. In basic CSR, we strive to reduce CSR risks by promoting compliance with the global code of conduct provided by the Electronic Industry Citizenship Coalition (EICC) as well as with customer demand. In strategic CSR, we work to enhance our corporate value over the medium to long term by determining material issues and promoting initiatives to resolve them.

Management by CSR Committee

In April 2015 we organized a CSR Committee, chaired by the president, with eight subcommittees dedicated to areas such as labor and human rights, the environment, safety and health, and corporate ethics and compliance. In addition to convening once a year, the CSR Committee conducts management reviews, and reports and offers suggestions to the Board of Directors. Each subcommittee operates a management system and works on its respective basic CSR topics and strategic CSR topics. The progress of activities is reported as needed to its secretariat. Initiatives related to strategic CSR topics, in particular, are included in Monthly Business Review (MBR) reports for steady execution as more pertinent management issues.

Activities for Stakeholders

We identify the stakeholders that support Nissha operations as our customers, shareholders, employees, suppliers, and society. Toward realizing our corporate mission, we incorporate the voice of our stakeholders into business activities that contribute to a sustainable society. Both we and our stakeholders have a clear vision, and we mutually affect each other toward realizing it. Our aim is to work together and create value for the future.

*Nissha's corporate mission and brand statement can be viewed here.

[Corporate Philosophy and Nissha Brand](http://www.nissha.com/english/company/philosophy.html)

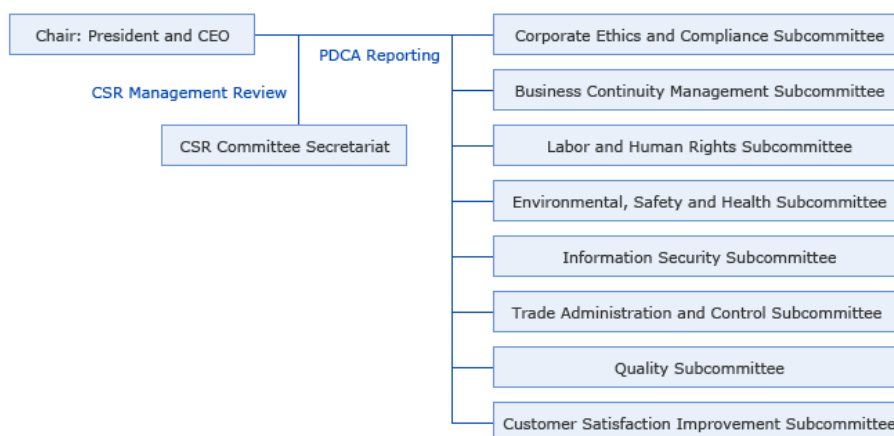
<http://www.nissha.com/english/company/philosophy.html>

CSR Management

The CSR Committee convenes once a year in the presence of the chair, served by the president, and reports and offers suggestions on important matters to the Board of Directors. In fiscal year 2017, having approved the initiatives of each subcommittee, the CSR Committee deliberated on matters such as desktop training in business continuity planning (BCP), our internal reporting system, and trends in work hours in MBR throughout the year, and managed the progress of activities. And the results of the year-end management review were reported to the Board of Directors.

The individual subcommittees of the CSR Committee, as a rule, build and operate a management system. Quality, Environmental, Information Security, and other subcommittees that already have ISO certification are working to make continuous improvements and enhance performance. The Corporate Ethics and Compliance, and Labor and Human Rights subcommittees started operating a management system in fiscal year 2016. In the three years from fiscal year 2016 covered by the Fifth Medium-term Business plan, we plan to complete the building of management systems based on the EICC Code of Conduct throughout the Nissha Group and at major suppliers.

CSR Committee Organization Chart



CSR Committee Members

Committee Chair: President and CEO

Vice Chair: Director, Member of the Board, Senior Executive Vice President,
Senior Director of Human Resources, General Affairs and Legal Affairs

Committee members: Heads of subcommittees, general managers of business units, and heads of
subcommittee secretariats

Secretary General: Senior Director of Corporate Communications

Secretariat: Corporate Social Responsibility

Subcommittee Secretariats

Corporate Ethics and Compliance Subcommittee: Corporate Legal Affairs

Business Continuity Management Subcommittee: Corporate General Affairs

Labor and Human Rights Subcommittee: Corporate Human Resources and Employee Benefits

Environmental, Safety and Health Subcommittee: Corporate General Affairs

Information Security Subcommittee: Corporate Information Technology and Management

Trade Administration and Control Subcommittee: Corporate Supply Chain Management

Quality Subcommittee: Total Quality Management Office

Customer Satisfaction Improvement Subcommittee: Total Quality Management Office

Materiality

What challenges must we address in order to realize Co-existence with society? We at Nissha believe it is important to recognize the direct and indirect impact (effect) of our manufacturing activities on society, and face up to the challenges posed as a result.

To this end, we analyzed our business operations, deliberated on the various challenges they pose to society, and in fiscal year 2016 identified a set of material topics. In fiscal year 2017, we expanded the boundary of stakeholders subject to impact and reviewed the material topics established in the previous year. We then analyzed the topics based on materiality to our stakeholders and materiality to Nissha, consulting the standards provided by the Global Reporting Initiative (GRI), and incorporated internal and external views into determining topic-specific materiality. The process and results are given in the tables below. Each CSR subcommittee sets key performance indicators (KPI) for the material topics identified, and is working toward them as priority issues.

Process for Identification of Material Issues

Step 1 Identify topics	Topics with an impact on Nissha and our supply chain are extracted based on the topics provided by the GRI Standards.
Step 2 Prioritize	Individual topics from Step 1 are measured for impact on our stakeholders and impact on Nissha, and plotted on an analysis map. Topics are prioritized based on the degree of impact.
Step 3 Validate	Topics are validated from the standpoint of our stakeholders based on evaluation by outside experts as well as interviews with independent directors and internal specialized divisions.
Step 4 Determine materiality	Material topics identified in steps 1 to 3 are compared to key topics in the medium-term business plan, reflected in specific action programs (KPI), and approved and determined by the CSR Committee.

Assessment of Map



Boundaries of Material Topics

Categories	Topics	Boundaries	
		Inside of Nissha Group	Suppliers
Economic	Anti-corruption	•	•
Environmental	Energy	•	
	Emissions	•	•
	Effluents and Waste	•	•
	Supplier Environmental Assessment	•	•
Social	Employment	•	•
	Occupational Health and Safety	•	•
	Training and Education	•	•
	Diversity and Equal Opportunity	•	•
	Non-discrimination	•	•
	Forced or Compulsory Labor	•	•
	Supplier Social Assessment	•	•
	Customer Privacy	•	•
	Socioeconomic Compliance	•	•
Others	Transport	•	•
	Grievance Mechanisms (Human Rights, Labor Practices)	•	•
	Business Continuity Planning	•	•

Material Issues and Subcommittee Responsible

Material Issues	Subcommittee
Socioeconomic Compliance	Corporate Ethics and Compliance Subcommittee
Grievance Mechanisms (Human Rights, Labor Practices)	Corporate Ethics and Compliance Subcommittee Labor and Human Rights Subcommittee
Business Continuity Planning	Business Continuity Management Subcommittee
Employment Training and Education Diversity and Equal Opportunity Non-discrimination Forced or Compulsory Labor	Labor and Human Rights Subcommittee
Energy Emissions Effluents and Waste Transport Occupational Health and Safety	Environmental, Safety and Health Subcommittee
Customer Privacy	Information Security Subcommittee

Nissha's Stakeholders

We identify the stakeholders that support Nissha operations as our customers, shareholders, employees, suppliers, and society. Toward realizing our corporate mission, we incorporate the voice of our stakeholders into business activities that contribute to a sustainable society. Both we and our stakeholders have a clear vision, and we mutually affect each other toward realizing it. Our aim is to work together and create value for the future.



Nissha's Circle of Trust

Customers

Nissha's businesses—Industrial Materials, Devices, Life Innovation, and Information and Communication—serve customers, centering on companies, spanning a broad range of fields. We approach challenges seriously from the standpoint of our customers, resolve issues together, and offer optimal solutions. With a quality control system in place, we seek to produce quality products and services that win our customers' satisfaction.

◆Communication channels

- Marketing activities in daily operations
- Activities to enhance customer satisfaction
- Information provided for CSR survey
- Information provided about conflict minerals
- Products and services provided by website
- Supplier responsibility (SR) audits by customers

Shareholders

We have a total of 46,822,153 outstanding shares and 6,798 shareholders. In a breakdown of shareholders by type, 37.1% are Japanese financial institutions and securities firms, 27.5% foreign institutions and individuals, 22.2% other Japanese corporations, 13.0% Japanese individuals and others, and 0.2% treasury stock (as of the end of March 2017).

In addition to disclosing information, we create opportunities to meet directly and exchange dialogue with our shareholders and investors through IR events and one-on-one briefings. Feedback and comments are reported regularly from IR representatives to management as well as at Board of Directors meetings, and used as a valuable resource for enhancing our corporate value.

◆Communication channels

- Shareholders' meetings
- Management briefings following shareholders' meetings
- Financial results presentations and teleconferences for institutional investors
- One-on-one briefings for institutional investors

Response to individual inquiries
Various materials (reports) published for shareholders and investors
IR information provided via the Nissha website
Information for socially responsible investment (SRI) screening companies

Employees

The Nissha Group has 5,133 employees. The number of employees including the temporary employees is 7,030, and in a breakdown by region, 56.8% work in Japan, 9.4% in Asia, 15.3% in North America, 8.8% in Europe, and 9.7% in Central and South America (as of the end of March 2017). We promote the creation of safe, comfortable workplaces and offer support for diverse work styles, respecting our employees' human rights diversity from a global perspective. We at Nissha believe our employees are our most important management resources, and aim to achieve growth for both the company and our employees.

◆Communication channels

Labor-management meetings

Workplace improvement committee

Education and training

Personnel evaluation and interviews

Hotline (for reporting to outside the company)

Harassment help desk

Awareness questionnaires and interviews

Suppliers

Nissha's global operations revolve around procurement activities and engagement with a large number of suppliers.

We strive to build partnerships of co-existence and co-prosperity with our suppliers, and create corporate value founded on integrity. We seek to evaluate our suppliers fairly, impartially, and comprehensively at all times, and promote CSR procurement.

◆Communication channels

Procurement activities in daily operations

CSR procurement briefings

ESG check sheets

CSR procurement and auditing

In-house exhibitions and seminars themed around supplier products and technologies

Society

The Nissha Group has 16 bases in Japan and 42 overseas, each of which carries out business activities with respect for the culture and climate of the region in which it operates.

We aim for widespread co-existence based on relationships of mutual trust with society. We promote communication with local communities not only to fulfill our basic responsibilities as a corporation but also to be a company that is needed by society. We strive to be aware of global social issues and play a role in resolving them.

◆Communication channels

Exchange events with community councils and community people

Cleanup activities in factory areas

Next-generation support activities

Support and promotion of arts and culture

Social contribution activities in collaboration with NPOs

Employees' participation in volunteer activities

External Assessment

Major examples of external assessment in fiscal year 2017 are given below (Nissha Group in Japan).

Date	Certification/award	Company/base	Details
Apr. 2016	60th Kyoto Prefectural Award for Distinguished Services in Invention	Nissha Printing Co., Ltd.	Nissha Printing Co., Ltd. received a Kyoto Prefectural Award for Distinguished Services in Invention for two patents: one for our proprietary touch panels, and another for metallic gloss sheets used in in-mold decoration (IMD). Awards are presented by Kyoto Prefecture annually since 1957 to "promote the significance of invention and ingenuity, encourage developments in science and technology, and increase motivation for invention and ingenuity."
Nov. 2016	FY2017 Kinki Regional Award for Invention	Nissha Printing Co., Ltd.	Nissha Printing Co., Ltd. was recognized for contributing to the enhancement of science and technology, and the promotion of industry in Japan, for the same two patents for which we received a Kyoto Prefectural Award for Distinguished Services in Invention: one for our proprietary touch panels, and another for metallic gloss sheets used in IMD. Kinki Regional Awards for Invention are presented by the Japan Institute of Invention and Innovation annually since 1921 to "honor engineers and researchers responsible for excellent inventions, ideas, or designs."
Jan. 2017	"58th National Catalog Contest: 5 awards including • Japan Paper Association Award (Silver Prize, Pictorial Records Category) • Japan Federation of Printing Industries Chairman's Award (Silver Prize, Catalog Category) 68th National Calendar Contest: 3 awards including • Minister of Education, Culture, Sports, Science and Technology Award (Gold Prize, Category 3; Silver Prize, Category 1)"	Nissha Printing Communications, Inc. Nitec Printing Co., Ltd.	A total of eight calendars and catalogs designed, produced, or printed by Nissha won awards in the 58th National Catalog Contest and the 68th National Calendar Contest, co-hosted by the Japan Federation of Printing Industries and Fuji Sankei Business-i. One of the works was the official calendar of Nissha Printing Co., Ltd., titled "Kyoto—The Beauty of Four Seasons," which won the silver award in Category 1 in recognition of the design as well as photoengraving and printing technologies.
Feb. 2017	Health and Productivity Management Organization (White 500) Certification	Nissha Printing Co., Ltd.	Nissha Printing Co., Ltd. was certified as a Health and Productivity Management Organization in the large enterprise category (White 500) at the 2017 announcement ceremony co-hosted by the Japanese Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi. Certification is granted to outstanding large enterprises and SMEs working to address community health challenges and promoting in health-conscious activities led by Nippon Kenko Kaigi. Nissha was recognized for the initiatives we presented in the FY2017 METI survey.

A list of ISO certificates obtained is given below (Nissha Group as of the end of March 2017).

Subject Areas	ISO Standards							
	ISO/TS16949	ISO9001	ISO14001	OHSAS18001	ISO27001	ISO50001	ISO13485	Others
Nissha Printing Co., Ltd. Global Headquarters		○*1	○*2		○			

Nissha Printing Co., Ltd. Tokyo Division Headquarters		○*1			○			
Nissha Printing Co., Ltd. Kameoka Site		○			○			
Nitec Industries, Inc. Koka Factory		○	○		○			
Nitec Industries, Inc. Tsu Factory								
Nitec Precision and Technologies, Inc. Himeji Factory		○	○		○			
Nitec Precision and Technologies, Inc. Kaga Factory		○	○		○			
Nitec Precision and Technologies, Inc. Kyoto Factory		○	○		○			
FIS Inc.		○	○					
Nissha Printing Communications, Inc. Headquarters / Kyoto		○*1			○			FSC COC
Nissha Printing Communications, Inc. Tokyo Division Headquarters		○*1			○			FSC COC
Nissha Printing Communications, Inc. Osaka Division Headquarters		○*1			○			FSC COC
Nitec Printing Co., Ltd. Headquarters / Kyoto Factory		○			○			FSC COC
Nitec Printing Co., Ltd. Yachiyo Factory		○	○		○			FSC COC
Nissha F8, Inc.		○*3			○			
Nissha Business Service Co., Ltd.		○	○		○			
Eimo Technologies, Inc.	○							
Si-Cal Technologies, Inc.		○						
PMX Technologies, S.A. de C.V.	○							
Graphic Controls Acquisition Corp.		○					○	93/42/EEC
Schuster Kunststofftechnik GmbH	○	○				○		
Back Stickers GmbH		○						
AR Metallizing N.V. – Genk, Belgium		○						FSC COC
AR Metallizing Srl. - Casalgrasso, Italy		○		○		○		FSC COC
AR Metallizing Ltd. - Franklin, MA USA		○						FSC COC
Málaga Produtos Metalizados Ltda.- Osasco, Brazil		○	○	○				FSC COC
Nissha (Kunshan) Precision IMD Mold Co., Ltd.	○	○	○					
Guangzhou Nissha High Precision Plastics Co., Ltd.		○	○					
Southern Nissha Sdn. Bhd.	○	○	○					

*1. Management divisions are excluded from the scope of certification.

*2. Only management divisions and engineering and development divisions have obtained certification.

*3. Only the Kyoto site has obtained certification.

United Nations Global Compact

On April 3, 2012, Nissha Printing Co., Ltd. joined the United Nations Global Compact. The Global Compact is a voluntary initiative based on 10 principles in the area of human rights, labor, the environment, and anti-corruption. Its purpose is to have various companies show responsible and creative leadership, and thereby act as good members of society and participate in creating a global framework for sustainable growth.



Signatory companies are required to express within and outside the company the commitment of top management, establish a CSR framework, make continuous improvements aiming for higher levels of management and CSR, and submit annual reports on the status and results of activities in the format of a Communication on Progress (COP).

At Nissha, we have in place various targets based on the 10 principles of the Global Compact and work daily toward achieving them with an eye to meeting the needs of global society. We disclose information about our activities in CSR reports, published on the Nissha website.

The Ten Principles of the UN Global Compact

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Website: United Nations Global Compact
<http://www.unglobalcompact.org>

Corporate Philosophy and Brand

Corporate Philosophy

Nissha has integrated our standards of thought, rules of conduct, and corporate mission—positioned at the apex—into a Corporate Philosophy for disseminating across the Nissha Group.

Corporate Mission

We are committed to pursuing a mutually trustful Co-existence with society through our business activities utilizing a unique technology development, based on Printing as a core.



Nissha Brand

Corporate Logo

"NISSHA" is our corporate logo and core visual symbol. Our corporate color is a vivid blue, and expresses strength, leadership, and innovation.

NISSHA

Pantone293



Nissha Group

All Nissha Group companies share the same Nissha Values.



<http://www.nissha.com/english/company/office/index.html>

Brand Statement

Empowering Your Vision

"Empowering Your Vision" expresses the relationship of Co-existence between Nissha and our stakeholders. Both we and our customers, shareholders, employees, suppliers, and society have visions, and we mutually affect each other toward realizing it. We maximize our capabilities driven by our technology, passion, and leadership, and with the energy infused in us by our stakeholders, together create value for the future.

Brand Chart



The "Empowering Your Vision" brand symbol is inspired by the ubiquitous presence of the Fibonacci sequence in nature, such as the spiral patterns of flowers and shells. The design represents the expansion of Nissha capabilities, of the visions we realize, of the new values we create. This chart expresses our ideals of Co-existence between Nissha and our stakeholders—a relationship in which each draws the other nearer while together we unlock a world of possibilities.

Shared Values

Growth Based on Customer Satisfaction

We create new value for our customers and transform it into a driver of growth.

Commitment to Results

We set challenging goals for ourselves and deliver results.

Magnify Leadership

We exhibit leadership and resolve difficulties regardless of division or position.

Diverse Capabilities

We respect diversity that enhances our organizational capabilities and drives growth.

Sustainability Through Integrity

We value individual dignity and conduct fair business as a global corporate citizen.

Corporate Governance

We recognize corporate governance as a key management priority, and work to maintain and improve our structure toward achieving sustainable growth and enhancing our corporate value over the medium to long term.



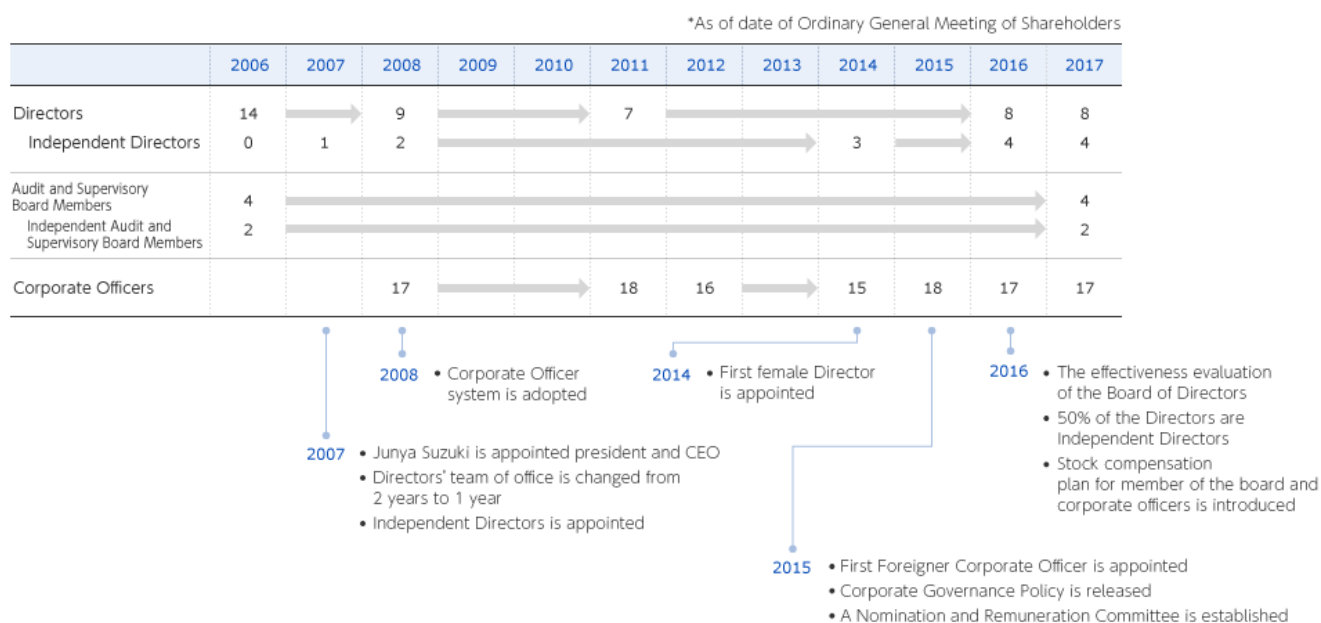
Corporate Governance

Basic Approach to Corporate Governance

Nissha, since its foundation, has been executing strategies that promptly address external challenges, under committed leadership. The Company believes that strengthening corporate governance along with such leadership will promote agile and decisive decision making, as well as ensuring management transparency and fairness. Based on this recognition, the Company places corporate governance as one of the key management issues, strives to maintain and improve it, and seek out sustainable corporate growth and an increase in corporate value over the medium- to long-term.

In an effort to clarify the Nissha Group's basic approach to and policy for implementing corporate governance, in October 2015 we established a Corporate Governance Policy.

 [Corporate Governance Policy \(April 17, 2017\)\[172.3KB\]](#)

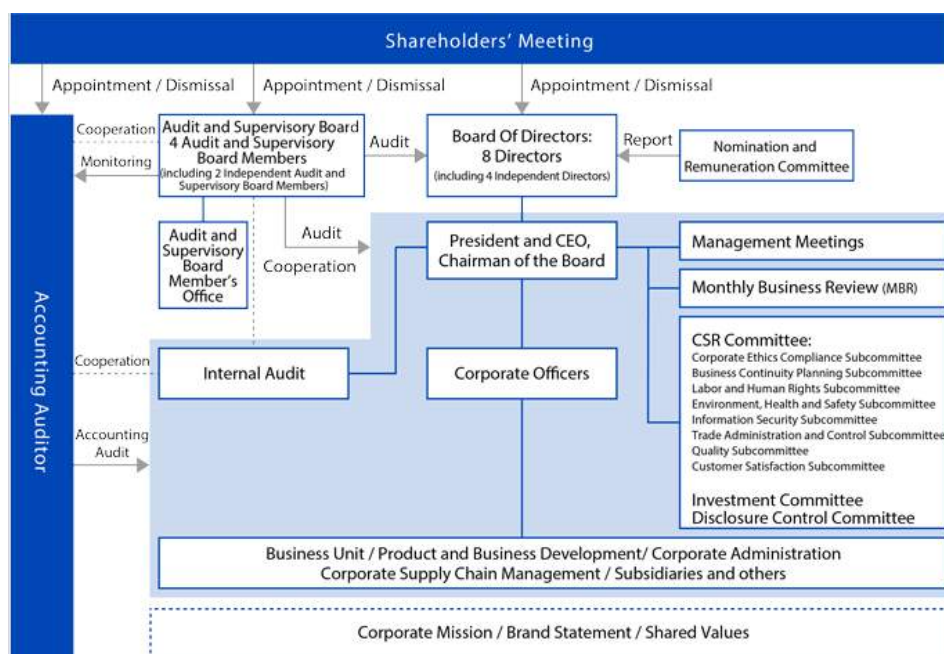


Overview of Corporate Governance

We have established a corporate governance structure as shown in the figure below.

*as of April 1, 2017

Corporate Governance Structure



We make major business judgments and oversees the execution of the duties of the Directors, Members of the Board at meetings of the Board of Directors, and as a company with an Audit and Supervisory Board, will strive to maintain and improve the oversight and checking functions by Audit and Supervisory Board Members and an Audit and Supervisory Board which are independent from the Board of Directors.

We adopt a corporate officer system in an effort to clarify the powers and authority in the speedy decision making and the implementation of decisions, under which the Board of Directors will be in charge of the formulation of strategies and business oversight, and the Corporate Officers will be in charge of the execution of business. In addition, we also establish a Nomination and Remuneration Committee as an advisory panel for the Board of Directors.

The Board of Directors formulates our Policy for Internal Control, and prepares and oversees the operation of systems designed to ensure appropriate business execution in the Nissha Group.

The President and CEO, Chairman of the Board chairs the following meetings toward appropriate and efficient business execution.

- **Management Meeting:** Comprises inside directors as core members. Deliberates on matters relating to the direction of important managerial issues within the scope of the President's authority.
- **Monthly Business Review (MBR):** Reviews the progress of business strategies based on key performance indicators (KPI) and determines actions to take over the short term. The purpose of the MBR is to monitor business execution by Corporate Officers and quickly respond to changes in the business environment.
- **Investment Committee:** Reviews particularly important investment matters prior to submission to the Board of Directors for approval.

We also have in place the following organizations in order to enhance the management monitoring function, ensure that business execution complies with laws and regulations as well as our Articles of Incorporation, and to manage risks.

- **CSR Committee:** Chaired by the President and CEO, Chairman of the Board. Comprises eight corporate-wide subcommittees, namely Corporate Ethics and Compliance; BCM (Business Continuity Management); Labor and Human Rights; Environment Health and Safety; Information Security; Trade Administration and Control; Quality; and Customer Satisfaction. Demonstrates leadership in dealing with risks to legal and appropriate business execution.
- **Disclosure Control Committee:** Chaired by the President and CEO, Chairman of the Board. Discusses the necessity of timely disclosure of corporate information and the contents of disclosure, and discloses important information on the Nissha Group in a timely, proper manner.
- **Internal Audit:** Under the direct control of the President and CEO, Chairman of the Board, audits the internal control systems of the Nissha Group, analyzes and evaluates their status of establishment and operation, and offers suggestions for improvement.

Directors, Members of the Board and the Board of Directors

Policy and Procedure for Electing Directors, Members of the Board

Our Board of Directors comprises an appropriate number of 12 or fewer members, taking into account diversity and balance between the knowledge, experience, and skills of the individual to ensure that the board fulfills its role of making important management decisions and overseeing the execution of duties by Directors, Members of the Board, and Corporate Officers.

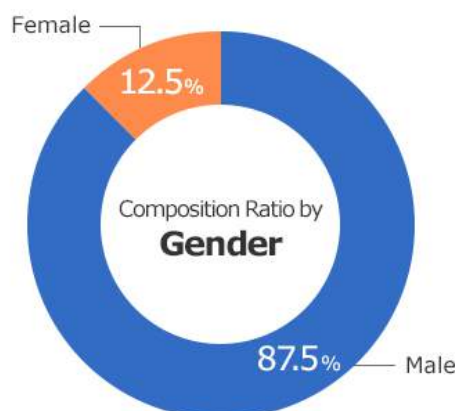
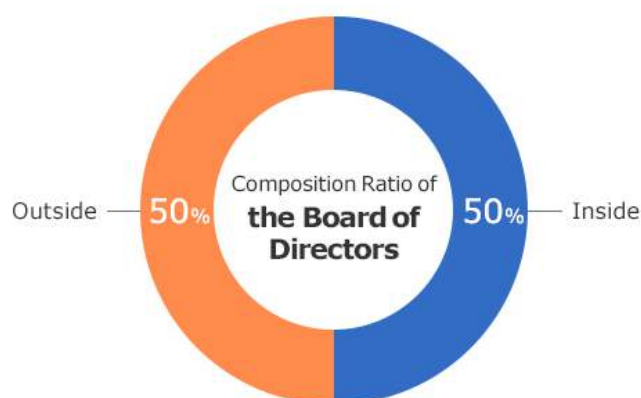
Inside Directors, Members of the Board are elected for their acquaintance with our operations and suitability for creating a growth strategy and overseeing business execution. Several Independent Directors, Members of the Board are elected who satisfy the requirements of not only the Companies Act but also the "Standards for Independence of Independent Officers", established by our Board of Directors.

To ensure clarity in management responsibilities for each fiscal year, the term of office of Directors, Members of the Board is set at one year.

Candidates for Directors, Members of the Board are determined in line with the above policies and in consultation with the Nomination and Remuneration Committee.

 [Standards for Independence of Independent Officers\[86.2KB\]](#)

Diversity of the Board of Directors *as of June 16, 2017



At present, our Board of Directors consists of eight members, of which four are Independent Directors, Members of the Board with one being a woman.

The Board includes individuals with experience abroad or at another company, or holding a master's degree in business administration. Each of our four Independent Directors, Members of the Board have experience and insight into general corporate management, specialized knowledge in corporate governance, management and business strategies, and information technology, and broad insight into monetary economics.

Role of the Board of Directors

Our Board of Directors convenes for regular meetings once a month and for extraordinary meetings as needed. The meetings are chaired by the President.

The Board makes decisions on matters that require resolution by the Board as stipulated by legislation and our Articles of Incorporation, as well as on important managerial matters as stipulated by the Regulations of the Board of Directors and other internal regulations, and overseas business execution by Directors, Member of the Board and Corporate Officers.

Initiatives to Enhance the Content of Discussions

Our Board of Directors meetings involve brisk, substantive discussions. Independent Directors, Members of the Board draw on deep insight into their respective fields of specialty to provide accurate advice and opinions, contributing to the enhancement of both management transparency and the Board's oversight functions. Toward improving the quality of discussions, we distribute a meeting agenda and related materials in advance, and explain particularly important matters to independent directors and auditors beforehand. Toward thoroughness, important issues such as the medium-term business plan and major M&A deals are discussed once or twice as matters to be reported prior to being listed as matters to be resolved. By allotting times for briefing and discussion in accordance with the degree of importance of the matter, we aim for sharp, focused meeting operation.

In an effort to enhance the Board's monitoring function, the status of matters such as major M&A deals and establishment of subsidiaries and joint ventures are reported in meetings after a certain amount of time has passed since the resolution at the Board.

To secure attendance by as many Directors, Members of the Board and Audit and Supervisory Board Members as possible, the secretariat of the Board of Directors creates an annual schedule of board meetings and notifies members in advance.

Evaluation of Effectiveness of the Board of Directors

Once a year since April 2016, our Board of Directors analyzes and evaluates board membership and operation in the previous fiscal year toward continuous improvement in the effectiveness of corporate governance.

In May 2017, we distributed a questionnaire covering all board meetings held in FY2017, and disclosed an outline of the results in a Corporate Governance Report submitted to the Tokyo Stock Exchange in June.



Nomination and Remuneration Committee

Purpose

We have in place a Nomination and Remuneration Committee as an advisory panel for the Board of Directors to ensure objectivity and fairness in the election of directors and auditors, and in determining remuneration of the

Directors, Members of the Board. The chair and at least half of the members are selected from Independent Directors, Members of the Board.

Role

With consultation from the Board of Directors, the Nomination and Remuneration Committee deliberates on and provides a response regarding the following matters.

- (1) Criteria for electing Directors, Members of the Board and Audit and Supervisory Board Members
- (2) Proposals of candidates for Director, Member of the Board and Audit and Supervisory Board Member
- (3) Policy on remuneration of Directors, Members of the Board
- (4) Remuneration of Directors, Members of the Board

Membership *as of June 16, 2017

- (1) Four independent members: Tamio Kubota (Independent Director, Member of the Board and Committee Chair), Kenji Kojima (Independent Director, Member of the Board), Sawako Nohara (Independent Director, Member of the Board), Kazuhito Osugi (Independent Director, Member of the Board)
- (2) Two inside members: Junya Suzuki (President and CEO, Chairman of the Board), Hayato Nishihara (Director, Member of the Board and Senior Executive Vice President)

Audit and Supervisory Board Members and the Audit and Supervisory Board

Policy and Procedure for Electing Auditors

Our Audit and Supervisory Board comprises an appropriate number of four or fewer members.

Inside Audit and Supervisory Board Members are elected for the wealth of experience required in auditing.

Independent Audit and Supervisory Board Members are elected from attorneys and certified public accountants with a focus on specialized knowledge in legal affairs, financial matters, and accounting, who satisfy the requirements of not only the Companies Act but also the "Standards for Independence of Independent Officers", established by our Board of Directors.

Candidates for Audit and Supervisory Board Members are determined in line with the above policies, in consultation with the Nomination and Remuneration Committee, with consent from the Audit and Supervisory Board. At present, our Board consists of four members, of which two are Full-time Audit and Supervisory Board Members and two are Independent Audit and Supervisory Board Members.

 [Standards for Independence of Independent Officers\[86.2KB\]](#)

Role of the Audit and Supervisory Board

Our Audit and Supervisory Board Members and Audit and Supervisory Board audit the execution of duties by Directors, Members of the Board and Corporate Officers as stipulated by legislation, our Articles of Incorporation, and internal regulations, and make appropriate decisions from an independent, objective standpoint on electing and dismissing accounting auditors and exercising their authority relating to audit fees, etc. Independent Audit and Supervisory Board Members draw on their highly specialized knowledge as attorneys and certified public accountants to contribute to the maintenance and improvement of our corporate governance structure.

Our Audit and Supervisory Board determines the duties of Audit and Supervisory Board Members, the audit structure, and the audit standards that describe the evaluation basis for audits and the action guidelines. In accordance with these, the Board develops auditing policies and Nissha Group's Corporate Governance auditing plans.

Complying with these, each Audit and Supervisory Board Member attends the meetings of the Board of Directors and other important meetings, reviews approval documents and other important documents, performs visiting audits at major offices and affiliated companies, and conducts audits by exchanging opinions regularly with the President and CEO, Directors, and General Managers. The Audit and Supervisory Board holds regular meetings with the Accounting Auditor, Internal Audit, and corporate division including the Corporate Finance and Corporate Legal Affairs to closely cooperate with each other and increase the audits' efficiency. In addition, the Board regularly holds the Group Meeting of Audit and Supervisory Board Members, consisting of full-time Audit and Supervisory Board Members of the Company and Audit and Supervisory Board Members of its affiliated companies, in order to strengthen and enhance audits throughout the whole Nissha Group.

Policy on Determining Remuneration of Directors, Members of the Board and Audit and Supervisory Board Members

As a rule, officer remuneration (for Directors, Members of the Board and Corporate Officers responsible for business execution) follows a system corresponding to degree of contribution to the enhancement of our corporate performance and corporate value. A breakdown of officer remuneration and the procedure by which it is determined are as follows.

Remuneration of Directors, Members of the Board

- Inside Directors, Members of the Board

Remuneration of Directors, Members of the Board consists of basic compensation, bonuses, and stock compensation. Basic compensation is set according to the individual's position and the significance of his or her role, and reflects evaluation of the individual's degree of contribution and performance. Bonuses are based on consolidated business results (net sales, operating margin, performance of the business for which the individual is responsible, etc.) in the relevant fiscal year, and reflect evaluation of the level of target achievement.

The stock compensation program we have in place is called the Board Benefit Trust (BBT). This is a system linked to business results in which Nissha's shares are acquired through a trust using funds contributed by Nissha, and these shares are paid to Directors, Members of the Board through the trust in accordance with a Policy on Directors' Stock Compensation, established by our Board of Directors. By further clarifying the link between Directors' compensation and the value of the company's shares, and having our Directors, Members of the Board experience together with our shareholders not only the benefits of a rise but also the risks of a decline in share prices, the system aims to increase awareness in Directors, Members of the Board of the importance of improving business results and enhancing the Nissha corporate value over the medium to long term.

The program awards points based on the individual's position, points calculated according to consolidated net sales and operating income each fiscal year, and in the closing year of a medium-term business plan, points calculated according to the level of achievement of target management indices such as return on investment (ROE) and return on invested capital (ROIC). On a fixed day in the closing year of the medium-term business plan, the points are converted into Nissha shares, and Directors, Members of the Board are paid a cash equivalent of these shares at market value.

- Independent Directors

Remuneration of Independent Directors, Members of the Board consists of basic compensation only, based on factors such as the individual's career. Remuneration linked to business results is not provided, as the role of Independent Directors, Members of the Board is separated from business execution.

Procedure

Remuneration is determined by the Board of Directors, in consultation with the Nomination and Remuneration Committee to ensure objectivity and fairness, within the scope of total remuneration approved at the General Meeting of Shareholders.

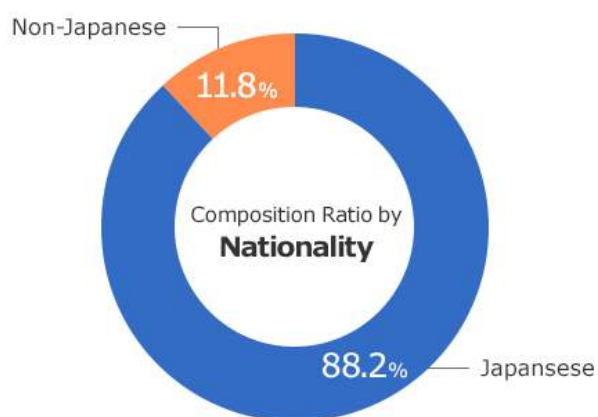
Remuneration of Audit and Supervisory Board Members

Remuneration of Audit and Supervisory Board Members is determined through discussion with the individual within the scope of total remuneration approved at the General Meeting of Shareholders.

Title	Total Remuneration (Million yen)	Remuneration by Category (Million yen)			Number of Board Members
		Basic Remuneration	Bonuses	Stock	
Directors (Excluding Independent Directors)	248	150	57	40	4
Audit and Supervisory Board Members(Excluding Independent Audit and Supervisory Members)	28	28	-	-	2
Independent Directors and Independent Audit and Supervisory Board Members	41	41	-	-	6

Corporate Officers

In order to adapt flexibly to changes in the business environment, we appoint Corporate Officers also taking into account diversity and balance between the knowledge, experience, and skills of the individual. The term of office of Corporate Officers is set at one year.





At present, we have 17 Corporate Officers, of which two are foreign nationals. These include individuals with experience abroad or at another company, or holding a master's degree in business administration.

Internal Control System

Nissha Printing Co., Ltd. builds and operates an internal control system in accordance with a Policy for Internal Control formulated by the Board of Directors. The system is designed to ensure that the duties of each internal organization are carried out legally, appropriately, and efficiently toward enhancing our corporate value. To ensure reliability of financial reporting, we submit the assessment results of our internal control system in the form of internal control reports to the Prime Minister of Japan and disclose the contents to our shareholders and investors.

Policy for Internal Control

Pursuant to the Companies Act and the Ordinance for Enforcement of the Companies Act, the Company shall establish systems to ensure the properness of operations (hereinafter referred to as "Internal Control") of the group consisting of the Company and its subsidiaries (hereinafter referred to as the "Nissha Group") as follows:

1. Systems necessary to ensure that the execution of duties by Directors, Members of the Board and employees of the Nissha Group complies with laws and regulations and the Company's articles of incorporation

(i) The Company shall establish a "Guideline of the Corporate Ethics and Compliance" and "Code of Conduct" based on its corporate mission and Shared Values so as to comply with laws and social ethics from a global point of view.

(ii) The Company shall establish a Corporate Ethics and Compliance Subcommittee under the internal regulations to carry out monitoring and educational activities to ensure compliance with laws and regulations, the Company's articles of incorporation and social norms. In addition, the Company shall appoint a Manager and Leader in charge of promotion in each business unit of the Nissha Group to establish a structure for promoting Corporate Ethics and Compliance. An "in-house reporting system" shall be established and operated, through which employees may provide information directly to the Company, while due measures are taken for the protection of whistleblowers.

(iii) The Company shall elect multiple Independent Directors, Members of the Board to maintain and enhance the function of supervising the execution of duties by Directors, Members of the Board.

In addition, the Company shall establish a Nomination and Remuneration Committee as an advisory panel for the Board of Directors of the Company in order to ensure the objectiveness and fairness of the nomination of Directors, Members of the Board and Audit and Supervisory Board Members as well as the remuneration of the Directors, Members of the Board. The Nomination and Remuneration Committee shall be chaired by an Independent Director, Member of the Board and the majority of its members shall be Independent Directors, Members of the Board.

(iv) The Internal Audit Division, which is under the direct control of the President and Representative Director, shall analyze and evaluate the state of the establishment and operations of an Internal Control system, propose an improvement plan, and enrich the system.

(v) The Company shall set a basic policy to counter antisocial forces, shall not have any relationship with antisocial forces, and shall not respond to any unreasonable demands with a resolute attitude in compliance with the Regulations regarding antisocial forces, and the Nissha Group shall strive for thorough implementation of such measures.

2. Systems regarding the retention and management of information relating to the execution of duties by Directors, Members of the Board

(i) The Company shall retain and manage information regarding execution of duties by Directors Members of the Board, including the minutes of the General Meetings of Shareholders, the minutes of the meetings of the Board of Directors and the requests for managerial decision, properly and with certainty pursuant to the laws and regulations and in-house regulations on information management, and the information shall be maintained in a condition which can be inspected.

(ii) The Company shall disclose important information on the Nissha Group timely and properly by establishing a Disclosure Control Committee which shall discuss the necessity of timely disclosure of corporate information and the contents of disclosure.

3. Rules and other systems for risk management of the Nissha Group

(i) The Company shall formulate the Basic Policy for Risk Management to specify the Nissha Group's initiatives in risk management.

(ii) The Company shall respond to the risk of managerial losses by organizing company-wide and cross-organizational subcommittees to manage the issues of Corporate Ethics Compliance, BCM, Labor and Human Rights, Environment Health and Safety, Information Security, Trade Administration and Control, Quality, and Customer Satisfaction under the CSR Committee led by the President and CEO, Chairman of the Board as the acting Committee Chairman.

(iii) Each subcommittee and the superintending division shall establish a management policy, rules, etc.; determine risk analysis, risk assessment, and related measures; conduct daily monitoring activities; and report the results of reviews to the CSR Committee.

(iv) The CSR Committee shall summarize major risks faced by the Company on a regular basis for review by management while reporting them to the Board of Directors.

4. Systems necessary to ensure the efficient execution of the duties by Directors, Members of the Board of the Nissha Group

(i) Through the introduction of the corporate officer system, the Company shall establish functional segregation between strategy development and management monitoring functions to be undertaken by the Board of Directors and business execution functions to be undertaken by the Corporate Officers.

(ii) The Board of Directors of the Company shall approve medium-term business plans, and the Directors, Members of the Board and employees shall execute operations based on such strategic and performance plans.

(iii) The President and CEO, Chairman of the Board shall request the Corporate Officers to report the status of their execution of business and confirm whether or not the business is executed according to the plans at a monthly meeting (MBR: Monthly Business Review).

(iv) The Company shall share the status of execution of business by the Corporate Officers and the strategy implementation items to be undertaken by its organizations through the use of IT to improve business efficiency.

5. Systems necessary to ensure the proper business operation of the Nissha Group

(i) The Company shall formulate the Affiliated Company Management Regulations to set basic administration policy for the management of each company of the Nissha Group. In addition, the Company shall manage the performance of important operations of each company of the Nissha Group by designating matters requiring approval of and reporting to the Company with regard to the execution of those operations in the Regulations on Requests for Managerial Decisions.

(ii) The Company shall appoint its officers or employees to become Directors, Members of the Board and Audit and Supervisory Board Members of each company of the Nissha Group in order to ensure the proper execution of operations.

(iii) The corporate division shall manage the proper execution of operations at each company of the Nissha Group and lead and counsel it, as necessary.

(iv) The Company shall periodically convene the Group Audit and Supervisory Board meeting for the exchange of information among the Audit and Supervisory Board Members of the Nissha Group and strive to improve and strengthen the audits for each company of the Nissha Group.

6. Matters regarding employees assisting the duties of Audit and Supervisory Board Members, when Audit and Supervisory Board Members ask for appointment of such employees, and matters regarding the independence of such employees from Directors, Members of the Board

- (i) The Company shall establish an Auditor and Supervisory Board Member's Office to assist the duties of Audit and Supervisory Board Members, and shall arrange for employees to be exclusively assigned to the Office.
- (ii) The Auditor and Supervisory Board Member's Office shall belong to the Audit and Supervisory Board and be independent from Directors, Members of the Board. With regard to matters regarding the personnel affairs of the employees of the Auditor and Supervisory Board Member's Office, approval of the Audit and Supervisory Board shall be obtained through consultation.

7. Systems for reporting to Audit and Supervisory Board Members by Directors, Members of the Board and employees of the Nissha Group and other systems regarding reporting to Audit and Supervisory Board Members

Directors, Members of the Board and employees of the Nissha Group shall quickly report to the Audit and Supervisory Board items that will potentially have a serious influence on the Nissha Group, the status of risk management, the results of internal audits, the status of internal reports and the details of such reports, etc. The Audit and Supervisory Board Members of the Company shall request the Directors, Members of the Board and employees of the Nissha Group to report such matters as necessary. In addition, whistleblowers shall not be treated disadvantageously in any way whatsoever as a consequence of such reporting.

8. Other systems necessary to ensure the effective audit by Audit and Supervisory Board Members

- (i) The regular meetings for exchanges of opinions between the President and CEO, Chairman of the Board, Directors, Members of the Board and the Audit and Supervisory Board shall be held. The Audit and Supervisory Board Members shall also set up regular meetings with the Accounting Auditor, Internal Audit Divisions and corporate division to cooperate with them closely.
- (ii) The Audit and Supervisory Board Members shall attend not only the meetings of the Board of Directors, but also other important meetings, and express their opinions as necessary. In addition, they shall also examine the requests for managerial decision and other important documents.
- (iii) The Company shall ensure objectivity and effectiveness of audits through Independent Audit and Supervisory Board Members, including those who have considerable knowledge concerning finance and accounting or legal affairs, such as a certified public accountant or an attorney, etc.
- (iv) The Company shall bear expenses necessary for the execution of duties by the Audit and Supervisory Board Members. If an Audit and Supervisory Board Member requests the Company to make an advance payment of such expenses pursuant to laws and regulations, the Company shall promptly comply with the request upon confirmation.

Risk Management

With a risk management policy in place to clarify our approach, we promote risk management to counter risks that may have a significant impact on our business activities, and to be fully prepared in the event an emergency does occur.

Having organized a CSR Committee chaired by the President and CEO and defined risks that require addressing as "any thing or situation that hinders Nissha's implementation of the corporate mission," since fiscal year 2016 we are working to reduce all conceivable risks associated with business processes, including those related to disasters, accidents, and compliance, as well as to appropriately cope with risks that have surfaced. The CSR Committee consists of eight subcommittees—Labor and Human Rights, Corporate Ethics and Compliance, Business Continuity Management (BCM), Environmental, Safety and Health, Information Security, Trade Administration and Control, Quality, and Customer Satisfaction Improvement—each of which operates a management system from the viewpoints of basic CSR and strategic CSR.

In the area of crisis management, we have in place a set of Emergency Response Regulations stipulating that we set up a group-wide response task force headed by the President and CEO in the event of a serious interruption of business due to emergency over a certain level, such as a large earthquake or new global influenza epidemic. Furthermore, we promoted activities to enhance employee awareness about the general rules for action and response in an earthquake, such as stockpiling supplies at major bases in Japan, distributing "survival cards" listing information about what to expect and do should an earthquake strike to all officers and employees of the Nissha Group in Japan, and conducting emergency drills.

In the area of BCM, we have in place a Basic Plan for Business Continuity Management, which is used as a base for training primarily the management. This training serves to verify the effectiveness of the plan toward ensuring business continuity and maximum service to our customers, securing the safety of our employees and their families, and contributing to the restoration of communities and of society at large.

Risk Management Policy

The Nissha Group strives to accurately identify the risks we face, avoid unexpected loss, and appropriately control risks, thereby ensuring business continuity and enhancing our corporate value toward realizing a mutually trustful Co-existence with our stakeholders.

1. We build and maintain a structure for responding to the various risks present in our business environment.
2. We promote risk management at the managerial level toward conducting organization-wide activities and preserving management resources.
3. In the event of an emergency, such as a situation with critical managerial consequences or a natural disaster, we work to minimize damage, resume business activities as quickly as possible, and prevent recurrence while prioritizing the safety of human lives.
4. We conduct in-house training to enhance awareness of and the ability to respond to risks, and ensure that each employ takes responsible, swift, and appropriate action.
5. We periodically review our risk management structure, including this policy, and make improvements on a continuous basis to ensure effective risk management at all times.

July 1, 2015

Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co., Ltd.

Column “BCP Training for Earthquake Emergency”



On December 22, 2016, we conducted BCP training at Nissha's Global Headquarters targeting primarily the management. The exercise simulated a situation in which bases of the Devices business in Japan were struck by an earthquake. The management received reporting from relevant divisions, provided instructions in response, and verified the effectiveness of their decision-making flow. The President served as leader of the headquarters task force. Following his instructions, management, corporate divisions, and bases worked as one and succeeded in taking appropriate action.

We quickly resolved the challenges that surfaced through this session, and will continue to organize further training toward even more effective BCP. Our goal is to build a structure capable of achieving swift restoration and business continuity in the event of a real-life emergency.

Initiatives of Internal Audit

Internal Audit, to maintain impartiality and objectivity in its functions, serves as an organization independent of business execution divisions in drawing up annual auditing plans, investigating whether business activities are carried out appropriately and efficiently, and offering advice and recommendations to internal organizations. Furthermore, it conducts follow-up audits to confirm how each finding that has surfaced through the audits is improving. The office makes reports and offers suggestions based on the results of its audits to the President and CEO at monthly meetings, and presents particularly important matters at Board of Directors' meetings. Moreover, it holds meetings with full-time Audit and Supervisory Board Members every three months to establish mutual cooperation with the Audit and Supervisory Board.

Audits in fiscal year 2017 focused on communication covering strategies and the execution thereof at consolidated subsidiaries in Japan, and work processes at consolidated subsidiaries abroad. Internal Audit, as a third party, also performed an independent assessment of financial reporting-related internal controls, including at subsidiaries that joined the Nissha Group through M&A, in accordance with the Financial Instruments and Exchange Act.

Corporate Ethics and Compliance

Guideline of the Corporate Ethics and Compliance

In addition to establishing a basic guideline based on the Nissha Group's Corporate Mission, Shared Values, and Guideline of the Corporate Ethics and Compliance, we set forth 13 important points for the purpose of appropriately executing the guideline. All executives and employees work to promote and thoroughly implement corporate ethics and compliance.

Guideline of the Corporate Ethics and Compliance

1. We comply with laws, social rules and internal regulations along with high ethics, and act with common senses and responsibilities.
2. We pursue the Co-existence with the Stakeholders such as Customer, Shareholder, Supplier, Society, and Employee.
3. We will immediately report and consult with supervisors or Hotline in case we find the violation or the doubtful act against "Corporate Ethics and Code of Conduct".

13 important points

Relationship with Customer and Supplier

1. Free and Fair Competition
2. Prohibition of Corrupt Practices
3. Quality and Safety of Products
4. Protection of Intellectual Property
5. Appropriate Handling of Information and Resources
6. Compliance with Import/Export Regulations

Relationship with Shareholder

7. Handling of Corporate Information
8. Compliance with Regulations against the Insider Trading

Relationship with Society

9. Environmental Protection
10. Regional/Social Contribution
11. No Relations with Antisocial Forces

Relationship with Employee

12. Respect of Human Rights
13. Safe, Healthy and Comfortable Workplace

Promotion Structure and Initiatives

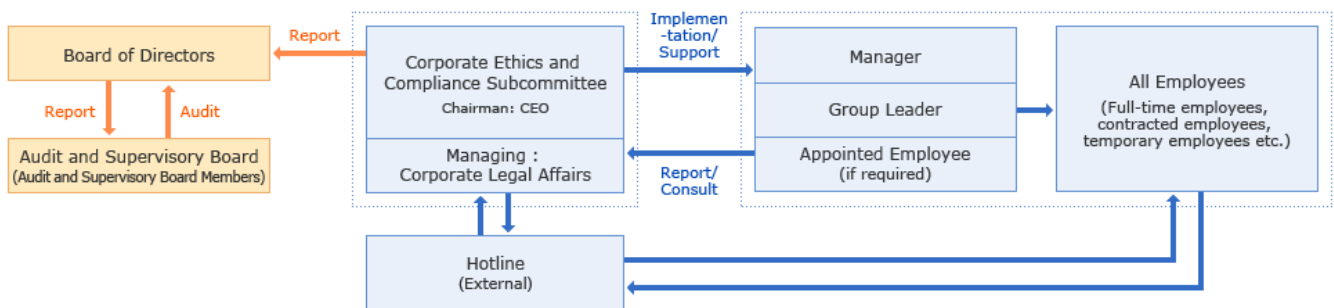
All Nissha bases in Japan and abroad appoint managers and group leaders in charge of promoting corporate ethics and compliance. These managers and group leaders not only conduct training in their respective divisions but also implement corporate ethics and compliance on a day-to-day basis through organizational management, serve as a liaison for referring specific cases to Corporate Legal Affairs, and take on the role of consultant in their workplace. In order to increase awareness of the managers and group leaders, since fiscal year 2017 we distribute quarterly issues of Corporate Ethics and Compliance News.

On top of designating every October as corporate ethics and compliance month, we organize annual group-wide training. In fiscal year 2017, we conducted practical training and testing tailored to each base's duties, laws, and customs. Overseas bases, in particular, held discussions on themes essential to a global corporate group such as free and fair competition and prohibition of corrupt practices, and on a theme unique to us as a manufacturer, namely quality and safety of products. Through a questionnaire, participants reported any conduct that might constitute a breach of corporate ethics and compliance. The information was analyzed, and the results were reported to the Corporate Ethics and Compliance Subcommittee.

Since areas outside Japan are generally at higher risk of involvement in corrupt practices, we ascertained the situation through a questionnaire, and based on the results, formulated a group-wide set of Nissha Anti-Corruption Guidelines. For the prevention of insider trading, we cover regulations against insider trading in our regular training programs in addition to educating employees through quarterly publications on the Nissha intranet.

For production bases in Japan, in addition to group-wide training we organize independent sessions around the theme of respect for human rights, focusing more on workplace relationships including the issues of power harassment and sexual harassment.

Corporate Ethics and Compliance Structure



Distribution of Added Value to Stakeholders

Our distribution of added value to stakeholders on fiscal year 2017 is given in the table below.

Distribution to employees increased over fiscal year 2016 due to the addition of consolidated subsidiaries. Distribution to society was nearly level with the previous year and includes active sponsorship of events such as museum and art exhibitions, in accordance with our Basic Social Contribution Policy.

Distribution of Added Value to Stakeholders

Stakeholders	Amount (million yen)	Description	Remarks
Shareholders	1,293	Dividends	Figures published in financial results
Employees	7,201	Sum of expenses for salaries, wages, bonuses, and retirement benefits	Calculated by Corporate Social Responsibility, using results of the year ended March 31, 2017 (excluding personnel expenses included in manufacturing costs)
Creditors (financial institutions)	470	Interests	Figures published in financial results
Government agencies (national, local)	1,160	Sum of taxes paid including corporation tax, inhabitant tax, and enterprise tax	Figures published in financial results
Society	62	Money and in-kind donations, provision of facilities, and employees' volunteering services converted into monetary value (using methods established by Nippon Keidanren)	Calculated by Corporate Social Responsibility
Company (internal reserves)	(8,704)	Amount of increase in surpluses	Figures published in financial results

Human Rights

We operate a management system based on our Basic Policy on Labor and Human Rights, and strive to observe legislation, international norms, and code of conduct such as that provided by the EICC.



Human Rights

Basic Policy on Labor and Human Rights

We define Nissha's principles on labor and human rights in a basic policy toward realizing our corporate mission of pursuing a "mutually trustful Co-existence with society." The 10 principles of the United Nations Global Compact and the code of conduct provided by the Electronic Industry Citizenship Coalition (EICC) were used as reference in formulating the policy. The policy is translated from Japanese into the English, Chinese, Korean, and Malay languages for group-wide distribution.

Basic Policy on Labor and Human Rights

In order to realize a widespread mutually trustful "co-existence" with society, Nissha will observe the international norms, laws and ordinances related to human rights and labor standards and will make efforts to continually improve human rights and labor standards.

1. Child labor: We will prohibit child labor and also implement relief measures.
2. Forced labor: We will eliminate all forms of forced labor.
3. Health and safety: We will secure the health and safety of our employees and provide a hygienic workplace environment.
4. Freedom of association and the right to collective bargaining: We will guarantee the right to organize and the right to collective bargaining.
5. Discrimination: We will not discriminate based on a person's age, disability, ethnic group, gender, marital status, nationality, political support, race, religion, sexual orientation, pregnancy or membership in a union. We will also not be party to this.
6. Punishment: We will not perform physical punishment or mental or physical coercion and we will not engage in verbal abuse.
7. Working hours: We will observe the laws, ordinances and labor agreements related to working hours, rest breaks and holidays.
8. Remuneration: We will observe the laws and ordinances related to the payment of appropriate wages.

June 16, 2014

Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co., Ltd.

In April 2012, we joined the United Nations Global Compact, thereby declaring that we support and will make continuous efforts to practice the initiative's 10 principles in the areas of human rights, labor, the environment, and anti-corruption. We include the 10 principles in our Corporate Ethics and Code of Conduct Manual, citing "respect for human rights" as a key item. The manual is produced in the Japanese, English, and Chinese languages and distributed through regular study sessions targeting all employees. After each training session, we collect signatures from our employees confirming that they understand and will base their conduct on the contents of the manual.

Building and Operation of a Management System

We adhere to international norms and laws on human rights and labor standards, and strive for continuous improvements in the content of our activities.

Our Fifth Medium-term Business Plan (FY2016–FY2018) promotes the building of a structure for compliance with the EICC Code of Conduct at all Nissha Group bases, including those outside Japan, and at major suppliers. In fiscal year 2016, we built and started to operate a labor and human rights management system and, based on it, conducted internal audits of major Nissha Group companies. In fiscal year 2016, we built and started to operate a labor and human rights management system, and based on it, in fiscal year 2017, conducted internal audits of major Nissha Group companies. Instances of noncompliance found through the audits, such as poor record keeping of the contents of consultation from employees, have been address through corrective measures at each company.

The Labor and Human Rights Subcommittee identifies anti-discrimination, anti-forced labor, diversity and equal opportunities, training and education, and employment as material issues. In fiscal year 2018, it set targets in the areas of work time management, expansion of women's participation in business, and employment of people with disabilities. In response to these targets, we are working to reduce CSR risks through the operation of our management systemAs can be seen, the CSR Committee leads operation of our management system toward reducing CSR risks.

Hotline

In order to quickly grasp the facts, minimize risks, promote ethical conduct and compliance, and ultimately enhance our corporate value, we have in place a system for internal reporting for all Nissha Group companies in Japan as well as some abroad in the event of fraud, illegal activity, or unethical conduct by either an organization or an individual employee. In the interest of neutrality and fairness, the hotline reaches a third party served by an attorney's office.

Our Internal Reporting Code protects informers from any unfavorable treatment by either the company or other employees on account of their reporting, and obligates the acceptance of anonymous reporting. In fiscal year 2017, the hotline was used four times. The reports concerned labor management and the workplace environment. We are working to create an environment in which employees can feel comfortable about reporting even seemingly trivial matters, and to enhance employee awareness of this hotline through the Corporate Ethics and Code of Conduct Manual, the Nissha intranet, and training toward further reinforcing corporate ethics and compliance.

Hotline Organizational Chart



Harassment Help Desk

With the aim of preventing and resolving rifts in workplace relationships, including sexual and power harassment, on April 1, 2015, we established a help desk specializing in harassment, providing our employees with a clearer destination for discussing their concerns. In fiscal year 2017, the harassment help desk was used five times.

Fair Evaluation and Treatment

We at the Nissha Group view evaluation systems as a mechanism for ensuring consistency between the company's strategy and individuals' goals, and for determining treatment accordingly. To this end, we conduct a personnel evaluation of all full-time Nissha Group employees twice a year. The evaluations cover the level of achievement of employees' goals (accountability) and responsibility, and the results of which are reflected in bonuses, pay raises, and promotions. By organizing interviews at the time the goals are set and the results are evaluated, we strive for evaluation and treatment that are fair and convincing.

With the revision of our managerial personnel system in October 2014 and of our general personnel system in April 2015, we aim to realize a highly convincing evaluation system in which employees are rewarded for producing results.

Wage Management

The Nissha Group appropriately determines wages paid in exchange for labor in accordance with the wage regulations of each company, based on the laws of the relevant country. Our regulations do not allow for different wage levels by age or gender.

Once a year, Human Resources leads internal audits of Nissha Group companies in Japan in the areas of labor and human rights to check that prefectural requirements concerning minimum wages and work times are correctly reflected.

Freedom of Association and Collective Bargaining

Our Basic Policy on Labor and Human Rights contains the provision, "4. Freedom of association and the right to collective bargaining: We will guarantee the right to organize and the right to collective bargaining."

In fiscal year 2016, the Information and Communication business was spun off as Nissha Printing Communications, Inc. During this process, we held briefings for employees and discussions with the labor union regarding labor conditions and the coverage of the labor union following the spin-off.

With the biennial revision of the labor contract in fiscal year 2017, we engaged in dialogue with the labor union toward expanding women's participation in business and otherwise creating workplace environments where employees can live up to their full potential. As a result, we formulated a set of Private Day Care Expense Coverage Regulations to prevent delays in the reinstatement of women employees after childbirth because they could not enroll their child in a non-authorized nursery (in Japan, these are significantly costlier than those certified by local authorities, which have years-long waiting lists). In January 2017, one employee was reinstated using the system.

Relationship with Labor Union

The Nissha Group has three labor unions: the Nissha Labor Union (organized in March 1946)^{*1}, the Nitec Industries Labor Union (March 2012)^{*2}, and the Nissha Printing Communications Labor Union (October 2015)^{*3}. In January 2016, these three unions formed the Nissha Group Labor Union. While one union per company is our basic approach to promoting well-disciplined organization and building sound relationships between labor and management, we recognize that regular exchange of information and coordinated action between labor unions is necessary to resolve common challenges within the Nissha Group. Based on this understanding, we at the Nissha Group have solid relationships and hold regular negotiations and discussions with our labor unions.

Nissha Printing Co., Ltd. holds regular Management Council meetings with the Nissha Labor Union, joined by employees excluding managerial staff, to negotiate and discuss employees' labor conditions and share information about the Nissha Group's business operations. Although no minimum period is set for notifying the union of significant changes in labor conditions, the company exchanges dialogue with the union on a daily basis with the aim of reaching an agreement satisfactory to both. Furthermore, we organize monthly Work System Committee meetings primarily to share information about work times and prevent large amounts of overtime work.

The labor contract confirms, "the Company and the Union shall respect one another's position and maintain a peaceful relationship between labor and management as well as strive for the maintenance and improvement of labor conditions and the growth of the Company," and stipulates, "the Company shall respect the Union's right to organize, right to collective bargaining, and right to act as a group," thereby guaranteeing basic labor rights for union members.

Affiliated companies Nitec Industries, Inc. (NII) and Nissha Printing Communications, Inc. also hold negotiations and discussions about employees' labor conditions with their respective labor unions. The Workplace Improvement Committee, established by both labor and management at Nitec Precision and Technologies, Inc. (NPT), works to promote improvements in the workplace environment and in welfare benefits.

In fiscal year 2017, the Nissha Group had no report either of a strike or lockout or of a situation that infringed on our employees' freedom of association. We will continue to respect the mutual positions of both company and union, and build a sound relationship between labor and management.

*1. As of the end of March 2017, the Nissha Labor Union has a membership of 748.

*2. As of the end of March 2017, the Nitec Industries Labor Union has a membership of 450.

*3. As of the end of March 2017, the Nissha Printing Communications Labor Union has a membership of 188.

Voice of the Labor Unions

At the Nissha Group Labor Union, one union per company is our basic approach to promoting well-disciplined organization and building sound relationships between labor and management. That is, each union offers suggestions, negotiates between labor and management, and performs checks true to the characteristics of the company. While member unions build on their individual strengths, the association provides opportunities for regular sharing of information, particularly about the unique challenges of the member unions, and strives to nurture the Nissha Group as a whole. Each member union holds regular Management Council meetings for exchanging views, questions, reporting, and suggestions. A member union may request an extraordinary meeting for discussing and negotiating labor conditions. Labor and management also cooperate in promoting work-life balance, safety and health, disaster preparedness, and transportation, and work toward improvement. The companies and their respective labor unions work hand in hand to strengthen their win-win relationship and aim for work style reforms so that each company can continue to provide employees with a sense of fulfillment at work.



Takashi Yoshioka
Executive Labor Leader
Nissha Group Labor Union

Labor Practices

Our employees are our most important management resource.

We support diverse work styles,
create workplace environments where diverse employees can live up to their full potential,
and promote human resources development.



Human Resources Development

We at Nissha believe our employees are our most important management resources. We work to develop human resources based on our Human Resources Development Policy.

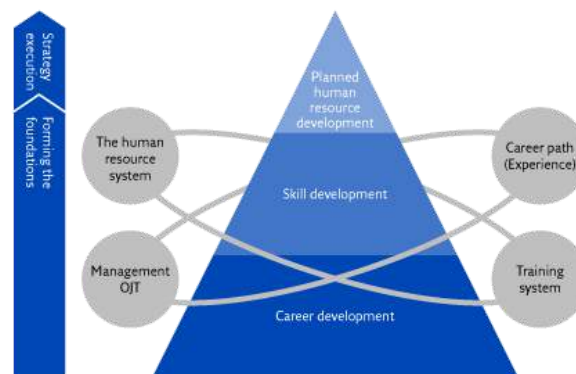
Human Resources Development Policy

We implement a planned development of human resources needed for the company to grow and actively support our employees in the voluntary development of their skills with the aim of achieving growth for both the company and our employees.

Approach to Human Resources Development

We at Nissha approach human resources development from the three areas of planned human resource development, skill development, and career development. For each area, we aim to promote comprehensive education incorporating the perspectives of training system, on-the-job training (OJT), medium- to long-term career path development, and human resource systems to support these programs.

Human Resources Development Model



Planned human resource development

Implement planned development to foster and secure the human resources needed to achieve the management vision. (e.g., growth strategy, business continuity, creation of corporate culture)

Skill development

Individual employees voluntarily develop their skills and increase their market value.

→The company supports this and thereby enhances the quality of its human resources.

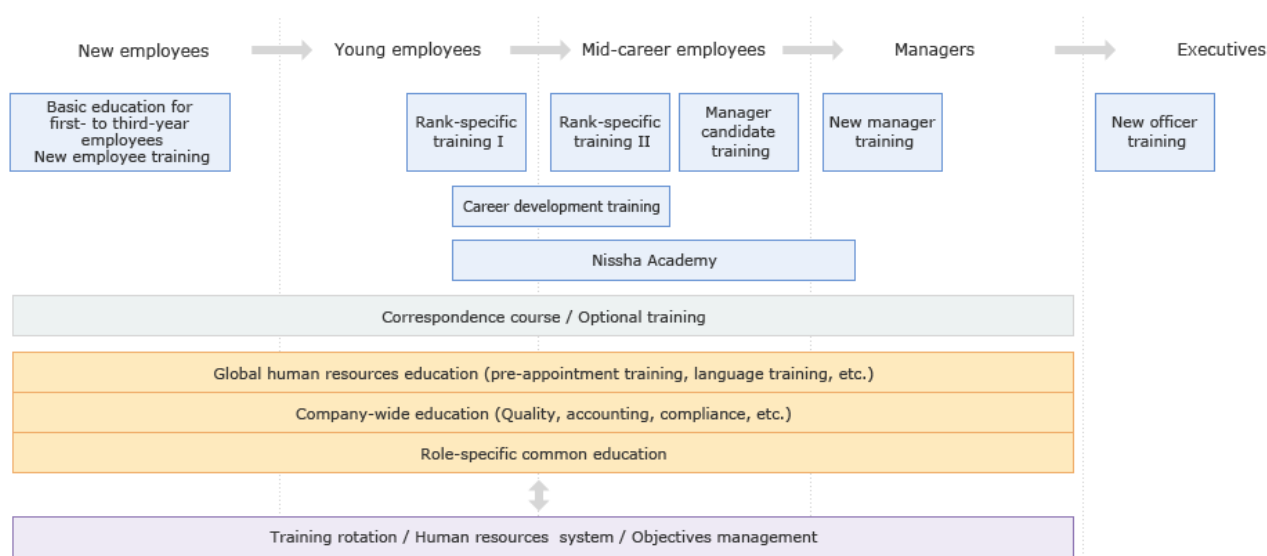
Career development

Support medium- to long-term career development and promote growth toward employees' ideals. (Provide opportunities to recognize the importance of and pursue career development.)

Training System (Major Programs by Area)

Area	Training
Planned human resource development	Nissha Academy (selective training for next-generation management candidates), rank-specific training, manager training, overseas appointee training, etc.
Skill development	Theme-specific training (leadership, logical thinking, presentation, etc.), foreign language training, accounting education, in-house TOEIC testing, correspondence course, etc.
Career development	Education for young employees (first, second, and third years of joining Nissha), career development training, etc.

Training System Model

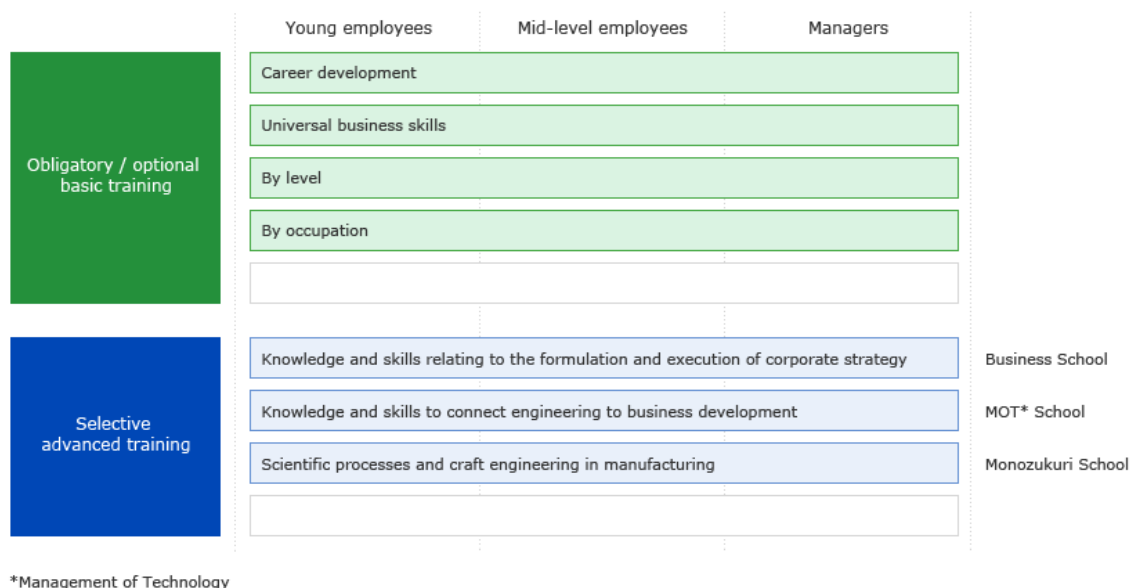


Selective Human Resource Development

In 2013, we established Nissha Academy, an in-house institute for fostering human resources with more advanced, specialized knowledge. While we continue to expand on our rank-specific, theme-specific, and career design training programs, Nissha Academy employs a selective system to provide training.

Nissha Academy comprises a Business School, which provides knowledge and skills in the proposal and execution of management strategies including accounting, finance, marketing, and human resources to foster leaders capable of company and business oversight; a Management of Technology (MOT) School, which develops leaders capable of linking technology with management to create new business; and a Monozukuri School, which produces leaders capable of taking a strategic, scientific approach to "monozukuri," or manufacturing, and translating management strategies into reality. The three schools open in rotation each year, with fiscal year 2017 being the turn of the Business School. Graduates of each school are given opportunities to practice what they have learned through involvement in projects and the drafting of medium-term business plans, for a consistent human resources development program that integrates all three areas of planned human resource development, skill development, and career development.

As a gateway to Nissha Academy, in fiscal year 2016, we launched business literacy training, a short-term intensive selective program covering the basics of themes such as management, accounting, and marketing. This program also goes beyond inputting knowledge to featuring practical contents, where participants apply what they have learned to analyze the current situation of their company and discuss its challenges through group work and the creation of individual reports.



Programs to Promote Diversity

We are working to realize the Diverse Capabilities cited in the set of Shared Values that forms our Corporate Philosophy. In fiscal year 2017, we organized training for all managerial staff themed around the expansion of women's participation in business. This provided the opportunity for managers to understand the social background and necessity of as well as Nissha's activities in promoting diversity and women's advancement in the workplace, and to think about the role and empowerment of women in their respective divisions. In fiscal year 2018, we plan to expand the program to general women employees.

Programs to Support Employees' Will to Learn and Grow

In addition to compulsory rank-specific education programs for general employees to managerial staff, we have introduced a voluntary "challenge program" for employees aiming for promotion to the highest ranks of the general employment level. Developed in line with our personnel system's objective of enabling employees to select their own career path, the program provides opportunities to learn about leadership for employees with the will to step up in their career.

We also offer many open-call training courses, which employees may sign up for in line with their choice of personal development theme. Examples are courses designed to foster universal business skills such as logical thinking and presentation, and to develop linguistic skills required of employees of a global company. Our correspondence courses and self-learning programs via Skype support voluntary learning by covering half the price of subsequent courses for graduates.

Training Programs in Fiscal Year 2017

The total number of hours dedicated to major training programs in the Nissha Group in Japan and training hours per employee (by gender) in fiscal year 2017 are given in the table below.

	Male	Female	Total
Annual training hours	17,605	7,609	25,214
Training hours per employee*	9.25	17.86	10.82

*Hours are calculated based on the number of full-time employees of the Nissha Group in Japan.

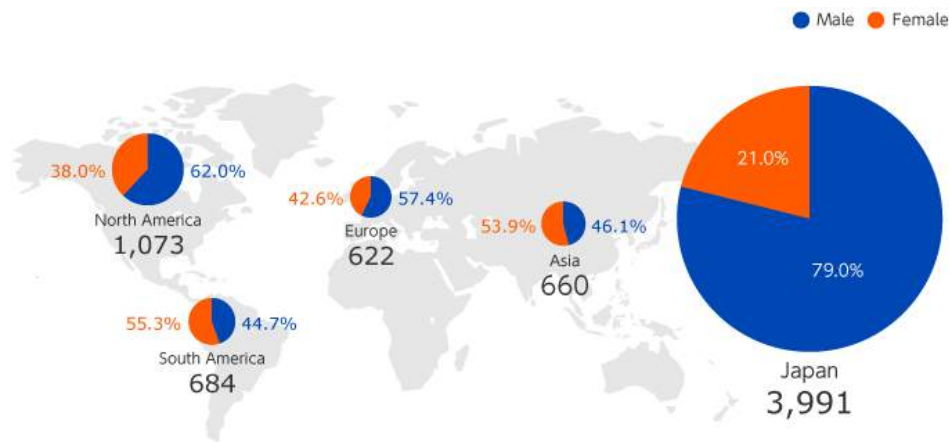
Respect for Diversity

The Nissha Group has a set of [Shared Values](#) that serve as a code of behavior for Nissha People seeking to realize our corporate mission. One of those values, Diverse Capabilities, declares, “We respect diversity that enhances our organizational capabilities and drives growth.” To grow as a global company, we respect diverse work styles by diverse human resources, and aim to create workplaces in which all employees can perform to their full potential.

Composition of "Nissha People"

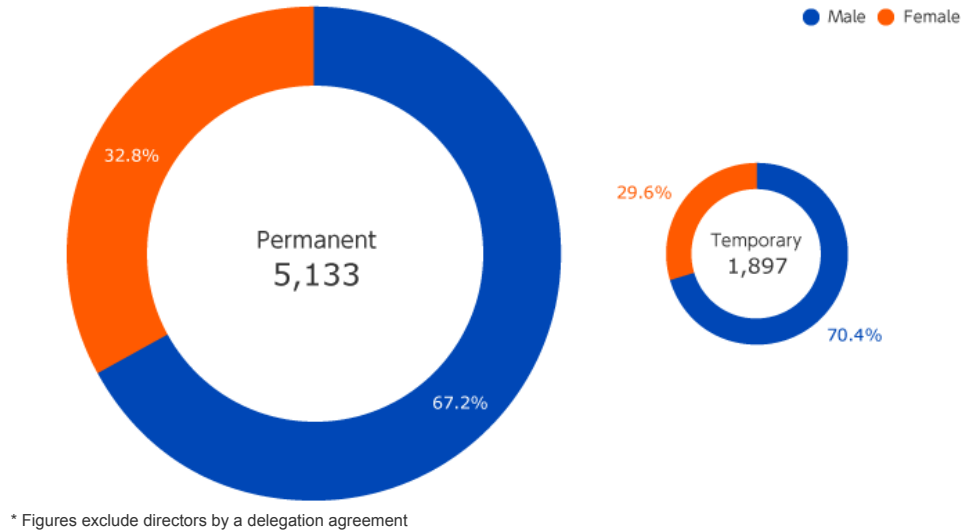
The diversity of the Nissha Group shows in our employee composition in terms of gender, age, and employment status. More than one-third of our employees work at Nissha Group companies outside Japan. Locally hired employees are appointed to upper management positions at overseas bases. This includes the CEOs of four subsidiaries served by local hires.

Composition by region (Nissha Group, as of the end of March, 2017)



* Employees exclude temporary employees.

Composition by employment status (Nissha Group, as of the end of March, 2017)



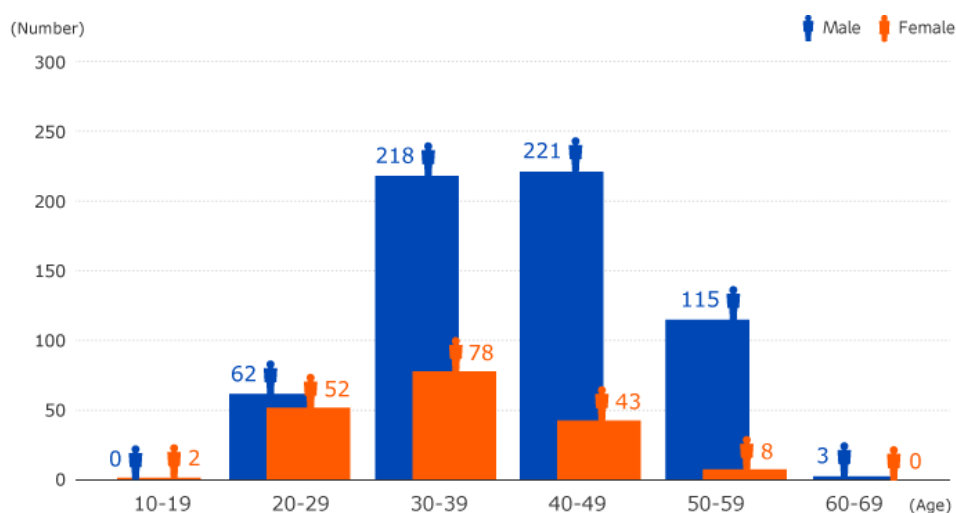
Composition of Nissha People

Fiscal Year	Gender	Directors	Corporate officers	Nissha fellows	Managerial staff	Employees (total)	Average age	Average years of employment
End of FY2013	Male	7	14	1	177	666	39.8	14.8
	Female	0	0	0	6	195	32.9	8.7
End of FY2014	Male	7	13	1	182	662	40.9	15.3
	Female	0	0	0	6	175	33.9	9.4
End of FY2015	Male	6	13	1	204	760	41.4	15.2
	Female	1	0	0	7	195	34.7	9.3
End of FY2016	Male	6	15	1	153	610	41.1	13.7
	Female	1	0	0	7	180	35.0	9.8
End of FY2017	Male	7	18	1	154	619	41.5	13.9
	Female	1	0	0	7	183	35.4	10.2

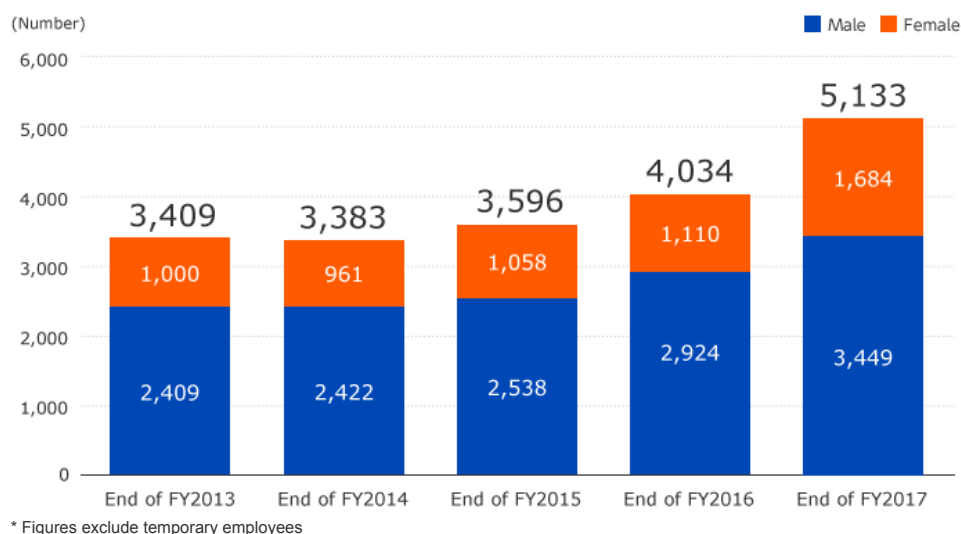
Note 1: Directors include independent directors.

Note 2: Employees exclude temporary employees.

Composition by age (Nissha Printing Co., Ltd., as of the end of March, 2017)



Number of employees (Nissha Group, as of the end of March, 2017)

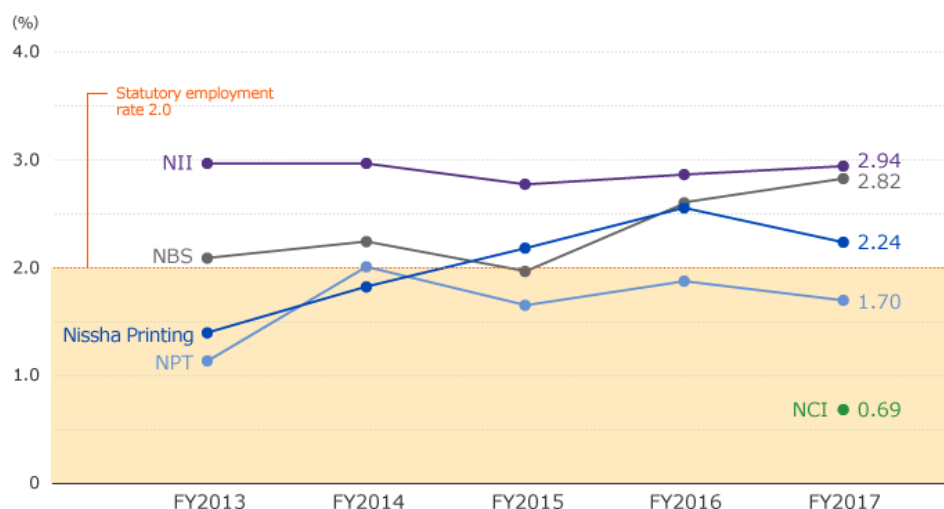


Percentage of People with Disabilities Employed at Major Group Companies

Private enterprises in Japan with 50 or more employees, as a rule, are required to employ a given percentage of people with disabilities. Nissha Group companies that fall under this category each work to meet the statutory rate. At Nissha Printing Co., Ltd., Human Resources organizes regular interviews with employees with disabilities and strives to maintain an environment where they can perform to their potential. The company also has a system for appointing permanent employees taking into consideration their disability, and assigning job coaches to support the development of potential, toward long-term employment in tune with the capabilities and circumstances of individual employees.

People with disabilities accounted for 2.24% of the Nissha Printing Co., Ltd. workforce as of the end of fiscal year 2017, for a slight decrease compared to the previous year. Those employed at Nissha Printing Communications, Inc., numbered zero as of the end of fiscal year 2016, but increased to two in fiscal year 2017 for a rate of 0.69%.

Each applicable group company plans to continue making efforts to meet and maintain the target statutory rate.



Women employees' participation in business

Activities toward Expanding Women's Participation in Business

True to the Diverse Capabilities cited in our Shared Values, Nissha aims to be a corporate group where employees can live up to their potential regardless of nationality, gender, or age.

Amid growing demand in Japanese society, we recognize women employees' participation in business as a particularly important priority, and to this end launched a project team led by Human Resources in July 2014. Nissha Printing Co., Ltd., Nitec Industries, Inc. (NII), and Nitec Precision and Technologies, Inc. (NPT)—three companies are subject to the Act on Promotion of Women's Participation and Advancement in the Workplace (Women's Participation Act), which came into effect in April 2016. But our activities extend beyond these three companies across the Nissha Group as a whole.

Training for Management and for Women Employees

In fiscal year 2016, we kicked off our initiatives to expand women's participation in business with training for the management and for women employees primarily in the Kyoto and Osaka areas.

In fiscal year 2017, we organized sessions featuring more practical content for managers at all Nissha Group bases in Japan.

Since many managerial positions in the Nissha Group are filled by male employees, training for the management included exercises covering the differences in approach to communication between men and women, and group discussions on fostering women employees. Feedback from the participants centered on, "The session helped me understand women's thought process, and this will be useful in my communication efforts in future." Afterward, the participants actually started drawing on the know-how they acquired through training to communicate with women employees at their workplace.



We also organized training for women employees in not only managerial but also general positions. The sessions were designed to encourage women employees to look back on their career thus far, understand their strengths at present, and create an action plan for the future with the aim of building

awareness of their career path ahead. In a follow-up program, interviews were arranged between the participants and their respective superiors for the purpose of raising women employees' sense of job fulfillment. In fiscal year 2018, we will continue organizing sessions for women employees at all Nissha Group bases in Japan.

By first developing understanding of women employees in managers, and then encouraging women employees to think about their career path, both the management and the women employees in each division can engage in dialogue and practice what they have learned through training. Not merely approaching individuals but promoting communication between them thereafter—we believe this makes the training more effective.

In fiscal year 2018, we plan to conduct new training for women manager candidates.



Enhancement of Systems and Communication Tools

In November 2016, we established a system for sharing with employees the expense of using non-registered childcare facilities. Employees in Japan who wish to be reinstated at work after taking child-rearing leave often have difficulty enrolling their child in day care service registered with the municipality, as mass enrollment closes in April, and the next opportunity seldom arrives before April of the following year. The system covers part of the expense of temporarily enrolling a child in a non-registered childcare facility until an opening becomes available at a registered facility, with the aim of supporting employees' quick reinstatement at work at the timing of their choice. Employees using the system have been reinstated at work since January 2016.

In August 2016, we opened a website dedicated to introducing employees participating in business called "We are Nissha People!" It presents interviews with employees in various positions, such as men as well as women employees who achieve work-life balance, women managers, and employees working at Nissha Group bases abroad.

We are Nissha People! : <http://www.nissha.com/people/> *Only available in Japanese.

Major Initiatives to Date

FY2015	<ul style="list-style-type: none"> • Launch project team • Interview women employees • Distribute Work-Life Balance Support Guidebook
FY2016	<ul style="list-style-type: none"> • Open NISSHINE portal site • Administer employee questionnaire • Organize forum on women's participation in business • Conduct training for management (department directors and above)
FY2017	<ul style="list-style-type: none"> • Establish system for sharing the expense of using non-registered childcare facilities • Open "We are Nissha People!" website for introducing employees participating in business • Conduct training for management (all managers including group leaders) • Conduct career development training for women employees
FY2018 (scheduled)	<ul style="list-style-type: none"> • Conduct career development training for women employees • Conduct training for women manager candidates

- Deliberate on system for reinstating employees who have retired due to their spouse's job transfer

Declaration on Action by a Group of Male Leaders who will Create a Society in which Women Shine

In May 2017, Nissha Printing Co., Ltd. President and CEO Junya Suzuki joined the "Declaration on Action by a Group of Male Leaders who will Create a Society in which Women Shine," supported by the Cabinet Office.

On March 28, 2014, a kick-off meeting was held at the official residence of Japan Prime Minister Shinzo Abe to support "Women who shine," creating a nationwide movement headed by industry leaders to support women who will and do shine in various fields.

Amid this movement, male leaders who had already been promoting the empowerment of women compiled the "Declaration on Action by a Group of Male Leaders who will Create a Society in which Women Shine."

Support for Diverse Work Styles

The Nissha Group has many initiatives to support diverse work styles and achieve work-life balance for employees.

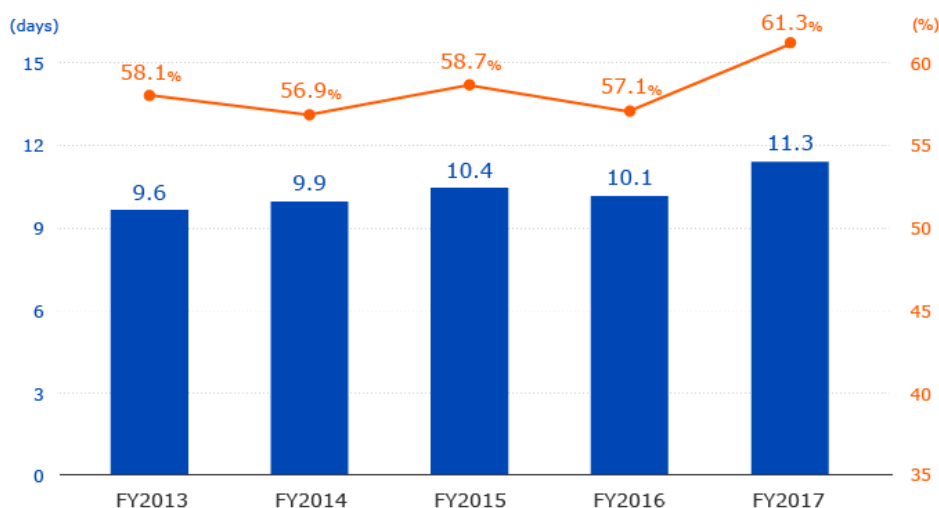
Introduction of Flexible Work Hours

We have in place flexible work hours as a mechanism in which employees can voluntarily determine their own start and finish times of the working day. The aims of the system include responding flexibly to the time difference between Japan and overseas, to deadlines, and to the busy and slow hours of the working day, and enabling employees to maintain harmony between work and life. Initially introduced in sales departments, the system was expanded gradually to other divisions and today benefits employees also in development and administration.

Promotion of the Use of Paid Leave

To promote the use of paid leave, we encourage employees to take two days each under our summer and winter vacation planning system. The period covered by the system was limited to summer (July–September) and winter (December–February) until fiscal year 2017. This was expanded to the full six months of the first and second halves of the year since fiscal year 2018 for further ease of use. Also, we offer a further two days in which employees may request to take paid leave on their birthday, that of a family member, or their wedding anniversary. As a result of ongoing efforts, the average paid leave taken exceeds 10 days per year. We plan to continue aiming for improvements in the percentage of paid leave used.

Average days and percentage of annual paid leave used (Nissha Group in Japan)



Reduction of Overtime Work

We are promoting a reduction of overtime work with the aim of encouraging employees to improve their work process and the way they manage their time, and thereby achieve work-life balance. Each month, departments that had a large amount of overtime work are questioned as to the causes, future outlook, and physical condition of employees. Should any issue come to light, measures for improvement are sought between labor and management, and the findings are reflected in personnel assignment decisions.

Honoring our labor-management agreement drawn up in compliance with Article 36 of the Labor Standards Act, twice a month we notify all divisions of overtime hours recorded up to that day, and further alert managers of divisions in which overtime hours are likely to exceed the limit stipulated in the agreement. As a result of efforts

to raise awareness about overtime work, in fiscal year 2017 the amount of overtime work decreased by 6.1% compared to the previous year, for a continuous year-on-year reduction.

The Japanese government's guidelines for promoting work-life balance set a nationwide target of reducing the percentage of employees who work more than 60 hours per week to 5.0% by 2020. With this in mind, all Nissha Group companies in Japan are working to manage work hours on a weekly basis.

In fiscal year 2018, we plan to designate two days a month for clocking out at the scheduled time in efforts to further reduce overtime hours.

Child-rearing and Family Care Support

We are working to expand our support systems and enable employees to have flexible work styles in the various stages of life. By drafting an action plan and executing a range of measures based on the Act on Advancement of Measures to Support Raising Next-generation Children, many of our efforts in child-rearing support exceed statutory guidelines.

Major child-rearing support systems

Support system	Nissha Group in Japan	Statutory coverage
Shorter hours during pregnancy	During pregnancy (up to maternity leave before childbirth) Up to 3 hours per day	—
Child-rearing leave	Up to 2 years old	As a rule, up to 1 year old (1 year 6 months old when certain conditions are met)
Days off for spouse's childbirth	5 days at the time of spouse's childbirth (Special paid leave)	—
Shorter hours for child-rearing*	Up to completion of elementary school Up to 3 hours per day	Up to 3 years old By effort: Start of elementary school
Days off for child nursing	1 child: 5 days 2 or more children: 10 days Paid Up to start of elementary school: paid From the first to sixth grade: unpaid	1 child: 5 days 2 or more children: 10 days Either paid or unpaid
Child-rearing support fund	Amount: 150,000 yen (for each occasion below) Period • Birth • Start of elementary school • Start of junior high school • Start of senior high school • Start of technical college	—

Major family care support systems

Support system	Nissha Group in Japan	Statutory coverage
Family care leave	Total 240 working days	Total 93 days

Support system	Nissha Group in Japan	Statutory coverage
Shorter hours for family care*	Three years from starting date 3 hours per day	Three years from starting date
Days off for family care	1 family member: 5 days 2 or more family members: 10 days Paid	1 family member: 5 days 2 or more family members: 10 days Either paid or unpaid

*We allow employees to shorten their work time by three hours. For example, employees who normally work eight-hour days may shorten their work time by three hours to five-hour days.

We also have in place a system in which employees may save up to 30 days of expired leave to be used in the event of illness, either of the employee or of a family member, and for child-rearing, family care, school events, and days on which a child's kindergarten or school is closed.

Distribution of Work-Life Balance Support Guidebook

To support our employees in achieving work-life balance, we created a Work-Life Balance Support Guidebook containing information on both in-house and outside systems for child-rearing and family care. The first edition was distributed to all employees in October 2014, and a revised edition in May 2017. The contents are published on the Nissha intranet since April 2015, and useful information on welfare services were added in April 2016.



Kurumin Certification

In 2017, Nissha Printing Co., Ltd. received "Kurumin" certification for the third consecutive term, following 2009 and 2013. Nissha Business Service Co., Ltd. (NBS) received certification in 2015, followed by Nitec Precision and Technologies, Inc. (NPT) in 2016.

* Use of the Kurumin Mark is permitted for companies certified as being next-generation supportive by the Minister of Health, Labour and Welfare. Certification is granted to companies that draw up and implement a medium-term action plan, and submit it to their prefectural labor bureau.



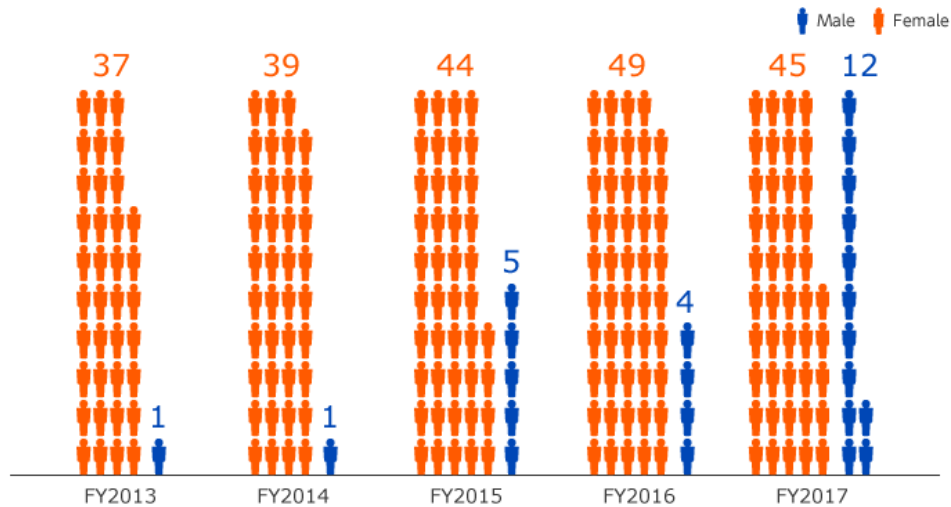
Kurumin Logo

Status of Major Long-term Leave and Time Taken Off from Work (Nissha Group in Japan)

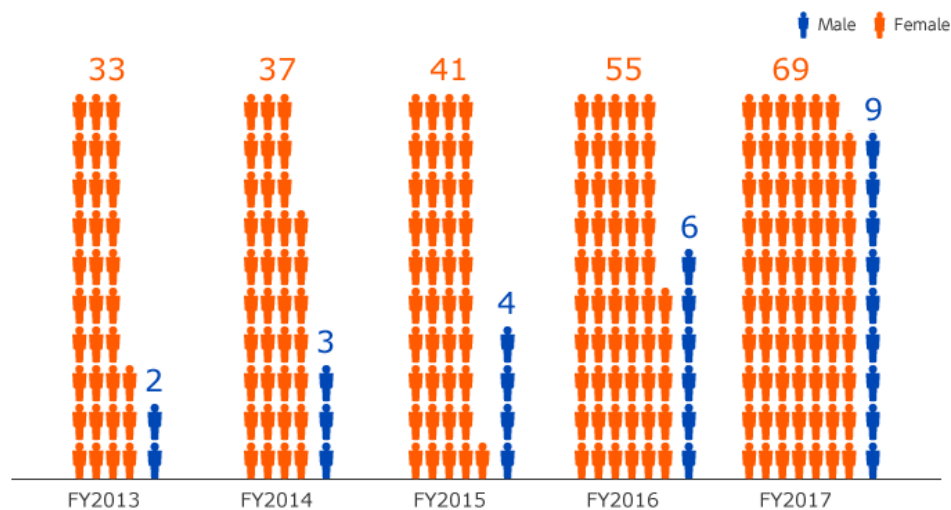
The number of employees who used child-rearing leave, worked shorter hours for child-rearing, and took days off for child nursing are given in the graphs below.

To promote participation of men employees in parenting, in fiscal year 2017, we started introducing systems related to childbirth and child-rearing for male employees who have submitted a birth certificate as well as their superiors. Various initiatives are seeing success, and the number of employees who use our child-rearing support systems is increasing year by year.

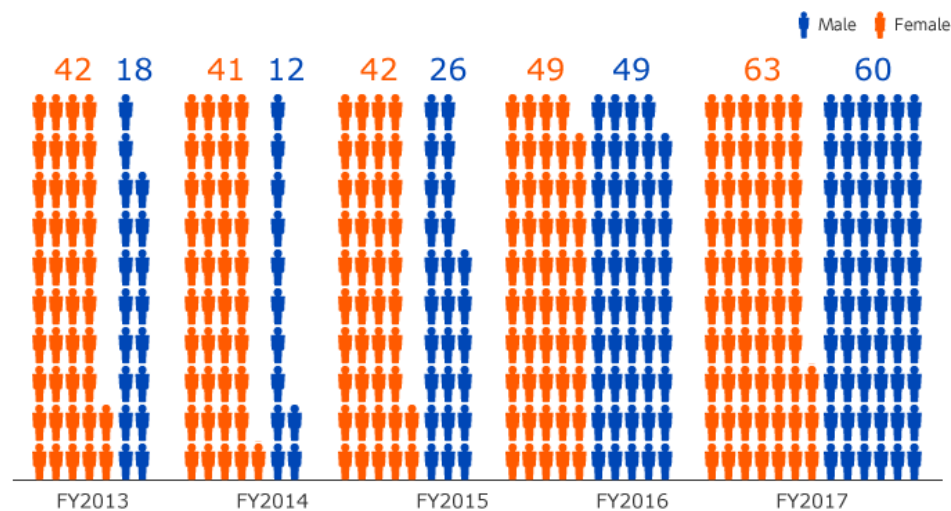
Number of employees who used child-rearing leave



Number of employees who worked shorter hours for child-rearing



Number of employees who took days off for child nursing



Reinstatement rate after child-rearing leave: Male 100%, Female 100%

Reinstatement rate = Number of employees reinstated after child-rearing leave in the current fiscal year ÷ Number of employees expected to be reinstated after child-rearing leave in the current fiscal year x 100

Retention rate after child-rearing leave (1 year): Male 92%, Female 100%

Retention rate = Number of employees remaining on March 31 the current fiscal year after being reinstated after child-rearing leave in the previous fiscal year ÷ Number of employees reinstated after child-rearing leave in the previous fiscal year

Number of employees who used family care leave

The number of employees who used family care leave, worked shorter hours for family care, and took days off for family care are given in the table below. We are making efforts to raise employee awareness of our efforts to support diverse work styles in an aging society by distributing the Work-Life Balance Support Guidebook containing information on both in-house and outside systems for family care, and publishing the contents on the Nissha intranet.

Support system	Gender	FY2013	FY2014	FY2015	FY2016	FY2017
Family care leave	Male	0	0	0	0	0
	Female	0	0	0	0	0
Shorter hours for family care	Male	0	0	0	1	1
	Female	1	0	0	0	0
Days off for family care	Male	0	4	1	4	7
	Female	2	2	2	4	5

Support for Reinstatement after Long-term Leave

For employees reinstated at work after long-term leave due to illness or injury, we set forth the consideration to be taken by workplaces according to the condition of the employee's health in an aim to prevent recurrence of the illness or injury and achieve a smooth return to work. We also arrange periodic consultations with an industrial physician to confirm the considerations necessary in the workplace, and have a system in which reinstated employees may shorten their work time by up to two hours per day for a period of six months.

Work at Home System

In fiscal year 2015, we introduced a work-at-home system with the aims of promoting harmony between employees' work and life, and improving their work efficiency. The system enables employees living with a child before completion of elementary school and employees providing family care to work at home either on two full days a week or for a number of hours a day. In fiscal year 2017 a total of seven employees used the system (one during pregnancy, five for child-rearing, and one for family care).

Outpatient Sick Leave System

In fiscal year 2016, we introduced an outpatient sick leave system with the aim of supporting employees who require long-term outpatient treatment to continue working. The system enables employees with specified disorders to take 10 days off per year for treatment. One employee used the system in fiscal year 2016; the figure has increased to two since April 2016.

Internal Job Posting System

The Nissha Group introduced an internal job posting system in fiscal year 2012 with the aim of providing employees with the opportunity to choose their own career path as well as appoint employees to positions that reflect their aptitude and thereby enhance our organizational strength. The company posts specific job openings internally, employees who meet the criteria apply for the job of their own will, and those who pass the screening are transferred to the relevant post. Employees who have transferred through the system are playing an active role in their new division.

Status of utilization

Fiscal Year	FY2013		FY2014		FY2015		FY2016		FY2017	
Number of job posting	7		33		27		8		0	
Successful applicants (transferees)	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
	6	4	3	2	3	3	1	0	-	-

* Job openings posted twice a year up to FY2015, and once a year since FY2016

Awarding system

The Nissha Group has in place various awarding systems that aim to reward praiseworthy endeavors and create a setting in which the employees responsible for the endeavors influence and motivate the company and organizations as a whole. In fiscal year 2013, we reviewed the contents of our awarding systems.

From fiscal year 2013 to fiscal year 2017, as many as 416 employees received the most prestigious President's Award, 238 employees the Top-Line Award recognizing contributors to sales expansion, and 627 employees the Nissha People Award celebrating workplace stars who epitomize our Shared Values and Code of Conduct. The awards are presented globally across the Nissha Group, with recipients including employees at overseas bases.

Every two years, we also organize Technology Presentation Meetings with an eye to discovering and recognizing excellent technologies with great potential, and ultimately inspiring our engineers.

Safety and Health

Occupational Safety and Health Policy / Safety and Health Objectives

The Nissha Group has in place a Occupational Safety and Health Policy declaring that we position the safety and health of all involved in our business activities as a top management priority. We promote thorough awareness of this policy through postings on the Nissha intranet and at each base, and draw on it as a guide for various activities. The results of our efforts are reviewed, reflected in safety and health objectives set each year, and used as a base for further initiatives.

Occupational Safety and Health Policy

Nissha recognizes that ensuring the safety and health of all people engaged in our business activities is a top management priority for the continuity and development of our operations, and to this end, commits to the following practices.

1. We promote the participation of all in creating comfortable workplace environments and developing sound physical and mental health.
2. We pursue Co-existence with society in compliance with relevant laws and regulations, and with the requirements agreed upon by Nissha of local communities, public institutions, and our customers.
3. We strive for continuous improvement in occupational safety and health standards through the operation of management system.

This policy will be distributed widely to all people in the Nissha Group as well as released to the general public.

November 6, 2014

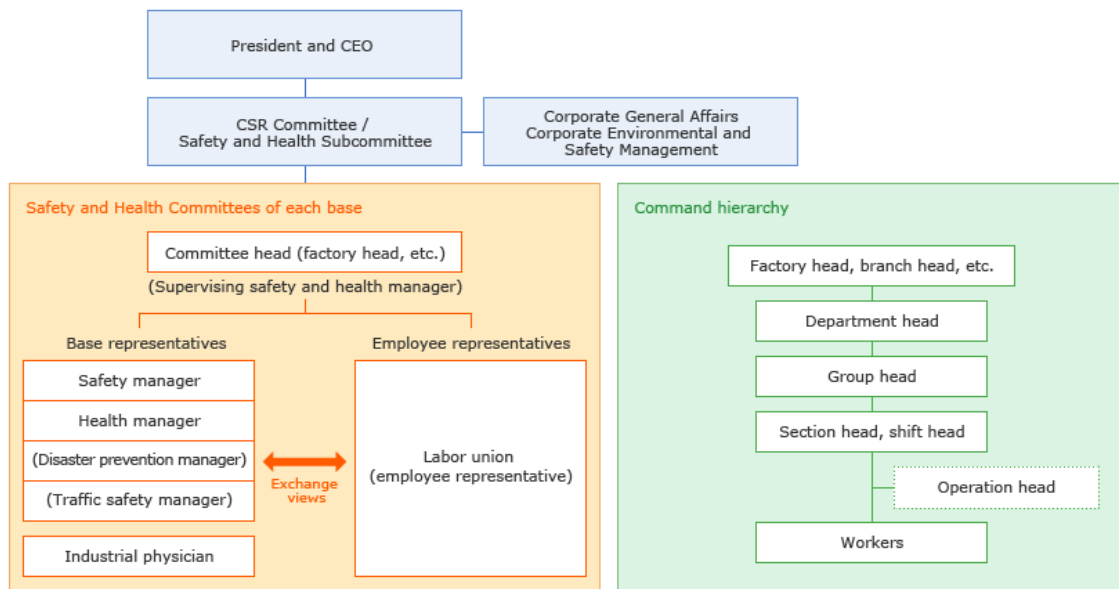
Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co., Ltd.

Safety and Health Management System / Safety and Health Subcommittee

The Safety and Health Subcommittee of the CSR Committee, responsible for the safety and health activities of the Nissha Group, reports on the targets and progress of activities carried out in line with our Safety and Health Management Manual, on safety and health performance such as occurrence of work-related accidents, and on internal audits and corrective measures based on the audits. It reviews whether our management system is functioning effectively, oversees the Safety and Health Committees operated by each base, and works to standardize and upgrade initiatives throughout the Nissha Group.

The Safety and Health Committees of each base consist of base representatives including a safety manager and health manager, and employee representatives selected from the labor union and from each workplace. The members meet to report on work-related accidents and corrective measures on them, and to exchange views and propose measures for improvement toward realizing a safe and comfortable workplace.

Safety and Health Management Structure



Reduction of Workplace Risks – Risk Assessment

We continue in our efforts to conduct point-based evaluations of the dangers and harms that production equipment and chemical substances used in the workplace may have on workers, and to take measures starting with the highest risks. Based on the results of risk assessment, we work to identify the remaining risks and reflect them in our management efforts. In selecting materials used in our products, we have also incorporated a mechanism for evaluating the health hazards of chemical substances into the design review process toward assessing the risks to workers during mass production.

Safety Patrols

Members of the Safety and Health Committees of each base take the lead in conducting safety patrols of workplaces. In addition to regular monthly patrols, the heads of each base carry out special safety patrols during Japan's national safety week in July toward enhancing workplace awareness about safety.

Occurrence of Work-related Accidents

Accidents involving workers being caught or trapped in machines increased in fiscal year 2017. The overall number of accidents decreased by 34.6% from the previous year, however, thanks to efforts toward improvement including creative use of protective equipment. A rise in accidents resulting in days of leave led to an increase in the frequency of work-related accidents.

Occurrence of Work-related Accidents (Nissha Group in Japan)

Item	FY2013	FY2014	FY2015	FY2016	FY2017
Number of work-related accidents	21	16	17	26	17
Frequency of work-related accidents*1	1.15	1.21	0.92	1.16	1.99
Severity of work-related accidents*2	0.06	0.00	0.04	0.02	0.02
Number of working days lost	434	16	284	139	146

*1. Frequency of work-related accidents: Refers to the number of injuries and casualties resulting from work-related accidents (four or more days of leave) per one million working hours

*2. Severity of work-related accidents: Refers to the severity of work-related accidents in terms of the number of working days lost per one thousand working hours

Definitions from work-related accident statistics, Ministry of Health, Labour and Welfare

* Figures for frequency of work-related accidents in FY2014, FY2015, and FY2016 have been reviewed and revised since last year's report.

Number of Work-related Accidents (Nissha Group in Japan and major overseas production bases, by gender)

The number of work-related accidents at the Nissha Group in Japan and major overseas production bases in fiscal year 2017 is given in the table below. Overseas figures represent accidents that resulted in days of leave.

	Male	Female	Total
Japan	14	3	17
North America	6	5	11
South America	6	0	6
Europe	6	0	6
Asia	6	1	7

Safety and Health Education and Training

We provide education and training required in workplaces based on our Safety and Health Education and Management Regulations. In addition to regular programs comprising training for workplace promoters of safety and health, training in procedures for handling and assessing the risks of chemical substances, and lessons in CPR methods such as AED and chest compression in preparation for emergencies, in fiscal year 2017 we planned and organized a practice and training session inviting an exercise coach and dietician to serve as outside instructor and address the rise in Japan of accidents involving falling objects or people.



Training for workplace promoters of safety and health



Training by outside instructor

Certification as Health and Productivity Management Organization (White 500)



Nissha Printing Co., Ltd. was certified as a Health and Productivity Management Organization in the large enterprise category (White 500) at an announcement ceremony on February 21, 2017, co-hosted by the Japanese Ministry of Economy, Trade and Industry, and Nippon Kenko Kaigi. Certification was granted in recognition of our initiatives for promoting health-conscious activities, specifically including those posted below. We will continue to encourage the participation of all in creating safe, comfortable workplace environments and promoting sound physical and mental health.

Prevention of Lifestyle Diseases

We are carrying on with our efforts in exercise, diet, and smoking cessation as countermeasures for metabolic syndrome with the aim of preventing lifestyle diseases. In fiscal year 2017, we organized health courses by an industrial physician and an original event for gauging blood-vessel age toward promoting smoking cessation. In the health courses by an industrial physician, titled "Impact of cigarettes on the smoker and others," participants learned about the health hazards of smoking, the effects of passive smoking, and methods for quitting smoking. In the event for gauging blood-vessel age, employees received an explanation of their measurement results along with advice on improving dietary and lifestyle habits using a specially prepared leaflet. This proved to be a good opportunity to reflect on lifestyle habits and gain knowledge about preventing vascular diseases such as arteriosclerosis. For promoting smoking cessation, we continue to organize Smokerlyzer events to measure the level of carbon monoxide in smokers' breath.



Health event

As a high-risk approach, we further undertook measures to maintain health by recommending visits to a medical institution to employees who required either detailed examination or re-examination as a result of their health checkup, and provided specific health guidance with support from a designated medical institution to employees who required it as a result of their health checkup.

Mental Health Support



"Employee-friendly Workplace" page in Nissha internal newsletter

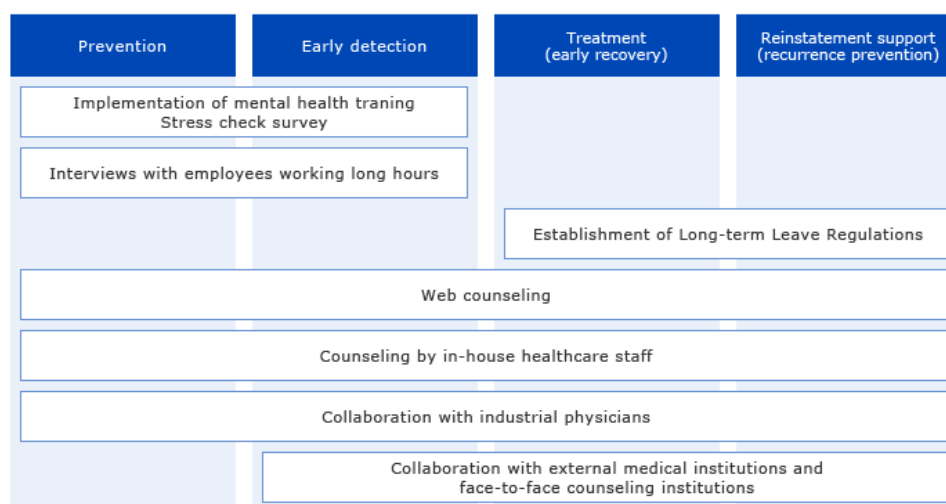
As part of our mental health support offering, we organize mental health classes, covering self-care and line care, by a clinical psychologist each year since fiscal year 2010, and introduced stress check surveys in fiscal year 2013 ahead of a mandatory system coming into effect in December 2015. In fiscal year 2017, we distributed a mental health self-care guide to all employees so that they can recognize and cope with stress based on their survey results.

We also continue to promote the creation of employee-friendly workplaces. In fiscal year 2015, we provided line care education about supporting the process of improving workplace environments. And in fiscal year 2016, we sought pilot workplaces for administering general checkups with the aim of creating pleasant workplaces from the bottom

up. The checkup teams first identified the good points of each workplace, the points that require improvement, and the reasons for improvement, and then formulated a plan based on the members' input, and set to work topic by topic. Ideas for creating employee-friendly workplaces are published in our internal newsletter to familiarize employees with the concept. In future, we plan to spread the initiative across Nissha Group companies.

As for support on a personal level, we have an outside web counseling service through which a specialized counselor offers mental health advice online. Being accessible even to employees who have difficulty juggling their work schedule with an appointment, and offering the benefit of privacy protection, the service is used several times each year. For employees who work long hours, our healthcare staff and industrial physicians offer consultation to understand their health condition and work with their supervisor and the human resources division to provide required follow-up guidance.

Also, for employees who require special attention in terms of mental health, we follow our Long-term Leave Regulations and offer time to recover from their condition as well as consideration in the workplace upon reinstatement, in an aim to prevent recurrence and achieve a smooth return to work. We will carry on promoting collaboration between each division, the human resources division, and our healthcare staff in efforts to create comfortable workplaces.



Mental health support structure

The Environment

We strive to reduce environmental risks, prevent pollution, and create opportunities in line with our Environmental Policy that aims for “business development and the realization of a sustainable society.”



Environmental Policy and Management Structures

The Environmental, Safety and Health Subcommittee of the CSR Committee aims to practice an even higher level of management suitable to business operations of the Nissha Group. It builds and operates an environmental, safety and health management system incorporating an environmental management system based on ISO14001, a safety and health management system based on OHSAS18001, and customer requirements, and works toward continuous improvement at bases of the Nissha Group in Japan.

The subcommittee comprises an environmental and safety management representative, and subcommittee members selected from each headquarters division and site. The Environmental and Safety Management Group in Corporate General Affairs functions as secretariat and operates the subcommittee under the general supervision of the management. In basic CSR, where we aim to strengthen our foundation as a corporation, the subcommittee builds and maintains a structure for conforming to global standards such as that provided by the Electronic Industry Citizenship Coalition (EICC). And in strategic CSR, it identifies material issues and works to resolve them. Through these activities, the subcommittee promotes risk management in the areas of environmental, safety and health, and plays a role in corporate governance across the Nissha Group.

Our Environmental Policy and Occupational Safety and Health Policy aim for business development and the realization of a sustainable society. We work to familiarize these policies widely throughout the group via the Nissha intranet, and further promote the policies to all employees by posting the policies at each base of the Nissha Group.

Toward achieving the Nissha environmental objectives and the Nissha safety and health objectives, which serve as group-wide medium-term goals, each factory and organization sets its own targets, and creates and implements an action plan. Environmental targets are linked to quality targets and higher-level key performance indicators (KPI) so that they relate directly to everyday tasks.

Nissha Group sites in Japan obtain collective ISO14001 certification. Overseas sites obtain certification individually, and undertake initiatives to build and maintain a structure in conformance with global standards such as the EICC Code of Conduct as part of basic CSR activities. We plan to continue promoting activities for improving our efforts in environmental, safety and health into the future.

Environmental Policy

Nissha and its subsidiaries, as members of the global society, aim for business development and the realization of a sustainable society through environmentally conscious corporate activities.

1. Prevention of Pollution

We comply with legal requirements and agreements with society, and strive to prevent environmental pollution in all aspects of our corporate activities such as product development, design, materials, production, sales, and facilities.

2. Product Safety

We fulfill promises with our customers and deliver safe and environmentally conscious products.

3. Prevention of Global Warming

We make a contribution to prevention of the global warming by efficient using of resources and energy.

4. Continuous Improvement

We strive for continuous improvement by establishing an environmental management system and reviewing it in response to changes in the business environment.

5. Co-existence with Society

We promote open dialogue with our customers, shareholders, suppliers, employees, and society

through our efforts to preserve the global environment.

April 1, 2012

Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co. Ltd.

Continuous Improvements in the Environmental Management System (EMS)

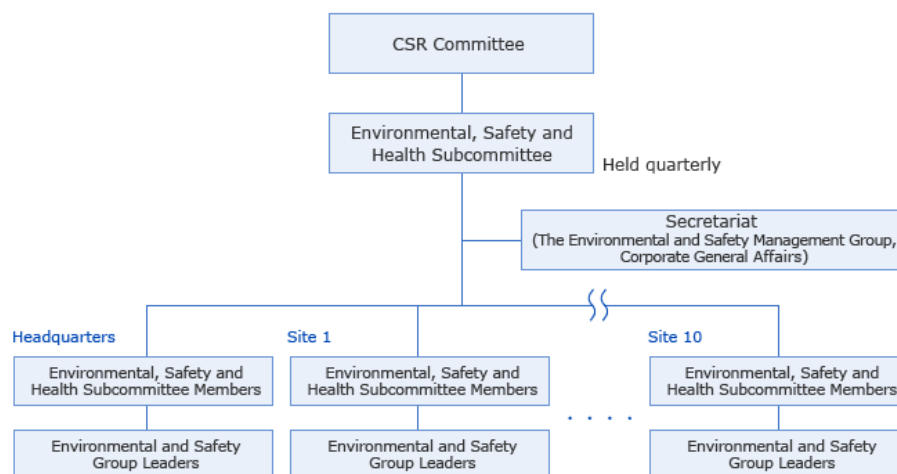
We have extended the scope of application of our EMS to not only major production bases but also small production bases and sales bases with little impact on the environment. By dividing these EMS sites into ISO14001 certification sites and non-certified sites, and checking and correcting key management items at each location, we operate an effective EMS that sets meaningful priorities in tune with the actual circumstances of each site.

ISO14001 certification sites, which are also our major production bases, implement a unique risk assessment process based on environmental hazards, taking into account impact on the local community and the risks of a suspension in factory operations. The center of activities is assessment of positive risks, which we view as both environmental performance to be improved in sync with business targets and quality targets, and negative risks to be maintained, managed, and improved through environmental risk assessment. In fiscal year 2017, FIS Inc. was transferred into the scope of application of the Nissha Group EMS while maintaining its ISO14001 certification.

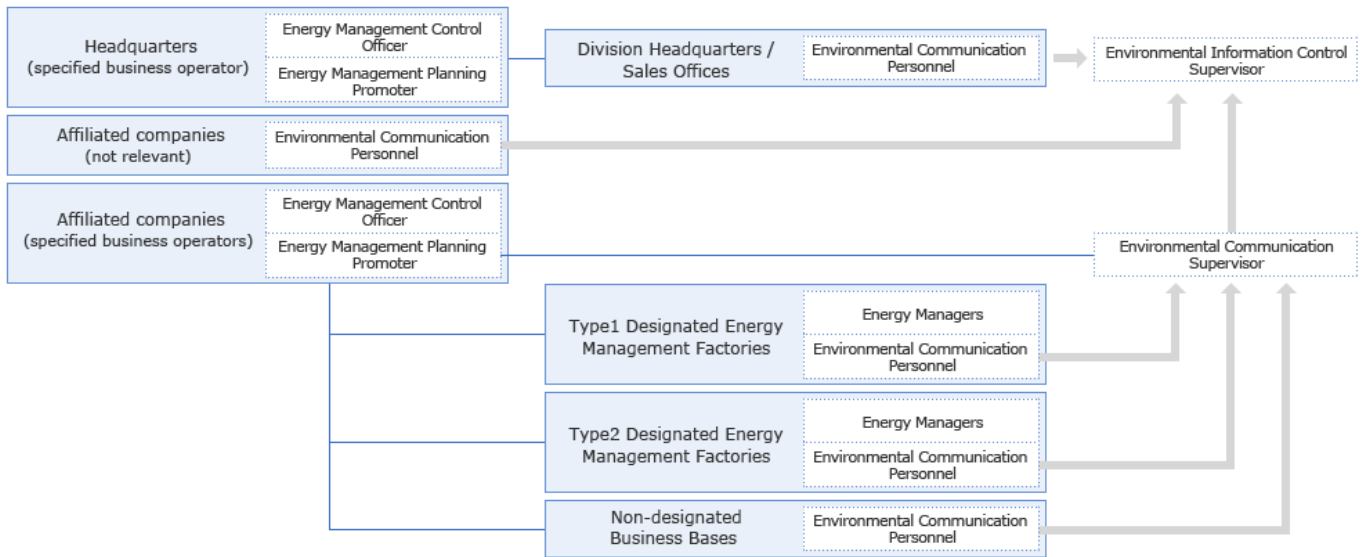
We build and operate a leaner internal audit structure since fiscal year 2016, when we combined environmental internal audits with safety and health internal audits. Our internal audits are conducted based on the EICC Code of Conduct as well as our customers' unique codes of conduct, which are based on that of the EICC, with the aim of building a structure for conformance with EICC throughout the Nissha Group.

In fiscal year 2018, we plan to continue environmental, safety and health internal audits toward improving our performance in these areas.

Nissha Environmental Management Structure



Energy Management and Environmental Communication Structures



Environmental Objectives and Status of Achievement

The Nissha Group environmental objectives set in April 2015 serve as medium-term objectives covering the three-year period from fiscal year 2016 to fiscal year 2018 for the Nissha Group in Japan. In fiscal year 2017, the second year of this period, each factory and relevant division aimed to achieve its individual environmental targets toward achieving the objectives of the Nissha Group in Japan as a whole.

Nissha Environmental Objectives

1. Prevention of pollution

Target: Zero environmental accidents (accidents that affect areas outside the factory)

Reduce the possibility of environmental risks (by one risk level) by the end of fiscal year 2018

Certification sites implement measures to reduce environmental risks^{*1} classified as H2 or more on the hazard assessment list (make efforts to attain one risk level lower)

- The degree of severity may not change after measures are implemented in some cases
- H2 or more refers to hazards on the hazard assessment list that affect areas outside the factory
- H2 is equivalent to "maintain" in the conventional classification, and should be addressed in accordance with the designated procedure

^{*1} The risk of environmental hazards by degree of severity and possibility, assessed in nine levels in a matrix (Risk levels from highest to lowest: VH, H1, H2, H3, H4, L1, L2, L3, VL)

2. Prevention of global warming

Target: Reduce CO₂ emissions rate (basic unit) by 3% or more by fiscal year 2018

Base: Average of fiscal year 2015 results

Companies classified as "specified business operator" in the Act on the Rational Use of Energy implement measures listed in their medium- to long-term plan

Certification sites reduce annual CO₂ emissions rate by 1% or more compared to the previous year by basic unit, derived from factors such as production volume, through improvements in work processes (efficiency) and quality

- Each organization may set KPI or quality targets as environmental targets
- Companies classified as "specific business operator" in the Act on the Rational Use of Energy use the basic unit reported under the act
- A default emission factor (0.555 kg-CO₂ / kwh) is used to monitor fluctuations resulting from initiatives

3. Reduction of waste

Target: Reduce waste generation rate (basic unit) by 3% or more by fiscal year 2018

Base: Average of fiscal year 2015 results

(1) Control waste generation

Certification sites reduce annual waste generation rate by 1% or more compared to the previous year by basic unit, derived from factors such as production volume, through improvements in work processes (efficiency) and quality

- Each organization may set KPI or quality targets (nonconforming product rate, go-through rate, etc.) as environmental targets
- Indexes need not be the same as the CO₂ emissions rate basic unit (production volume may be substituted with number of items produced)

(2) Promote zero emissions

Bases that have achieved zero emissions work to maintain it; those that have not achieved zero emissions work to achieve it

(3) Reduce cost of waste treatment

Practice cost reduction by promoting multi-sourcing and resource reuse

4. Reduction of hazardous chemical substances

Target: Certification sites reduce usage rate of hazardous chemical substances

Work to reduce {(usage or purchase volume) / (production volume, treatment volume, or number of units)}

(Certification sites set individual targets)

5. Environment-conscious design

Target: Introduce the viewpoint of energy and resource savings, durability, and recycling into the product design stage

Design environment-conscious processes and reduce the environmental impact of production

Results and Assessment in Fiscal Year 2017

1. Prevention of pollution

Assessment	Satisfactory
Results	ISO14001 certification sites are working on environmental risk management and measures to reduce environmental risks. All sites attained one risk level lower in fiscal year 2016, and have maintained this status since. Measures in fiscal year 2017 focused on the training in response to substance leakage and training for emergencies, on top of continuous efforts in rainwater management. As a result, following the previous year we maintained zero environmental accidents and achieved our environmental objective.

2. Prevention of global warming

Assessment	Poor
Results	<p>In measures to manage CO₂ emissions by basic unit, major sites of the Nissha Group in Japan combined recorded 2.00 in fiscal year 2017 (compared to fiscal year 2016 results as 1.00), not achieving our target of 0.99 or less. The result owes primarily to a change in items produced at Nitec Precision and Technologies, Inc. (NPT) Kaga Factory. Other sites combined, excluding the Kaga Factory, recorded 0.83, achieving our target.</p> <p>In a breakdown by site, NPT Himeji Factory saw dramatic improvement thanks to an increase in production volume coupled with small-group activities to boost efficiency. Nitec Industries, Inc. (NII) Koka Factory also improved on its target by basic unit, even with production volumes remaining level, owing to small-group activities to improve efficiency. Nitec Printing Co., Ltd. (NPC) failed to meet its target by basic unit despite efforts to improve efficiency in line with a decrease in production volume due to the outsourcing of web offset rotary printing. Nissha Printing Co., Ltd. did not meet its target due to a decrease in total floor area with upgrading work in the headquarters premises.</p> <p>The Environmental, Safety and Health Committee of the CSR Committee has identified management by basic unit as an initiative to carry on into fiscal year 2018 as a material issue, and will continue activities toward improvement with the goal of setting a new basic unit linked more closely to quality activities.</p>

3. Reduction of waste

Assessment	Poor
Results	In measures to reduce waste, major sites of the Nissha Group in Japan combined recorded a waste generation rate of 1.26 in fiscal year 2017 (compared to fiscal year 2016 results as 1.00), not achieving our reduction target of 1% or more. The result owes primarily to a decline in efficiency from the change in items produced at NPT Kaga Factory. Other sites

	<p>combined, excluding the Kaga Factory, recorded 0.91, achieving our target.</p> <p>By site, all with the exception of NPC achieved their target. NPC did not meet its target even though improvements in work efficiency led to a reduction in the amount of waste generated.</p> <p>In the promotion of zero emissions (recycling and resource reuse rate of 99.5% or more), NPT Kaga Factory is continuing and enhancing efforts to reduce the amount of wastewater sludge generated, which must be sent to landfill. Our recycling and resource reuse rate is improving steadily from 88.1% in fiscal year 2015, to 91.8% in fiscal year 2016, to 97.5% in fiscal year 2017, and we aim to achieve zero emissions in fiscal year 2018.</p>
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4. Reduction of hazardous chemical substances

Assessment	Unsatisfactory
Results	<p>In measures to reduce hazardous chemical substances, NPT Himeji Factory achieved its target by basic unit by working to prolong the life cycle of developer and stripping solutions. NPT Kaga Factory failed to meet its target. NII Koka Factory did not meet its target despite efforts to reduce the usage rate of organic solvents such as toluene and xylene.</p>

5. Environment-conscious design

Assessment	Satisfactory
Results	<p>In a new initiative starting in fiscal year 2016, we added to our environmental objectives the concept of environment-conscious design, which introduces the viewpoint of environmental consciousness and the reduction of environmental impact into products and production processes. In fiscal year 2017, FIS Inc. (FIS) tentatively began using an environmental assessment sheet, and is gauging the benefits. NPT Himeji Factory embarked on the initiative of designing thinner base materials.</p>

Environmental Impact as a Result of Business Operations

In order to grasp the impact of our business operations on the environment, we conduct surveys of resource and energy usage (input) and gas, water, and waste emissions (output). The results for the Nissha Group in fiscal year 2017 are given in the table below.

Input and Output at Nissha Group Production Bases

Input and environmental impact were affected in fiscal year 2017 by changes in business operations and in items produced as well as an expansion in the scope of coverage of our surveys. In a breakdown by business, Industrial Materials saw an increase in the usage of ink by about 11% and solvents by 2% at Nitec Industries, Inc. (NII) Koka Factory, a major production base of transfer foil. The result comes from progresses in high mix, small lot production and an increase in products involving multiple processes, such as two-step printing, although production volumes remained level. Owing to an improved yield rate, however, usage of PET and acrylic film decreased by roughly 7%.

Devices saw a decline of about 21% in materials used in product manufacturing processes owing to a change in items produced at Nitec Precision and Technologies, Inc. (NPT) Kaga Factory. Information and Communication saw a decline of some 31% in the usage of paper due to the outsourcing of web offset rotary printing at Nitec Printing Co., Ltd. (NPC) Yachiyo Factory.

In the Nissha Group overall, input increased about 2.7-fold in fiscal year 2017 with the addition of subsidiaries such as the AR Metallizing Group (ARM), the Graphic Controls Group, and Si-Cal Technologies, Inc. to the scope of coverage of our surveys. Paper and cardboard accounted for roughly 76% of all materials used with the addition to the Industrial Materials business of ARM, which produces mainly metallized paper. Resin materials accounted for 11% of the total, and chemical substances 5%. As for output, CO₂ emissions increased by about 24% compared to the previous year for the Nissha Group overall.

INPUT

Production bases in Japan		
Industrial Materials	PET/acryl film	1,766t
	Solvents	1,515t
	Gravure Ink	1,568t
	Others	198t
Devices	Materials used in product manufacturing processes	4,966t
	Others	310t
Information and Communication	Paper	14,357t
	Ink	171t
	Others	103t
FIS	Metallic materials	2t
	Resin materials	2t
	Half-finished goods	31t
	Total for production bases in Japan	24,989t

Overseas production bases		
	Resin	11,041t
	Molds and molding materials	66t
	Touch sensors	1t
	Paper	58,364t
	Cardboards	1,409t
	Aluminum	44t
	Chemical substances	1,180t
	Others	414t
	Total for overseas production bases	72,519t
	Total for Nissha Group	97,508t

Including production bases in Japan and overseas		
Energy	Electricity	196,690MWh
	Gas	9,061,000m ³
Water	Tap water	2,491,538m ³
	Underground water	30,095m ³
	Industrial water	1,687,118m ³

OUTPUT

Production bases in Japan		
Recyclable resources (items sold for recycling)	Waste containing noble metals	4,441t
	Metal waste	
	Resin waste	
	Paper waste	
Recyclable resources (industrial waste)	Waste plastic	6,618t
	Iron scrap, waste cans	
	Waste solvents, waste ink, waste cloth	
	Waste acid, alkali	
Waste for simple incineration/landfill	Sludge, others	280t
	General business waste	
	Others (industrial waste)	
	Total for production bases in Japan	11,339t

Overseas production bases		
	Total waste	5,036t
	Total for overseas production bases	5,036t

Including production bases in Japan and overseas		
Emissions	CO ₂	128,430t
	VOC (including volume of after combustion and treatment)	1,579t
Wastewater		2,214,874m ³

Prevention of Further Global Warming

Status of CO₂ Emissions at Nissha

In fiscal year 2017, CO₂ emissions from the Nissha Group in Japan totaled 93,407t-CO₂, remaining nearly level with 93,445t-CO₂ in the previous year. The result comes from an increase in emissions from Nitec Precision and Technologies, Inc. (NPT), which scaled back mass production, and a significant decrease in emissions with the closure of Nitec Industries, Inc. (NII) Tsu Factory.

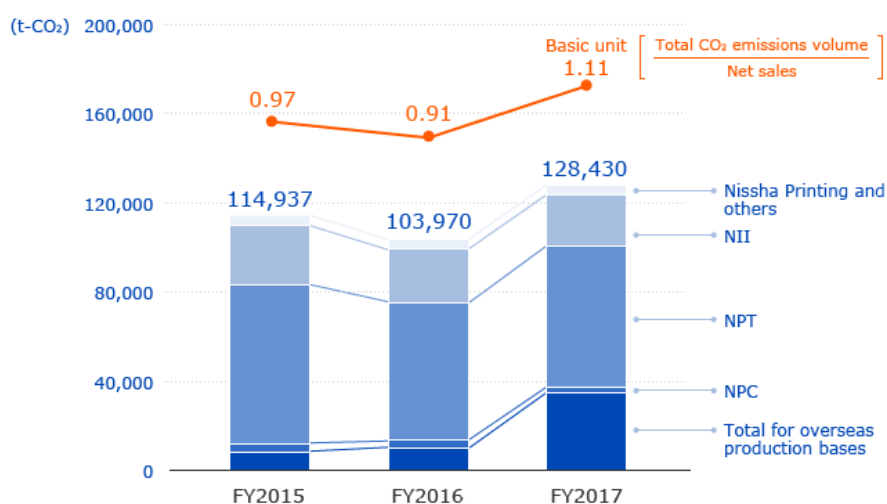
Emissions from NPT, responsible for production in the Devices business, amounted to 63,437t-CO₂ in fiscal year 2017, for a roughly 2% increase compared to 61,979t-CO₂ in the previous year. Emissions from NPT Himeji Factory were 39,401t-CO₂, for a year-on-year increase of 13% over 34,935t-CO₂, due to an increase in production volume. This was amplified by additional emissions of 3,087t-CO₂ with the launch of NPT Tsu Factory. By contrast, emissions from NPT Kaga Factory were 17,808t-CO₂, for a 26% decrease from 24,099t-CO₂, owing to a change in items produced. Emissions from NPT Kyoto Factory were 3,141t-CO₂ against 2,945t-CO₂.

Emissions from NII Koka Factory, responsible for production of existing product lines in the Industrial Materials business, amounted to 22,460t-CO₂ in fiscal year 2017, for a roughly 2% decrease compared to 22,953t-CO₂ in the previous year, thanks to energy-saving efforts and small-group activities to improve efficiency despite production volumes remaining level.

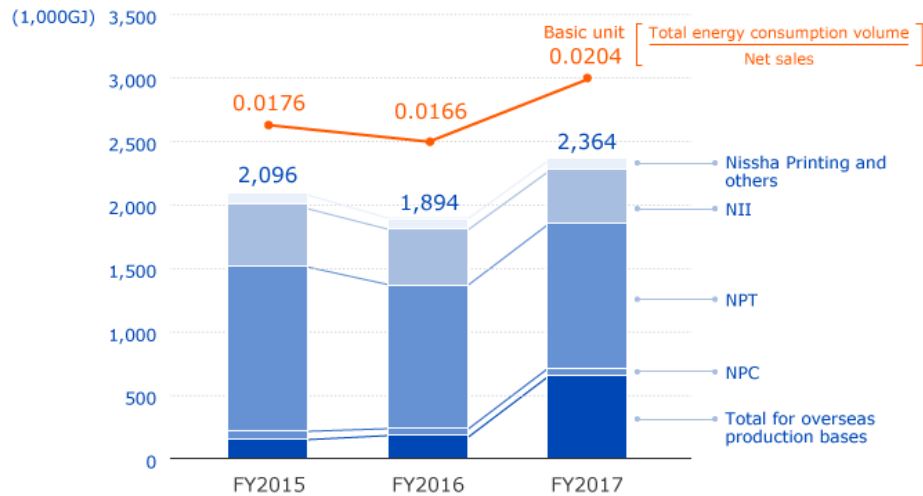
Emissions from major overseas production bases increased significantly in fiscal year 2017, to a total of 35,023t-CO₂, owing to the addition of subsidiaries such as the AR Metallizing Group, acquired in 2015, to the scope of coverage of our surveys. For the same reason, the share of emissions from production bases outside Japan surged from 10% in fiscal year 2016 to 27% in fiscal year 2017 in the Nissha Group overall.

The Nissha Group emits virtually no energy-related greenhouse gases other than CO₂, and their effects are minimal.

Trends in CO₂ Emissions Volumes and Basic Unit

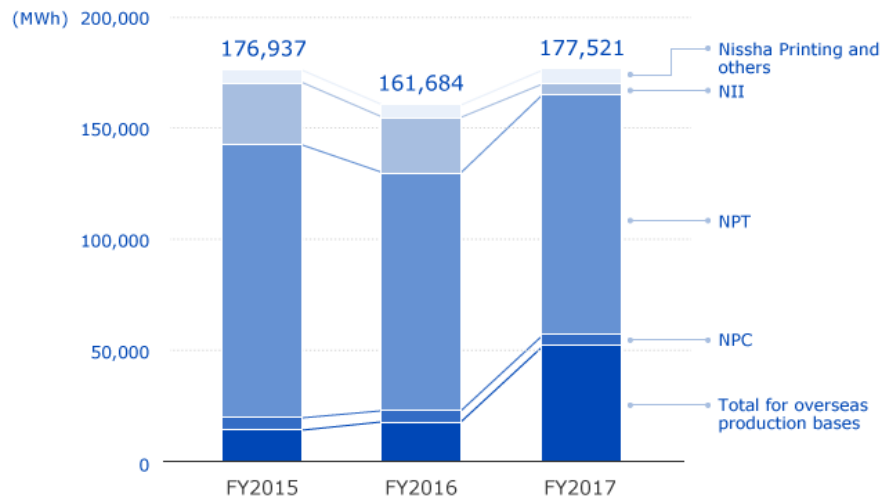


Trends in Energy Consumption and Basic Unit



* Figures for FY2015 and FY2016 have been revised from the previous report due to a review in LPG unit conversion.

Trends in Electricity Consumption



Trends in Gas Consumption



Trends in Gasoline, Diesel, and Heavy Oil Consumption



Basic Unit Management by Production Volume and Its Issues

The enactment of the revised Act on the Rational Use of Energy demands the comprehension and management of energy use per company. In order to improve our energy efficiency as well as comply with legal requirements in line with this shift, since fiscal year 2014 we manage emissions under a basic unit based on factors such as production volume per company.

With 1.00 indicating the benchmark fiscal year 2016 results of each major affiliated company that constitutes a production base of the Nissha Group, we set fiscal year 2017 targets at 0.99 or less. The results are given in the table below. NPT Himeji Factory saw dramatic improvement thanks to an increase in production volume plus small-group activities to boost efficiency. NII Koka Factory also improved on its target by basic unit owing to small-group activities to save energy amid a slight increase in production volume. NPT Kaga Factory discontinued management by basic unit owing to a change in items produced, and in the second half of fiscal year 2017 worked to reduce CO₂ emissions. NPT Kyoto Factory fell short of its target. Nitec Printing Co., Ltd. (NPC) failed to meet its target by basic unit despite efforts to improve efficiency in line with a decrease in production volume due to outsourcing of web offset rotary printing. Nissha Printing Co., Ltd. did not meet its target due to a decrease in total floor area with upgrading work in the headquarters premises.

The Environmental, Safety and Health Subcommittee of the CSR Committee identifies the management of CO₂ emissions as a material issue again in fiscal year 2018, and will continue to strive for improvement by basic unit in cooperation with each production base.

Company	Basic Unit (based on production volume etc.)			FY2017 Evaluation
	FY2016 Results	FY2017 Target	FY2017 Results	
Nissha Printing Co., Ltd. (Global Headquarters, Tokyo and others)	1.00	0.99 or less	1.05	×
Nitec Industries, Inc. (Koka)	1.00	0.99 or less	0.97	○
Nitec Precision and Technologies, Inc. (Himeji)	1.00	0.99 or less	0.70	○
Nitec Precision and Technologies, Inc. (Kaga)	1.00	0.99 or less	2.38	×
Nitec Precision and Technologies, Inc. (Kyoto)	1.00	0.99 or less	1.08	×
Nitec Printing Co., Ltd. (Yachiyo, Kyoto)	1.00	0.99 or less	1.33	×

Note: Figures for NPT Kaga Factory represent the first half of FY2017

Initiative in Scope 3 Management

Nissha Printing Co., Ltd. has undertaken to survey Scope 3 emissions from the Nissha Group in Japan, in line with the move in recent years to report indirect emissions from companies through their supply chain. This is defined by the Carbon Disclosure Project (CDP) as Scope 3 sources and includes manufacturing, transportation, business travel, and employee commuting. The ultimate objective is to promote reduction of these emissions and improve the company's ESG rating*. At Nissha, the Environmental, Safety and Health Subcommittee is leading efforts to set numerical targets toward enhancing our corporate value over the medium to long term.

In fiscal year 2017, we surveyed carbon emissions from our major materials and logistics suppliers in Japan. The results confirmed emissions amounting to 16,682t-CO₂ from our materials suppliers, 5,967t-CO₂ from our logistics suppliers, 2,615t-CO₂ from employee commuting, and 1,496t-CO₂ from business travel. We plan to continue our efforts in Scope 3 management in cooperation with our suppliers.

Scopes 1, 2, 3: Scopes of GHG emissions

Scope 1: Direct GHG emissions from sources owned or controlled by the company

Scope 2: Indirect GHG emissions through consumption of electricity, steam, or heat

Scope 3: Indirect emissions other than those in Scope 2

* ESG rating: A method of evaluating companies based on environmental, social, and governance criteria

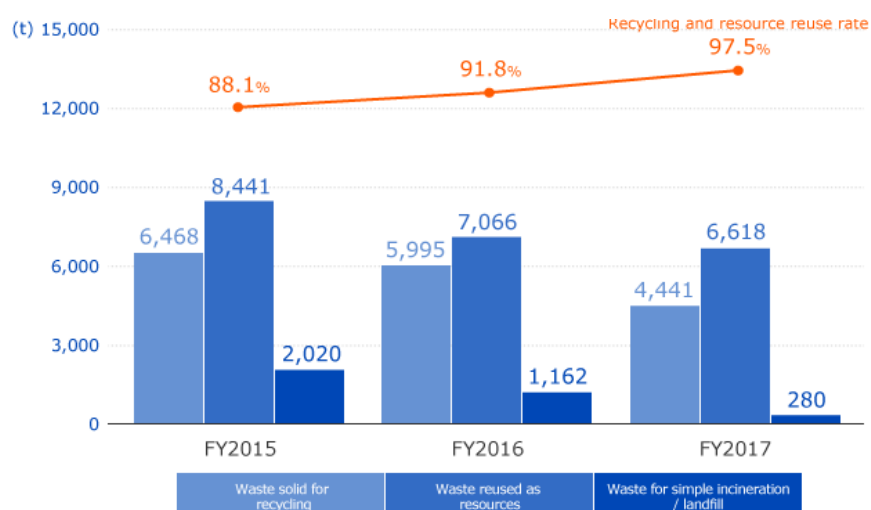
Waste Management

Initiatives of the Nissha Group in Japan

In fiscal year 2017, the Nissha Group in Japan generated a total 11,339 tons of waste, for a reduction of about 20% compared to fiscal year 2016. The primary reason is the change in items produced at Nitec Precision and Technologies, Inc. (NPT) Kaga Factory, and a decline in production volume with preparations for the launch of mass production at NPT Tsu Factory. The volume of simple incineration and landfill waste amounted to 280 tons, for a reduction of roughly 76% compared to the previous year, thanks to the start of efforts at NPT Kaga Factory to recycle sludge through an improved wastewater treatment method.

Our recycling and resource reuse rate was 97.5%, for an improvement of 5.7% over the previous year. We continue to fall short of achieving our zero emissions target (a recycling and resource reuse rate of 99.5% or more). With continued efforts at NPT Kaga Factory to recycle sludge through the improved wastewater treatment method, and further improvement in our recycling and resource reuse rate, we expect to achieve zero emissions again by the end of fiscal year 2018.

Trends in Recycling and Resource Reuse (Nissha Group in Japan)



Initiatives at Overseas Production Bases

The Nissha Group has three production bases in Asia: Guangzhou Nissha High Precision Plastics Co., Ltd., Nissha (Kunshan) Precision IMD Mold Co., Ltd., and Southern Nissha Sdn. Bhd. Waste generated at Southern Nissha accounts for 70% of the volume of all Asian bases combined. The three bases generated a total 222 tons of waste in fiscal year 2017, for a 1.4% reduction compared to fiscal year 2016. Southern Nissha recorded a 2% decrease, Nissha Kunshan a 21.8% decrease, and Guangzhou Nissha a 3% increase.

Recycling and resource reuse rates remained level on a year-on-year basis, with all Asian production bases achieving their respective targets again this year. Southern Nissha achieved a rate of 99% against a target of 90% or more, Nissha Kunshan a rate of 89% against 89% or more, and Guangzhou Nissha a rate of 74% against 72% or more.

All waste generated in Asian production bases (Guangzhou Nissha, Nissha Kunshan, Southern Nissha)

	FY2015	FY2016	FY2017
All waste generated (tons)	256	226	207

Recycling and resource reuse rates in Asian production bases (FY2017)

	Targets	Results	Evaluation
Guangzhou Nissha	72% or more	74%	○
Nissha Kunshan	88.9% or more	89%	○
Southern Nissha	90% or more	99%	○

Risk Management Related to Waste and Waste Converted in Valuable Resources

We recognize largely three types of waste-related risk:

- Accidents and disasters caused by waste and waste converted into valuable resources (including at treatment contractors)
- Environmental pollution and violation of laws caused by inappropriate waste treatment
- Leakage of confidential information from waste and waste converted into valuable resources

Based on laws and customer demand, we have created a set of Nissha Waste Management Regulations that enables all bases of the Nissha Group to manage waste safely under the same set of standards. In line with these regulations, each base has drawn up its own Waste Management Manual and makes efforts toward thorough waste separation and management. Whether a small amount of substance or a spray can, the properties of waste are checked meticulously and monitored so as to prevent spillage during transportation and accidents at treatment facilities. The regulations also stipulate the criteria for selecting waste treatment contractors and for regularly inspecting treatment facilities using a checklist original to Nissha.

In addition, we have in place standards for managing waste and waste converted into valuable resources that contain confidential information, and promote management in association with our information security management system (ISMS).

Monitoring and Prevention of Pollution

Measures to Help Prevent Pollution

We undertake monitoring and measuring activities to prevent pollution. Based on our strict voluntary standards, we conduct periodic testing the level of atmospheric pollutants, wastewater quality, noise, and foul odor.

Nitec Precision and Technologies, Inc. (NPT) Himeji Factory Measurements of Wastewater Quality

Items measured	Regulatory value (Water Pollution Control Act)	Agreement value (Law Concerning Special Measures for Conservation of the Environment of the Seto Inland Sea)	Voluntary standard	Unit	FY2015		FY2016		FY2017	
					Analysis value	Evaluation	Analysis value	Evaluation	Analysis value	Evaluation
Discharged water	5,200	5,000	5,000	m ³	5,017	△	4,613	○	4,969	○
pH	5.8~8.6	5.8~8.6	6.5~8.0		6.9~7.5	○	7.0~7.5	○	6.9~7.6	○
BOD	120.0	10.0	9.0	mg/L	4.4	○	3.1	○	3.5	○
COD	120.0	10.0	9.0	mg/L	8.9	○	4.9	○	4.8	○
SS	150.0	5.0	4.5	mg/L	1.9	○	1.3	○	0.9	○
n-hexane derived substances	Mineral oil 5 Vegetable oil 30	1.0	0.9	mg/L	0.9	○	0.5	○	0.8	○
Phenol	5.0	0.1	0.1	mg/L	< 0.005	○	< 0.005	○	< 0.005	○
Copper	3.00	0.50	0.40	mg/L	0.05	○	0.01	○	0.05	○
Zinc	2.00	1.50	1.20	mg/L	0.01	○	0.01	○	0.02	○
Soluble iron	10.00	0.15	0.08	mg/L	0.02	○	0.02	○	0.02	○
Soluble manganese	10.000	0.050	0.045	mg/L	0.040	○	0.040	○	0.050	△
Chromium	2.00	0.02	0.02	mg/L	< 0.02	○	< 0.02	○	< 0.02	○
Nitrogen	60.0	10.0	9.0	mg/L	8.0	○	3.6	△	4.2	○
Phosphorus	8.00	1.00	0.45	mg/L	0.25	○	0.02	○	0.02	○

Nitec Precision and Technologies, Inc. (NPT) Kaga Factory
Measurements of Wastewater Quality

Items measured	Regulatory value (Prefecture)	Voluntary standard	Unit	FY2015				FY2016				FY2017			
				Fab3		Fab5		Fab3		Fab5		Final effluent (Average)		Final effluent (Maximum)	
pH	5.8~8.6	6.2~8.2		7.6	○	8.0	○	7.5	○	-	-	7.4	○	7.7	○
BOD	160 or less	40 or less	mg/L	22.8	○	29.6	○	32.0	○	-	-	7.5	○	27.0	○
COD	160 or less	80 or less	mg/L	24.6	○	33.8	○	39.0	○	-	-	9.1	○	26.0	○
SS	200 or less	20 or less	mg/L	4.3	○	10.0	○	4.4	○	-	-	2.6	○	4.2	○
n-hexane derived substances	30.0	15 or less	mg/L	1.0	○	1.4	○	0.5	○	-	-	0.5	○	0.5	○

*Final effluent from Fab 3 and Fab 5 was integrated since FY 2016.

Management of Chemical Substances

In fiscal year 2017, we reported the use of nine PRTR-designated chemical substances.

Nitec Industries, Inc. (NII) Koka Factory

Unit: kg

PRTR No.	Name of chemical substance	FY2015			FY2016			FY2017		
		Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required	Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required	Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required
53	Ethylbenzene	1,700	580	○	3,100	820	○	4,300	1,000	○
80	Xylene	17,000	5,500	○	25,000	6,500	○	25,000	6,400	○
88	Hexavalent chromium compounds	0.1	0.0	○	0.1	0.0	○	0.1	0.0	○
296	1,2,4-Trimethylbenzene	-	-	○	750	470	○	1,300	530	○
300	Toluene	140,000	7,800	○	200,000	120,000	○	83,000	48,000	○
392	N-hexane	4,500	2,600	○	8,500	5,400	○	5,300	3,000	○

Nitec Industries, Inc. (NII) Tsu Factory

Unit: kg

PRTR No.	Name of chemical substance	FY2015			FY2016			FY2017		
		Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required	Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required	Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required
53	Ethylbenzene	250	2,500	○	-	-	-	-	-	-
80	Xylene	210	2,100	○	-	-	-	-	-	-
88	Hexavalent chromium compounds	0.1	0.1	○	-	-	-	-	-	-
300	Toluene	980	9,900	○	-	-	-	-	-	-

*NII Tsu Factory closed on June 30, 2016.

Nitec Precision and Technologies, Inc. (NPT) Himeji Factory

Unit: kg

PRTR No.	Name of chemical substance	FY2015			FY2016			FY2017		
		Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required	Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required	Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required
71	Ferric chloride	0.0	0	○	0.0	0	○	0.0	0	○
272	Water-soluble copper salts (excluding complex salt)	0.0	2,000.0	○	0.0	1,700.0	○	0.0	330	○

Nitec Precision and Technologies, Inc. (NPT) Kaga Factory

Unit: kg

PRTR No.	Name of chemical substance	FY2015			FY2016			FY2017		
		Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required	Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required	Discharge volume into the atmosphere	Volume transferred to industrial waste processing companies	Reporting required / not required
82	Silver and its compounds (water soluble)	-	-	-	-	-	-	-	-	-
71	Ferric chloride	0.0	0.0	○	0.0	0.0	○	0.0	0.0	○
272	Water-soluble copper salts (excluding complex salt)	0.0	0.0	○	0.0	0.0	○	0.0	0.0	○
453	Molybdenum and its compounds	-	-	-	0.0	0.0	○	-	-	-

Status of Waste Generation at Bases

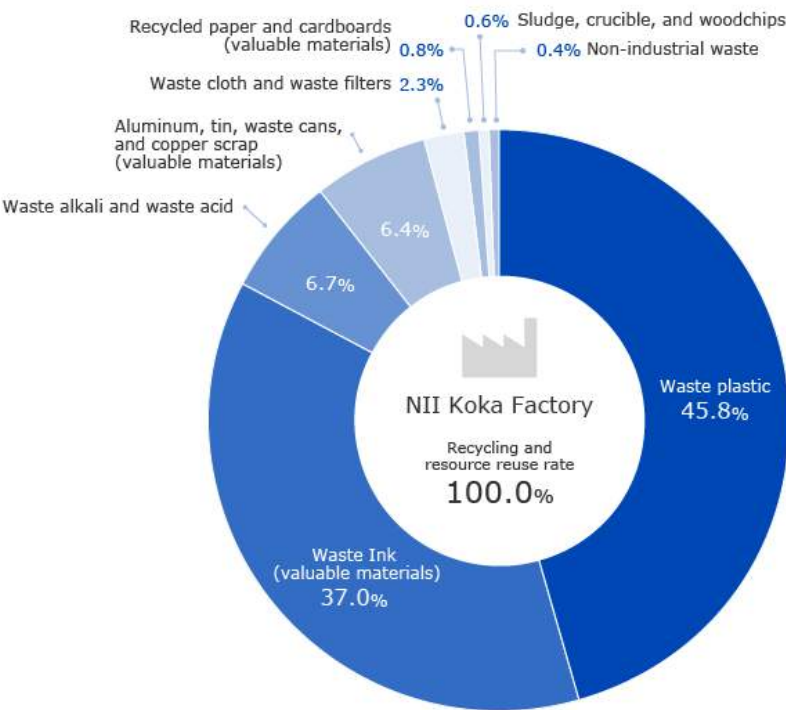
Status of Waste Generation at Major Production Bases (March 2017 Results)

Nitec Industries, Inc. (NII) Koka Factory



Location: Koka City, Shiga Prefecture
Acquisition of ISO14001 Certification: June 2007
Production items: Transfer foils (the Industrial Materials business)

Recycling and resource reuse rate: 100%

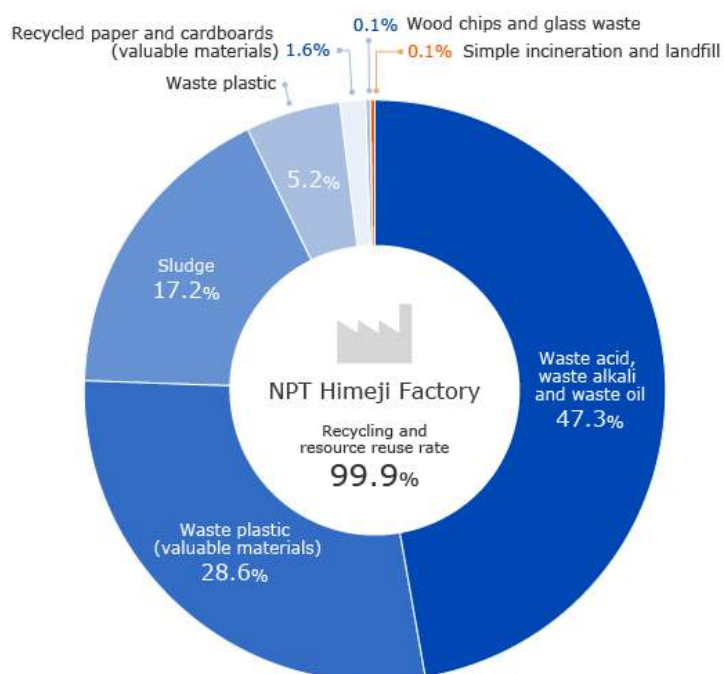


Nitec Precision and Technologies, Inc. (NPT) Himeji Factory



Location: Himeji City, Hyogo Prefecture
Acquisition of ISO14001 Certification: March 2014
Production items: Touch sensors (the Devices business)

Recycling and resource reuse rate: 99.9%

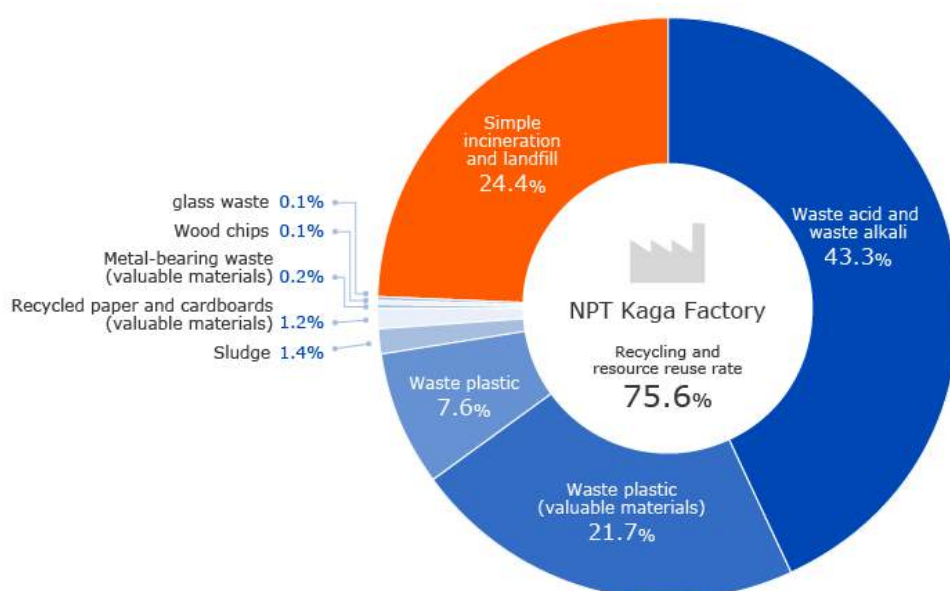


Nitec Precision and Technologies, Inc. (NPT) Kaga Factory



Location: Kaga City, Ishikawa Prefecture
Acquisition of ISO14001 Certification: March 2014
Production items: Touch sensors (the Devices business)

Recycling and resource reuse rate: 75.6%



Nitec Printing Co., Ltd. (NPC) Yachiyo Factory

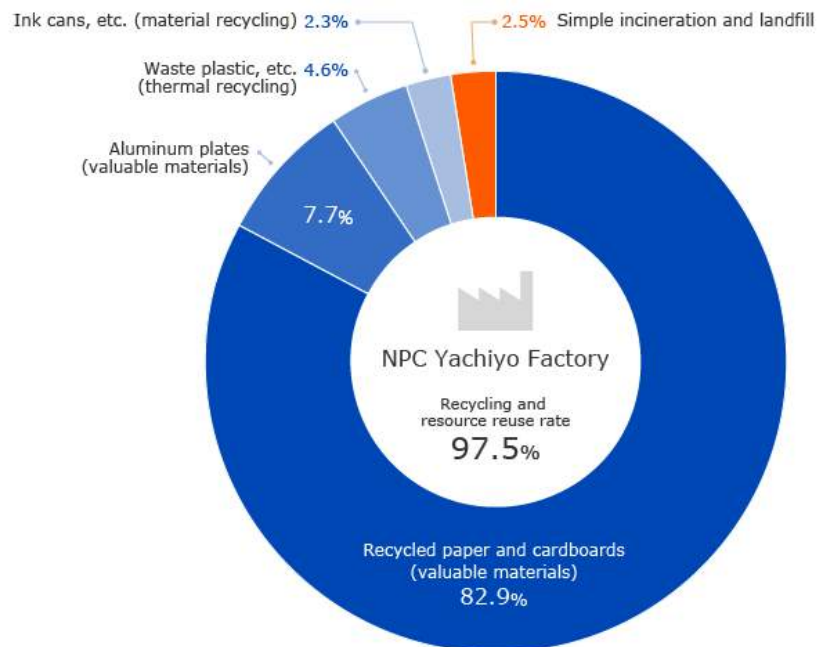


Location: Yachiyo City, Chiba Prefecture

Acquisition of ISO14001 Certification: December 2004

Production items: Printing and binding of books, catalogs, leaflets, etc., using sheet offset press (the Information and Communication business)

Recycling and resource reuse rate: 97.5%



Fair Operating Practices

We address various challenges not only in-house
but also in cooperation with our suppliers,
with the aim of enhancing our corporate value and being a Nissha
that our customers will feel safe in choosing.



Initiatives Related to Information Security

The spread of the Internet and the broad use of devices such as smartphones have ushered in a convenient era in which anyone can connect with the online community easily at all times. On the other hand, with cyberattacks, email spoofing, and other crimes against information security growing rampant and ever more advanced, the risks are increasing of everyone becoming either a victim or perpetrator of information leakage.

We at the Nissha Group recognize the paramount importance of not leaking outside the company or beyond related parties information about our employees, personal information, and information entrusted to us by our customers and suppliers, particularly highly confidential information assets such as information on new products and state-of-the-art technologies. All our employees adhere to our Information Security Policy, which we drew up in and implement since 2005 with the aim of building a highly reliable and safe information security management system (ISMS).

Information Security Policy

Nissha and its subsidiaries committed to establish, maintain, and improve highly reliable and secure an information security management system to protect our own business information and the information assets, which we acquire from customers, suppliers and employees, etc., through our business activities performed, from any kinds of threat. And we take internal and external information security requirements into consideration and reduce all risks below the acceptable levels.

1. We continually improve an Information security management system by establishing, implementing, and reviewing the information security objectives, so that the confidentiality, integrity, and availability of information can be maintained and improved.
2. We comply with legal and regulatory requirements for information security and with contractual security obligation.
3. We establish and improve the criteria for reasonably evaluating risks concerning information security as well as the risk assessment methods, to mitigate risks and to maintain the information security levels which contributes to the corporate developments.
4. We make Information Security Policy known to all employees working in the premises of Nissha and its subsidiaries to raise their awareness of the issues related to information security.

July 1, 2013

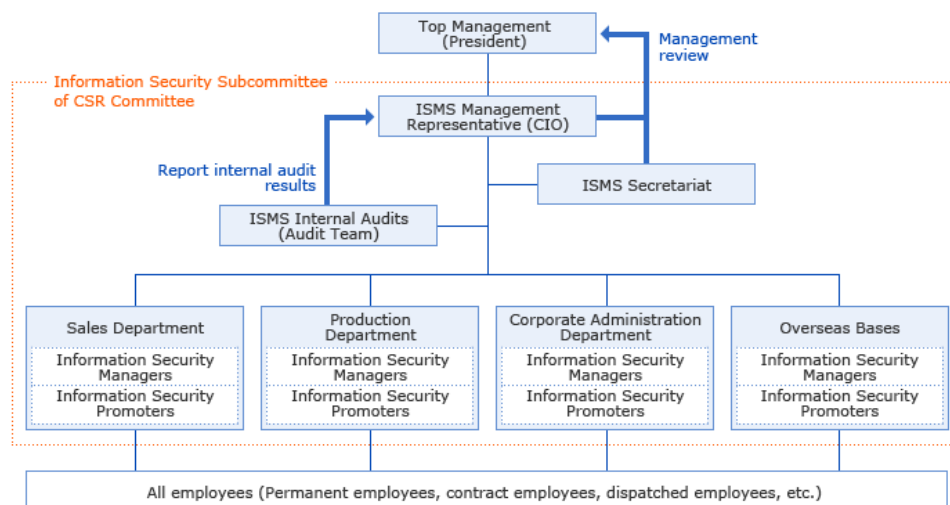
Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co., Ltd.

Information Security Management Structure

We have in place an Information Security Subcommittee of the CSR Committee to serve as a center for the promotion of information security. The subcommittee is run by an ISMS management representative (the Chief Information Officer, or CIO) and comprises information security managers and promoters selected from each department. An ISMS secretariat set up within the IT Department functions as the subcommittee secretariat.

The subcommittee plays an important role in the promotion of our ISMS by addressing issues that have become evident as well as reporting and sharing the results and challenges of initiatives related to information security.

Management Structure



Initiatives in Information Security Management

Rapid advances in information technology and the diversification and spread of IT devices pose not only conventional security risks such as information leakage and tampering caused by virus infection and cyberattacks, but also the risks of casual posts, tweets, rumors, reviews on social media harming a company's image and its brand value. Companies today are required to address such risks to their trust from society. Moreover, with the swift global popularization of bring-your-own-device (BYOD), companies are required to manage a broader range of information appliances, beyond company-issued computers to personally owned devices used at work. Dealing with these risks appropriately and promptly is considered a corporate social responsibility. (Nissha supports BYOD since December 16, 2013.)

At the Nissha Group, we work to maintain and improve our ISMS by naming the Chief Information Officer (CIO) as ISMS management representative of an ISMS secretariat established within the IT Department, and selecting information security managers and promoters from each department to promote thorough operation of our ISMS.

We also organize regular reviews by top management, ISMS internal audits, and ISO 27001 screenings by an outside examination institute, recognizing these as good opportunities for improving our ISMS.

Information Security Education

Preventing the occurrence of information security incidents and accidents requires the formulation of policies and regulations, and more importantly, that all employees take disciplined action with sufficient awareness of information security.

At the Nissha Group, we provide education based on an Information Security Self-Defense Guide (SDG) that reflects the contents of our Information Security Policy toward ensuring thorough understanding of information security in all Nissha People.

ISO27001 Certification

The Nissha Group has obtained ISO27001 certification, a global standard for ISMS, and worked to expand the scope of application across bases and divisions. At present, our focus is on global expansion of compliance with ISO27001 requirements.

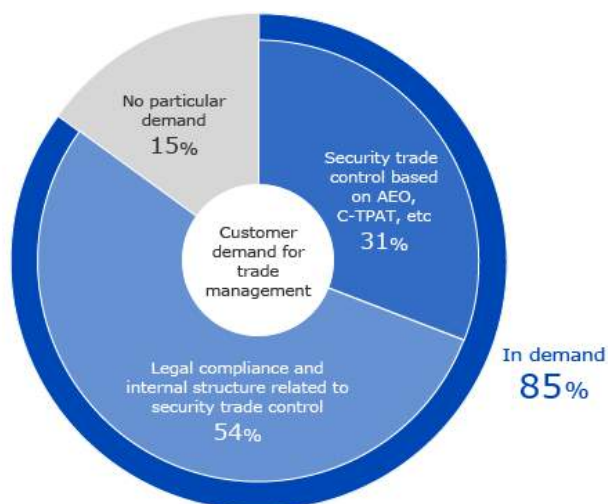


Trade Management

Trade Management Structure

We at Nissha earned 73.9% of our sales outside Japan in fiscal year 2017. For a company like us, efforts in trade management are essential for business continuity. Furthermore, 85% of our customers demand security trade control, according to a survey conducted in August 2016.

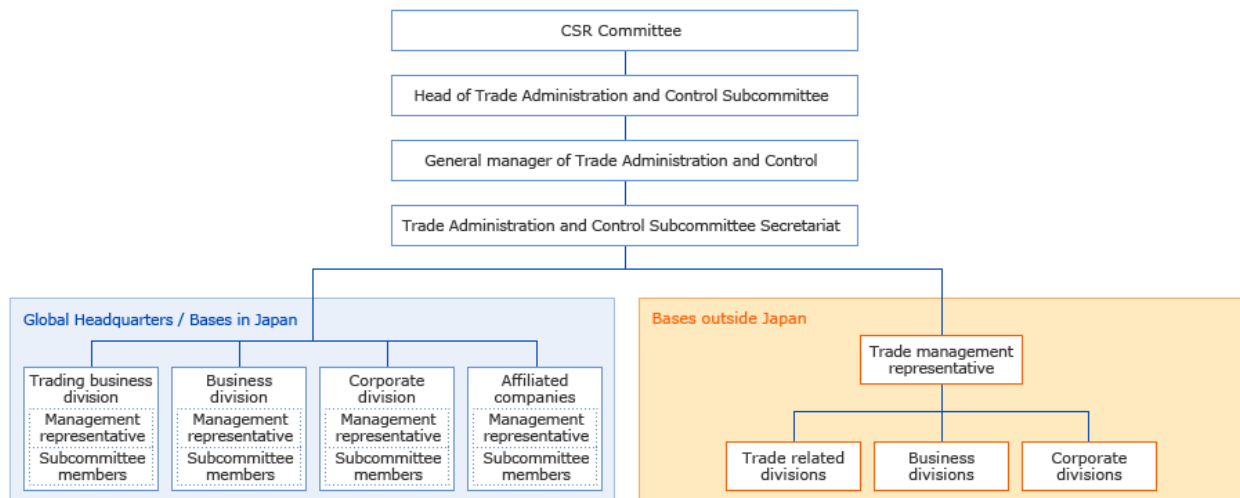
Customer demand for trade management



Full-scale trade management at the Nissha Group in Japan started with the launch of the Trade Administration and Control Committee in 2011. Initiatives were passed on in 2016 to the Trade Administration and Control Subcommittee, under the framework of the CSR Committee.

The Trade Administration and Control Subcommittee, headed by the corporate officer responsible for Corporate Supply Chain Management, oversees the entire Nissha Group. In Japan, thorough management in daily operations is assigned to subcommittee members and division managers at each business division, corporate division, and affiliated company. Outside Japan, where legal systems and business practices vary by country and region, oversight is assigned to trade management representatives at each base.

Trade Administration and Control Subcommittee



Trade Management Policy

Nissha and its subsidiaries comply with legal requirements and agreements in trade and strive for continuous improvements in the trade management system in order to pursue a mutually trustful Co-existence with society.

1. We comply with applicable trade control laws and regulations in each country and region, and with international regimes.
2. We designate a person responsible for trade management, and develop, maintain and improve the trade management system.
3. We pursue good trusting relationships with official agencies in each country and region and international logistics companies etc.
4. We provide necessary education on trade to employees and other parties concerned.

October 1, 2016

Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co. Ltd.

AEO Approval

Nissha Printing Co., Ltd. obtained approval as an AEO Exporter in June 2014, and as an AEO Importer in June 2015. In May 2016, we received our first post-audit and maintained our status as AEO Exporter.

As of May 2016, 57 companies in Japan are approved as both AEO Importer and AEO Exporter. Being one of these companies with dual approval, we have in place a system for safe and smooth international logistics.

Southern Nissha Sdn. Bhd., based in Malaysia, obtained approval as both an AEO Exporter and an AEO Importer in October 2014.



Fiscal Year 2017 Initiatives and Future Challenges

In order to keep pace with our enthusiastic M&A activity outside Japan in recent years, fiscal year 2017, we accelerated efforts to fortify the trade management structure of overseas affiliated companies. Having surveyed the latest status of trade management, we used our structure and rules in Japan as a model and formulated a basic policy and basic regulations on trade management covering the Nisssha Group as a whole, including companies abroad.

Moving forward, we will work toward thorough implementation of the policy and rules at group companies outside Japan, excluding Southern Nisssha, which has approval as both an AEO Exporter and an AEO Importer, and aim to improve our level of trade management.

In Japan, we revised the internal compliance program and bylaws we are required by customs to formulate, and continue in our efforts to ensure appropriate trade management and enhance employee awareness of security through group-wide rank-specific education programs. By conducting internal audits and providing guidance to shipping divisions, we are working to ensure higher levels of safety and operational quality, as well as to promote a strengthening of compliance, toward offering safe, secure, and speedy international logistics services that meet our customers' needs.

Authorized Economic Operator (AEO) Program

Reinforced security measures are a major requirement in international logistics in recent years. Amid the increase in international logistics, ensuring both trade security and smooth logistics is a great challenge. The AEO program seeks to address this challenge by fostering partnerships between customs and private businesses. AEO operators, approved for their security management and compliance structures, are given benefits such as simplified customs procedures in accordance with international standards.

Initiatives Related to Intellectual Property

Approach to Intellectual Property

Nissha Printing raises the protection of intellectual property in our Guideline of the Corporate Ethics and Compliance as one of the key items, and we make active efforts to respect the intellectual property of third parties and to obtain rights for and use that of our own. Intellectual Property Management acts as the central body for protecting intellectual property. With the aim of expanding the performance of business units and ensuring a competitive advantage for new businesses, it works to establish intellectual property strategies for the entire Nissha Group and meet internal needs to secure intellectual property rights.

Basic policy for protection of intellectual property (from the Guideline of the Corporate Ethics and Compliance)

1. We will acknowledge the importance of our technologies and brands as intellectual property and will undertake their appropriate management.
2. We will report any invention arising through our business operations in accordance with our Company regulations.
3. We will strive to avoid the breach of third-party intellectual property rights.

Contents of Initiatives

Promotion of Patent Application

We aim to file for patent application and obtain rights for new technologies developed in our development divisions. To respond to the increasing globalization of our business activities, this requires us to file for application not only in Japan but also abroad. The promotion of technology development and the obtaining of patent rights help to differentiate Nissha products, made with our own distinctive technologies, from other companies' products. This in turn puts a check on the inappropriate use of other companies' technologies, helping also to reduce intellectual property-related risks in connection with Nissha products for our customers.

Monitoring of Other Companies' Patents

We periodically research and continuously monitor other companies' patents so that Nissha products do not infringe others' patent rights. For monitoring, we input subjects as research criteria in a patent database and obtain results on a regular basis using a selective dissemination of information (SDI) system.

Intellectual Property Training Programs

We organize internal training programs so that employees may deepen their understanding of and properly protect intellectual property. In fiscal year 2016, we invited an outside specialist to conduct sessions divided into four levels—introductory, basic, advanced, and practical research—in which participants learned in detail about intellectual property law, how to research other companies' patents, and promoting technology development and filing for patent application. We also hold sessions in which a member of Intellectual Property Management serves as instructor.



Intellectual property training program
Instructor: Mr. Tatsushi Gocho, Patent Attorney, Associate Professor of Osaka Institute of Technology
Commissioned organizer: CKS Corporation

Partnership with Our Suppliers

We at Nissha procure the raw materials, components, equipment, and services necessary for making our products from the global market. We work with our suppliers that constitute this supply chain to promote CSR procurement based on our Basic Purchasing Policy toward realizing co-existence, sharing awareness of our social responsibility, and enhancing mutual corporate value.

Basic Purchasing Policy

For the achievement of the Corporate Mission, "We are committed to pursuing a mutually trustful Co-existence with society through our business activities utilizing a unique technology development, based on PRINTING as a core.", we at Nissha are always committed to creating enterprise value by establishing the partnership for co-existence and co-prosperity with suppliers and carrying out mutually fair procurement.

We at Nissha evaluate suppliers impartially, fairly and comprehensively, based on the following points.

1. Stable business foundation and reliable business attitude
2. Excellent technology development and supply abilities
3. Flexibility to adapt to changes in the business environment
4. Safety of products and services, stable quality and lead time and competitive prices
5. Supply chain management aimed for business continuation

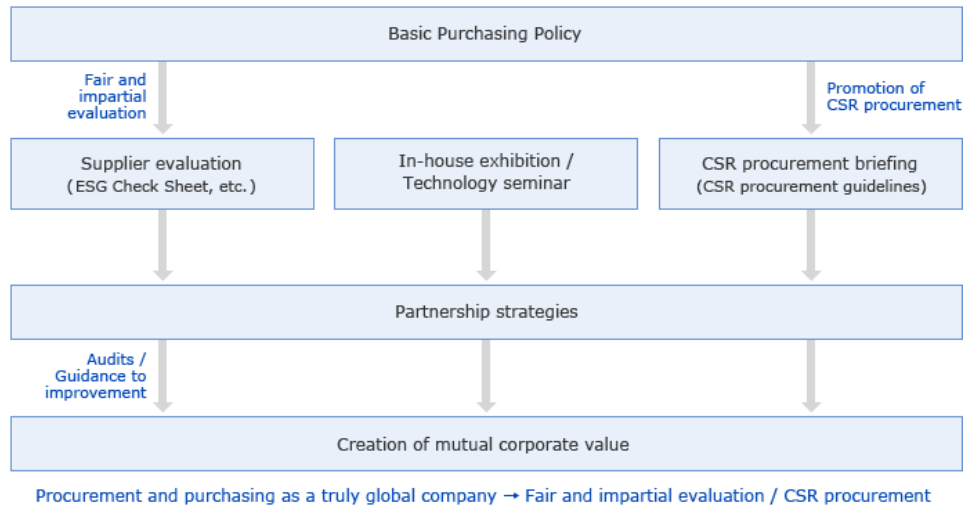
We at Nissha promote CSR procurement by working with suppliers on the following points.

1. Labor
2. Health and Safety
3. Environment
4. Ethics
5. Information Security

Establishment April 2, 2009
Amendment June 30, 2015

Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co., Ltd.

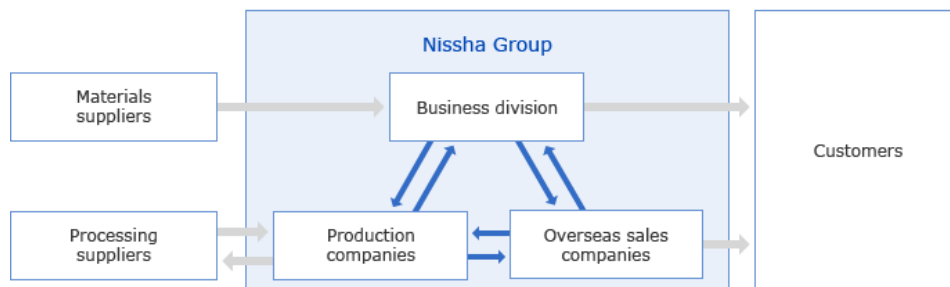
Basic Approach to CSR Procurement Promotion



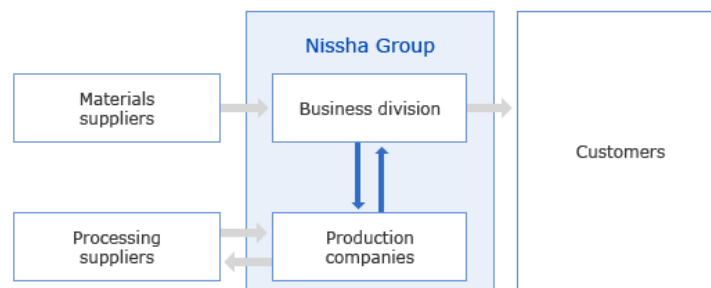
Expansion of Our Supply Chain

We collaborate with various suppliers in conducting our business activities.
In fiscal year 2016, we concluded a capital and business alliance contract and a production consignment contract in our Information and Communications business with Kyodo Printing Co., Ltd.

Supply Chain of the Industrial Materials and Devices Businesses



Supply Chain of the Information and Communication Business



CSR Supplier Audits

We conduct CSR audits on our suppliers. The audits cover five areas— labor, health and safety, environmental, ethics, and management system—drawing on the global code of conduct provided by the Electronic Industry Citizenship Coalition (EICC) and on our customers' own code of conduct based on this EICC template. Prior to auditing, we organize a CSR procurement briefing to explain our CSR Procurement Guidelines, and distribute an environmental, social, and governance (ESG) check sheet for the supplier to complete. The audit process consists of an inspection of the supplier's employment regulations and time cards, tours of the site premises including the clean room, and interviews with employees. In the event the audit uncovers any instances of noncompliance, the supplier is required to establish corrective action (CA) and preventive action (PA) on the findings.

From fiscal year 2015 onward, we carry out audits focusing on particularly important suppliers and new suppliers. In fiscal year 2017, we conducted audits at five materials suppliers of the Devices business and the Industrial Materials business. This combined with the nine companies audited to date brings the total to 14, representing about 80% of the total value of goods procured from our top 30 suppliers.

The audits detected a total of 167 instances of noncompliance (68 related to labor and human rights, 53 to safety and health, 29 to the environment, 12 to ethics, and 5 to management system). In several cases, Nissha employees visited the site to explain the proper response to revisions in legislation and provide support to remedy the situation. Roughly three months later, auditors checked that CA and PA have been taken and the noncompliance has been remedied, bringing the CSR audit to completion.

We plan to continue with CSR audits at particularly important suppliers in the future. In fiscal year 2018, we plan to conduct audits at companies to which we dispatch Nissha employees.

Items of CSR Procurement Guideline

1. Labor and human rights

- 1) Freely chosen employment
- 2) Young workers
- 3) Working hours
- 4) Wages and benefits
- 5) Humane treatment
- 6) Non-discrimination
- 7) Freedom of association

2. Health and safety

- 1) Occupational safety
- 2) Emergency preparedness
- 3) Occupational injury and illness
- 4) Industrial hygiene
- 5) Physically demanding work
- 6) Machine safeguarding
- 7) Sanitation, food, and housing
- 8) Health and safety communication

3. The environment

- 1) Environmental permits and reporting
- 2) Pollution prevention and resource reduction
- 3) Hazardous substances
- 4) Wastewater and solid waste
- 5) Air emissions
- 6) Materials restrictions
- 7) Storm water management
- 8) Energy consumption and greenhouse gas emissions

4. Ethics

- 1) Business integrity
- 2) No improper advantage
- 3) Disclosure of information
- 4) Intellectual property

- 5) Fair business, advertising and competition
- 6) Protection of identity and non-retaliation
- 7) Responsible sourcing of minerals

5. Information Security

- 1) Building of information management system
- 2) Prevention of leakage of confidential information about our customers and third parties
- 3) Defense against a computer and network threat, and management of electronic device and recording medium
- 4) Prevention of leakage of personal information.

Fields of ESG check sheet

- 1. Certification
- 2. Labor and human rights
- 3. Health and safety
- 4. Environmental management
- 5. Information security management
- 6. Corporate ethics and compliance
- 7. Management system

Development of Procurement Personnel

We make continuous efforts to educate procurement personnel and promote transactions with our suppliers based on fairness, impartiality, and integrity in line with our Basic Purchasing Policy.

Fiscal Year 2017 Initiatives

1. Basic course in the Act against Delay in Payment of Subcontract Proceeds

We invited an outside instructor and organized sessions at five bases. The course attracted many participants even from outside procurement divisions, suggesting a higher level of interest from our employees than last year. Following training, we gave the participants a test and provided feedback of the scores along with a recap, ensuring that knowledge gained through the training took root in the employees' minds. This year we provided notification of the course and organized private lessons particularly for engineering and development divisions, with an eye to enhancing awareness.



Basic course (Headquarters)

2. Tips on the Act against Delay in Payment of Subcontract Proceeds

We sent five monthly emails to strengthen recognition of the act in all members of procurement divisions as well as interested members of other divisions. The emails consisted of selected excerpts relevant to Nissha, plus case studies.

3. Training for new procurement personnel

We conducted training for employees new to procurement divisions, covering our Basic Purchasing Policy, the importance of compliance, and the knowledge and mindset essential to procurement personnel.

4. Procurement program

Last year we developed a program with the aim of fostering next-generation leaders of procurement divisions. In fiscal year 2017, we invited an outside instructor to conduct six monthly sessions around the theme of improving quality, cost, delivery (QCD) together with our suppliers. The semester concluded in January with a presentation of achievements.

Program Participation

Lecture/Training	Participants in FY2017
Basic course	355 (total of 5 bases)
Training for new procurement personnel	7 (100% attendance)
Procurement program	72 (total)

Initiatives Related to Conflict Minerals

The major conflict minerals used in Nissha Group products include tin used in some decoration films and in ITO film*¹ for touch panels, and gold used in FPC*² plating. We investigate all of the materials that make up our products using a Safety Data Sheet (SDS) and identify those that contain conflict minerals. Further, we ask our materials suppliers not to source minerals produced by smelters not identified as conflict free.

In fiscal year 2017, we expanded the scope of our investigation to the products of companies new to the Nissha Group. In future, we will continue our efforts to engage in minerals procurement with integrity in line with our Underlying Philosophy Concerning Corporate Responsibility for Minerals Procurement.

Underlying Philosophy Concerning Corporate Responsibility for Minerals Procurement

The Nissha group is deeply concerned that a portion of the conflict minerals extracted by the Democratic Republic of the Congo and its neighboring countries are being used as a source of funding for militia that through acts of looting, violence and forced labor are infringing on fundamental human rights.

In April 2012, Nissha became a signatory to the "Global Compact" as advocated by the United Nations. We at Nissha have fully embraced the Ten Principles stated in the Global Compact as a cornerstone of our Corporate Mission. Based upon our recognition of the importance of these principles and aiming for co-existence with our stakeholders, we are committed to non-use of these conflict minerals, as raw materials in our products as they result in an infringement of basic human rights. Accordingly where our company becomes aware of the use of any conflict minerals, we will immediately implement all measures required regarding that use.

1. Nissha is presently implementing ongoing control systems for conflict minerals which we maintain continuously.
2. Nissha will promptly provide to its customers conflict minerals information including its smelters, etc.
3. Nissha in respect of this issue will publish the relevant information in its CSR reports.

We will continue to make sincere efforts for the responsible procurement of related minerals in order to fulfill our corporate social responsibilities.

March 12, 2014

Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co., Ltd.

*1. ITO film: Film with a transparent conducting coating of indium tin oxide (ITO).

*2. FPC: Flexible printed circuits (FPC) that maintain their electrical properties when flexed.

Initiatives Related to Anti-corruption

The United Nations Global Compact to which Nissha Printing Co., Ltd. is a signatory lists anti-corruption as its 10th principle. And in recent years, global society has seen a tightening of controls pursuant to anti-corruption legislation including the United States' Foreign Corrupt Practices Act and the United Kingdom's Bribery Act. We at Nissha have also seen a rise in demand to follow anti-corruption provisions set forth in the codes of conduct provided both by our customers and by the Electronic Industry Citizenship Coalition (EICC).

The Nissha Group cites prohibition of corrupt practices as an important point of our Guideline of the Corporate Ethics and Compliance. In fiscal year 2017, we organized corporate ethics and compliance training, including the prohibition of corrupt practices, for managers at bases outside Japan (78% attendance). We also confirmed the status of corrupt practices in the Nissha Group through a questionnaire distributed to employees at overseas bases.

These efforts are reflected in the Nissha Anti-Corruption Guidelines, formulated on April 1, 2017. We plan to continue keeping an eye on movements in the global community as well as the situation in the Nissha Group, and will review the contents of our initiatives as the need arises.

Nissha Anti-Corruption Guidelines

The Nissha Group works to realize "mutually trustful Co-existence with society" by making clear that all officers and employees are prohibited from presenting customers, suppliers, and government officials, either directly or indirectly, with gifts or entertainment that may constitute corrupt practice, and by observing Japan's Unfair Competition Prevention Act, the United States' Foreign Corrupt Practices Act, the United Kingdom's Bribery Act, and the regulations of other countries and regions regarding anti-corruption.

1. We neither present to nor accept from customers, suppliers, and government officials offers of unfair advantage.
2. We neither present to nor accept from customers, suppliers, and government officials offers with gifts or entertainment that exceed the limit permitted by internal standards, laws, and regulations.
3. We strive to understand the circumstances of the Nissha Group overall, and periodically review our initiatives.
4. We respond with sincerity to requests from our customers for cooperation in investigations, by providing necessary information.

April 1, 2017

Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co. Ltd.

Consumer Issues

With the aim of providing products and services that satisfy and meet the needs of our customers, we make active efforts to improve quality following our Quality Policy.



Consumer Issues

Responsibility to Our Customers / Quality-related Initiatives

We at Nissha strive daily to improve quality, based on our Quality Policy, so that we may provide products and services that satisfy and meet the needs of our customers.

Quality Policy

Nissha and its subsidiaries are committed to contributing widely to society through customer's trust and satisfaction of quality, cost, delivery, services and speed.

1. We aim for quality that stands up to the customer's expectations.
2. We pursue Zero Defects in our products.
3. We provide products which satisfy customer requirements and conform to relevant legislation and regulations.
4. We establish and maintain a quality management system, and continually improve its effectiveness.

April 1, 2011

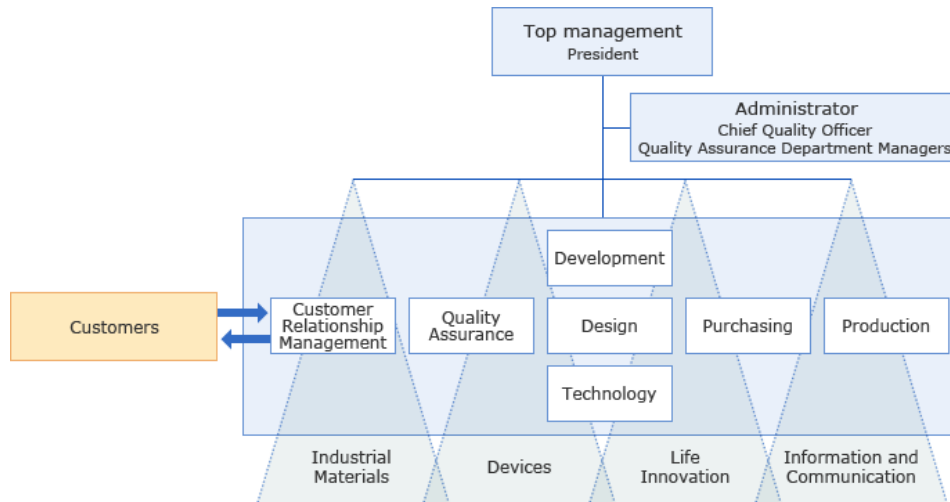
Junya Suzuki
President and CEO
Chairman of the Board
Nissha Printing Co., Ltd.

Quality Management System (QMS)

We operate a quality management system that meets the requirements of international standard ISO 9001:2008, and promote improvements in quality under our comprehensive quality assurance initiative Nissha Total Quality Management (NTQM).

We are also working to obtain ISO/TS 16949 certification, covering the quality management system in the automotive industry. The first Nissha Group companies to obtain certification for touch sensor modules were Southern Nissha Sdn. Bhd. (in January 2016), Nissha (Kunshan) Precision IMD Mold Co., Ltd. (February 2017), and Nitec Precision and Technologies, Inc. Kyoto Factory (March). With Nissha Printing Co., Ltd. obtaining a Class 2 medical devices marketing license, and FIS Inc. becoming a registered medical device manufacturer of Hyogo Prefecture, both in April 2017, we are making steady efforts to build a quality assurance structure that fits our new business segments.

Quality Assurance Structure



Nissha Total Quality Management (NTQM)

NTQM clarifies the procedures followed at each business unit, such as design reviews (DR), reliability tests, and supplier management. We believe that improving the accuracy of these procedures will enable us to provide products and services with even higher levels of quality and safety.

Five Musts for the Systematization of Work

In fiscal year 2012, we set forth Five Musts for the Systemization of Work, a concept we are working to communicate company-wide through training and our internal newsletter.

Five Musts for the Systematization of Work

1. Standardize work.

Standardization clarifies the required input, as well as the work you have to perform.

2. First of all, check the input.

Begin your work by checking for any fault in input.

3. Incorporate the customer viewpoint into the output.

Not only customers for the Company, but your immediate customers, internal and external. In your work, you must aim at an output that meets QCDS from all your customers.

4. Reinforce the system using human factors.

Human factors should be used to cover those areas of work which cannot be covered by the system alone. Your communication and teamwork will reinforce the system.

5. Make continuous efforts to improve the system.

The system must be established and implemented continuously. Continuous implementation results in further improvement of the system, as well as that of the quality of our work and the Company.

*QCDS: Initial of Quality, Cost, Delivery, Service, the index for product evaluation.

Quality Slogan



Taking action with a strong awareness of the customer is essential to quality improvement. All Nissha employees are required to perform their daily duties with a sense of responsibility, and create quality in the eyes of the customer.

To this end, in April 2017 we established the quality slogan given above. The Japanese have a maxim that reads, “the next process is the customer.” The “me” in the slogan says each employee should take on a leading role in delivering quality to the customer. And this “customer” may be external customers of the Nissha Group or internal workers in the production process following one’s own. The slogan will be communicated thoroughly across Nissha Group companies both in and outside Japan.

Company-wide Optimization

We at Nissha promote the recognition of ties between one’s own department and others’, and even ties between work processes across the whole company, in terms of “input” and “output.” Hence we stress the importance of links between internal processes and the orderly division of roles. By having all employees stand in the customers’ shoes, we aim to break free of department-based optimization and strive for company-wide optimization. We believe that basic concepts like this and the sorting out of functions will build Nissha’s foundation as a manufacturing company.

Continuous Improvement

The accumulation of bits of insight and ingenuity from all employees is the source of great improvements in work processes. This approach forms the foundation of Nissha’s small-group activities and improvement proposal system. We recognize these as important mechanisms to work on and develop across the Nissha Group.

We also plan and execute various education programs on a continuous basis. Underpinning our enthusiasm about human resources development are the ideas that the quality of people plus the quality of work equals the quality of the company, and employees are our most important management resources.

Our activities aim to establish three practices and ultimately realize customer satisfaction: one, always incorporate creativity into work processes; two, base judgment on data (facts); and three, use the plan-do-check-act (PDCA) cycle to make continuous improvement.

Training	<ol style="list-style-type: none">1) General quality training (for first-, second-, and third-year employees, new managerial staff, managers, and overseas transferees)2) Management system training (ISO 9001:2008, ISO/TS 16949:2009, and core tools)3) Quality control training (QC Exam levels 3 and 4)4) Quality methodology training (statistical methods, experimental design,
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	Taguchi methods, etc.) 5) Improvement tool training (industrial engineering, production-sales-inventory (PSI), human error prevention, "5 Whys" cause-and-effect analysis, etc.) 6) Other training (equipment maintenance, etc.)
Practical education	1) Support for small-group activities 2) Nissha Academy (Monozukuri School etc.)
Information sharing / reciprocal learning	Company-wide Presentation Meeting of Small-group Activities

Quality and Safety of Products

We at Nissha provide our customers with explicit information on product usage and safety in documents such as delivery specifications. In the event a serious accident occurs as a result of flaws in our products and services, which may violate laws or regulations, we establish a CPL committee and strive for a quick resolution. We are also prepared to report the incident to government agencies in accordance with laws and to notify our customers as soon as possible. We communicate to our employees the importance of ensuring the quality and safety of products through corporate ethics and compliance training.

Up to fiscal year 2017, the number of instances in which we organized a CPL committee or violated laws was zero, resulting in a fine of 0 yen. We will strive to maintain our zero violation record in the future.

* CPL: Combination of contractual liability (CL) with product liability (PL)

Management of Chemical Substances in Products

We at Nissha have in place two sets of criteria for managing chemical substances: the Nissha Control Criteria for Chemical Substances, covering Nissha products and packaging materials, and the Nissha Control Criteria for Chemical Substances in Purchased Products, covering procured items such as primary and secondary raw materials. Both reflect the laws and regulations of relevant countries and regions, including the Restriction of Hazardous Substances (RoHS) directive and the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulation, as well as the substance-related criteria of our customers. Whenever our customers' criteria change, we identify the differences from our criteria and work to conform to our customers' request. Apart from this, we review our criteria once a year, making revisions as necessary, and organize briefing sessions for related divisions and our suppliers.

When selecting new materials in the design and development stages, we conduct design reviews related to materials and assess compliance with our criteria. Our factories are building a mechanism for accepting materials that meet our criteria, ensuring traceability, identifying and separating noncompliant substances, and responding to issues swiftly such as through reporting in efforts to prevent misuse and contamination.

Corporate Environmental and Safety Management of Corporate General Affairs functions as a secretariat and works with the product development, quality assurance, and procurement divisions of each business unit to promote management of chemical substances in products. It also carries out internal environmental audits on a regular basis to inspect the management status. This internal structure implements strict control of chemical substances from the design stage to the final product, and responds to changes in the needs of society and the demands of our customers.

Along with Local Communities

With the aim of being a company that is needed by society,
we promote active communication with local communities and conduct activities
in line with our Basic Social Contribution Policy.



Along with Local Communities

Promoting Communication with Local Communities

As a member of the global society, Nissha aims not only to fulfill its responsibilities as a corporation but also to win the trust of local communities and be a company that is needed by society.

We promote communication in various ways such as by disclosing information about Nissha Group companies and business activities widely on our website, and by enhancing mutual understanding between production bases and local communities through briefing sessions on factory activities, factory tours, and social events.

Our efforts also extend to cleanup activities near production sites, environmental workshops by Nissha employees at local elementary schools and nursery schools, and next generation support in collaboration with NPOs, all with the aim of realizing the "Co-existence" cited in our corporate mission.

Basic Social Contribution Policy

We at Nissha set forth our approach to social contribution in the Basic Social Contribution Policy. We devote our management resources to four fields we recognize as important: environmental protection, next generation support, promotion and support of arts and culture, and human support activities.

Basic Social Contribution Policy

Nissha and Nissha People contribute to society under the spirit of global citizenship by using their management resources effectively toward the achievement of the Corporate Mission.

Main fields of contribution: "environmental protection", "next generation support", "promotion and support of arts and culture", and "human support activities".

Initiatives for Next Generation Support

Presentation of Nissha Printing Award at 11th Supreme Moving Toy Contest in Kyoto

In the field of next generation support given in our Basic Social Contribution Policy, Nissha Printing Co., Ltd. is a sponsor of the Children's Monozukuri Project run by the Kyoto City Board of Education. We host a corporate booth at the Monozukuri Hall of Fame in the Kyoto City Inquiry Learning Center for Career Education, and provide teaching materials and programs for elementary school pupils with the hope of nurturing children's curiosity in "monozukuri," or manufacturing.

As part of these activities, we supported the 11th Supreme Moving Toy Contest in Kyoto (sponsored by the Children's Monozukuri Project Promotion Council, the Kyoto City Board of Education, and others), held on January 22, 2017, at Kyoto Kogakuin Senior High School. Our role was to provide educational teaching materials and run a corporate booth.

The event featured a race of creative racing cars made by the children, a design and performance competition of decoration cars, and more, kindling excitement in the 1,600 visitors including some 700 elementary school pupils who filled the venue.

We provided a racing car assembly kit and original stickers for the beginners' category targeting third and fourth graders, and presented certificates of merit, trophies, and medals to top-ranking contestants as the Nissha Printing Award.



Presenting of Nissha Printing Award



Nissha Printing booth

Environmental Workshops at Local Elementary Schools

Our employees at Nissha mainly at production sites in Japan visit local elementary schools and nursery schools and conduct environmental workshops.

In fiscal year 2017, workshops were held at two elementary schools in Kyoto, home to our Global Headquarters, and at two in Kaga City, Ishikawa Prefecture, home to one of our production bases. The children learn about preventing global warming, how to separate garbage, and other environmental activities closely associated with their daily lives. As a uniquely Nissha program, we introduce the secrets of printing and of touch panels with the aim of sparking interest in "monozukuri," or manufacturing, and fostering a sense of professional values. Participants in this initiative, which started in fiscal year 2008, numbered about 4,300 children at 87 schools as of the end of March 2017.

In Kyoto City, we further participate in an environmental learning program for elementary school pupils jointly organized by the Kyoto Chamber of Commerce and Industry and the Kyoto City Board of Education. In March 2017, we received a letter of appreciation from the Kyoto City Board of Education in recognition of our longtime contribution to the program—10 years since 2007—during which we endeavored to raise awareness of environmental issues and stimulate interest in the environmental technologies of Kyoto-based companies.



Initiative in Environmental Preservation and Community Development



Participation as Judge in Kyoto Tourist Souvenirs Eco Packaging Contest

In fiscal year 2017, we participated as a judge in the Kyoto Tourist Souvenirs Eco Packaging Contest (planned and operated by the Kyoto Tourist Souvenirs Eco Packaging Project), organized by the Kyoto City Waste Reduction Promotion Council.

The initiative was selected as a model program for reducing waste, based on a proposal by the Kyoto citizenry. Each year Kyoto attracts as many as 56 million tourists, who take home souvenirs along with their containers and wrappers, which wind up as garbage somewhere in the world. Packaging materials should be simple and resource saving, with minimal impact on the environment; tourist to Kyoto should not be leaving with garbage—this approach won sympathy and led to the organization of the contest.

Many entries came from Kyoto-based makers of traditional Japanese as well as Western confectionery. We at Nissha judged these entries from the viewpoint of a printing company, examining the recyclability of the materials and the environmental impact of the printing technologies, while also taking into account the elements of visual appeal and joy that lead to sales.

We joined the initiative with the hope of conveying our passion for eco-friendly packaging to tourists from around the world who visit the city of Kyoto, home to Nissha Global Headquarters.

Sponsorship of Museum Exhibitions and Art Events

As part of our efforts in “promotion and support of arts and culture” cited in our Basic Social Contribution Policy, we cosponsor museum exhibitions and art events held throughout Japan. In fiscal year 2017, we cosponsored the exhibitions and events given below.

Exhibition / event	Schedule	Venue
VENICE : Five Centuries of the World's Most Alluring City from the Museum of Fine Arts, Boston	April 9, 2016 - June 12, 2016	Hiroshima Museum of Art
The Art of ZEN From Mind to Form	April 12, 2016 - May 22, 2016	Kyoto National Museum Heisei Chishinkan Wing
The 4th KYOTOGRAPHIE International Photography Festival	April 23, 2016 - May 22, 2016	TORAYA Kyoto Gallery, Kyoto Municipal Museum of Art Annex, etc.
DETROIT INSTITUTE OF ARTS EXHIBITION	April 27, 2016 - June 26, 2016	Toyota Municipal Museum of Art
2016 NHK Historical Drama Special Exhibition “Sanadamaru”	April 29, 2016 - June 19, 2016	Edo-Tokyo Museum
The 2nd Watercolor interchange exhibition of Fukushima and Kansai	June 14, 2016 - June 19, 2016	The Museum of Kyoto
A Journey to the Land of Immortals: Treasures of Ancient Greece	June 21, 2016 - September 19, 2016	Tokyo National Museum, Heiseikan Special Exhibition Galleries
Venetian Renaissance Paintings from the Gallerie dell'Accademia, Venice	July 13, 2016 - October 10, 2016	The National Art Center, Tokyo
The Hidden Buddha of Rakuyaji Temple, Shiga	September 13, 2016 - December 11, 2016	Tokyo National Museum Honkan
Van Gogh and Gauguin: Reality and Imagination	October 8, 2016 - December 18, 2016	Tokyo Metropolitan Art Museum
The Exhibition of the Sengoku Period — A Century of Dreams —	November 23, 2016 - January 29, 2017	Edo-Tokyo Museum
THE COSMOS IN A TEA BOWL : Transmitting a Secret Art Across Generations of The Raku Family	December 17, 2017 - February 12, 2017	The National Museum of Modern Art, Kyoto
Alfons Mucha	March 8, 2017 - June 5, 2017	The National Art Center, Tokyo
Sesson -A Singular Painter-	March 28, 2017 - May 21, 2017	The University Art Museum, Tokyo University of the Arts, Main Gallery

Membership in Community Organizations

We participate in various community activities with the aim of being a company that is needed by society.

Organization / host	Position / membership status	Company registered
Kyoto Chamber of Commerce and Industry	Permanent member	Nissha Printing Co., Ltd.
Kyoto Employers' Association	Executive director	Nissha Printing Co., Ltd.
Kyoto Association of Corporate Executives	Chair	Nissha Printing Co., Ltd.
Kyoto Industrial Association	Director	Nissha Printing Co., Ltd.
Printers Association of Japan	Executive director	Nissha Printing Co., Ltd.
The Japan Kanji Aptitude Testing Foundation	Director	Nissha Printing Co., Ltd.
Kyoto Institute of Technology	Joint management council member	Nissha Printing Co., Ltd.
Ritsumeikan University Business School	Advisory board member	Nissha Printing Co., Ltd.
Nissha Foundation for Printing Culture and Technology	Representative director	Nissha Printing Co., Ltd.
Japanese Society of Printing Science and Technology	Councilor	Nissha Printing Co., Ltd.
Kaga Chamber of Commerce and Industry	Permanent member	Nitec Precision and Technologies, Inc. (NPT) Kaga Factory

Company Outline

For the company outline and further information on Nissha, please follow the links below.

Company Outline

View our company outline and a list of major group companies.

<http://www.nissha.com/english/company/outline.html>

What's Nissha?

View our business fields and an outline of our global operations.

<http://www.nissha.com/english/company/business/index.html>

Nissha Group

View the bases of our global Nissha Group network.

<http://www.nissha.com/english/company/office/index.html>

Company Outline

Name	Nissha Printing Co., Ltd.
Global Headquarters	3 Mibu Hanai-cho, Nakagyo-ku, Kyoto 604-8551, Japan
President and CEO, Chairman of the Board	Junya Suzuki
Founded	October 6, 1929
Established	December 28, 1946
Capital	¥7,664,790 thousand *as of the end of June, 2017
Employees	798 (Consolidated number of employees : 5,187) *as of the end of June, 2017
Business outline	Nissha is mainly developing the 4 business areas of Industrial Materials, Devices, Life Innovation and Information and Communication. At the same time, Nissha is accelerating the creation of Development for advance. >For more detail of our business, please check this link http://www.nissha.com/english/products/index.html
Consolidated Subsidiaries	57
Equity Method Affiliates	4*
Bases	Japan: 16 (including affiliated companies) Overseas: 42 (including locally incorporated companies and equity method affiliates)
Major Group Companies	<p>【Japan】</p> <p>Nitec Industries, Inc. Nitec Precision and Technologies, Inc. FIS Inc. SiMICS Co., Ltd. Nissha Printing Communications, Inc. Nitec Printing Co., Ltd. Nissha F8, Inc. M crossing Co., Ltd. Nissha Business Service Co., Ltd. Rakuhoku Landscape, Inc.</p> <p>【Overseas】</p> <p>Nissha USA, Inc. Eimo Technologies, Inc. Si-Cal Technologies, Inc. PMX Technologies, S.A. de C.V. Nissha Medical International, Inc. Graphic Controls Holdings, Inc. Graphic Controls Acquisition Corp. Biomedical Innovations, Inc. Lead-Lok, Inc. Vermed, Inc. CEA Medical Manufacturing, Inc. Graphic Controls Canada Company Graphic Controls Ltd.</p>

	<p> Crown Graphic N.V. DIA-Nielsen GmbH & Co. K.G. S.A.Societe Guyot Graphco Tyrolmed GmbH CEA Global Dominicana, S.R.L. Nissha Europe GmbH Schuster Kunststofftechnik GmbH Back Stickers GmbH Back Stickers International B.V. AR Metallizing N.V. AR Metallizing S.r.l. AR Metallizing Ltd. ARM Embalagens Ltda. Málaga Productos Metalizados Ltda. Nissha Korea Inc. Nissha Industrial and Trading (Shenzhen) Co., Ltd. Nissha (Kunshan) Precision IMD Mold Co., Ltd. Guangzhou Nissha High Precision Plastics Co., Ltd. Hong Kong Nissha Co., Ltd. Taiwan Nissha Co., Ltd. Nissha Industrial and Trading Malaysia Sdn. Bhd. Southern Nissha Sdn. Bhd. Nissha Flooring Industries Sdn. Bhd. Nissha Vietnam Co., Ltd. *NS Tech Co., Ltd. *TPK Film Solutions Limited *Nissha and Lens Technologies (Changsha) Company Limited </p>
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What's Nissha?

Nissha's Business Fields

The company's name, Nissha Printing, may conjure up an image of a company that prints publications such as books. However its business is not only confined to that.

Nissha's Touch Sensors lead the way in touch input technology today, our surface decoration technology can change the looks from plastic to wood, we manufacture medical devices and consumable products, our hydrogen detectors has adopted in fuel cell vehicle and we develop DDS (Drug Delivery System). Nissha progress technologies since our founder started business in 1929.

We maximize our capabilities driven by our technology, passion, and leadership to create value for the future.



Global Headquarters (Kyoto, Japan)

Developing the 4 business area

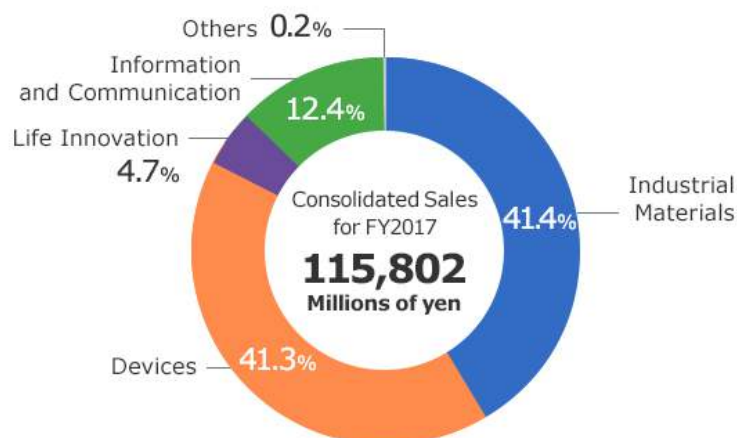
Nissha is developing the 4 business segments of "Industrial Materials", "Devices", "Life Innovation" and "Information and Communication". We handle decorative films and printing related materials field comprising "IMD" and "Metallized Paper" as the main products in our Industrial Materials business, and the touch input device "FineTouch" series and Gas Sensors in our Devices business. In our Life innovation business, we handle medical devices and consumable products in the North and Central America and Europe and the Information and Communication business, we provide printing media and a wide range of services that support general communication strategies, on a one-stop basis.

**"IMD" is a registered trademark or a trademark of Nissha Printing Co., Ltd.

* Nissha's Touch Sensor "FineTouch" is a registered trademark or a trademark of Nissha Printing Co., Ltd.

* Nissha Printing Communications, Inc. operates the Information and Communication business of Nissha Printing Co., Ltd.

Sales breakdown by business field



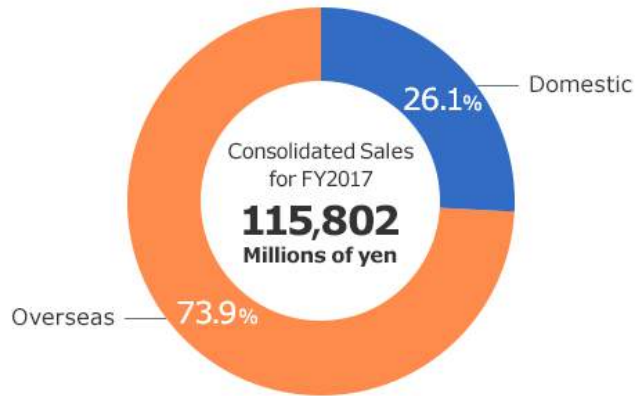
We have changed a method of translating performance of overseas subsidiaries and others from FY2017. The result of Devices and Life Innovation are applied retroactively to the organization change in October 2016.

Globally Trusted Technology

Nissha's technology is highly regarded not only by customers in Japan, but throughout the world. Nissha products are customized for each and every product provided to our customers. Our business would not be viable without the trust of our customers.

Nissha's way of carrying out business is to work near to our customers throughout the world in a way that answers our customers' needs. Overseas sales have vastly surpassed domestic sales.

Sales breakdown by Overseas vs. Domestic



We have changed a method of translating performance of overseas subsidiaries and others from FY2017.

Industrial Materials

IMD, the technology to transfer both function and design on surfaces

The major product of our Industrial Materials Business is IMD, which applies a range of functions and designs on products as they are formed, by enveloping them in a special transfer film during plastic injection molding. The richness of design expression that IMD brings, its functional strengths such as its ability to withstand scratches or fingerprints, and its simple production process are why IMD is held in such high regard around the world, where it is used on a wide range of everyday plastic products that include automobile interior parts, consumer electronics, and smartphones.

http://www.nissha.com/english/products/industrial_m/imd/index.html



IMD

IMD uses not just transfer foil printing technology but mold technology, injection molding technology, and a range of others, making the Industrial Materials Business unique in possessing so many of these technologies. Our products will evolve to meet future market trends and the needs of customers around the world as we develop new printing techniques. In addition, acquiring a wide range of technologies, not just limiting to printing ones, will allow us to provide a diverse range of products and services to our customers.

*IMD is a registered trademark or a trademark of Nissha Printing Co., Ltd.

Used in the following ways

Automotive interior, Smartphone, Consumer electronics, Cosmetics, Stationery and Housing equipment, etc.

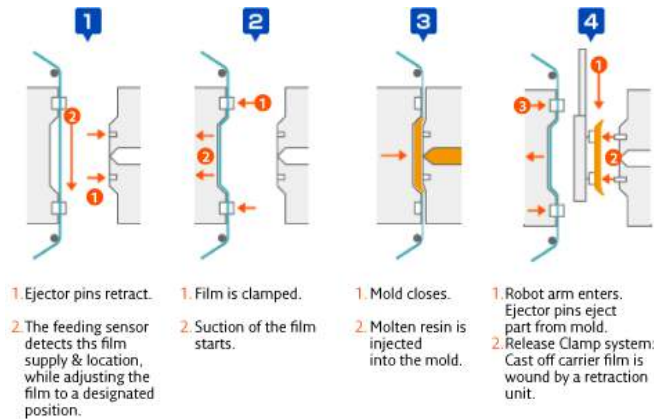


IMD's unique mechanisms

IMD is a "printing" technology that allows images to be attached to three-dimensional plastic. How are we able to attach images to something that isn't flat?

The answer is provided by a unique technique used by IMD to allow images to be attached within a mold.

IMD = In-mold Decoration (simultaneous molding and decorative transfer system)



Nissha's Metallized paper is used in products by approximately 300 companies in 80 countries



Metallized paper is a special paper with a metallic layer vacuum deposited on the surface for decorative effect. With the appearance of metal but the properties of paper, such as biodegradability, metallized paper is garnering interest as an excellent material for environment-friendly packaging.

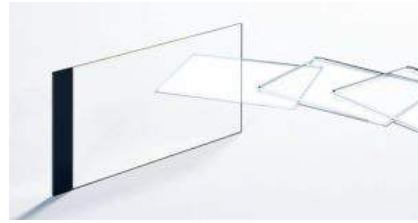
Nissha's metallized paper is used widely in the labels and packaging of beverage, food, and consumer products by approximately 300 companies in 80 countries.

>for more detail, please check this link.

http://www.nissha.com/english/products/industrial_m/metallize.html

Revolutionizing Sensing Technology

Nissha's FineTouch leads the way in touch input technology. This technology is used in today's mobile phones, as well as in gaming and digital devices all over the world, and continues to open doors to exciting new possibilities in a long list of industries and technologies. With an eye toward future trends in the market, we are pushing the boundaries of touch-input functionality to create advanced sensing devices of superior quality. Our developments in this area include a force sensor that can detect the slightest touch with a high degree of accuracy, and a flexible transmission antenna. We are committed to supplying our customers with Flexible and Smart Devices that change the way the world works and plays.



We also handle innovative Gas Sensors technology and systems combining Sensors with Wireless Technology.

* FineTouch is a Nissha's Touch Sensor with outstanding accuracy and functionality.

* FineTouch is a registered trademark or a trademark of Nissha Printing Co., Ltd.

Used in the following ways

Nissha makes small-to-medium-sized transparent Touch Sensors. These are largely supplied for use in smartphones, tablets and portable games gears. Touch Sensors have gained attention for their "usability" and "fun operation". Applications are gradually spreading to a variety of other devices. We are aiming to expanding into a wide range of businesses by providing devices, services, and systems with sensing functions in addition to Touch Sensors. These will be targeted at a range of markets, including Medical Devices and Health Care, Agriculture, Education, Housing Equipment, Industrial Equipment, and Automobiles.



Mobile Robotic Phone

"RoBoHoN" Sharp Corporation

*RoBoHoN is a trademark of Sharp Corporation



Mobile Gaming Gear

"Nintendo Switch™" Nintendo Co., Ltd.

*Nintendo Switch is a trademark of Nintendo Co., Ltd.



Industrial Equipment

"TC8000/TC51/TC56" Touch Computer Series
Zebra Technologies, Inc.

The force sensor

The force sensor is a touch sensor that detects the force of pressure (patent acquired). By identifying changes in pressure and the area covered as well as the position touched, it enables subtle input control and can reproduce even calligraphy-style brushstrokes. Applications are as diverse as ideas. The next-generation touch sensor promises broad use in a wide range of industries.

>for more detail, please check this link.
<http://www.nissha.com/english/products/dev/force.html>



Gas Sensors

Our gas sensor business, led by Nissha Group company FIS Inc., offers semiconductor gas sensors and applied equipment such as modules and finished products.

Along with expanding into home fuel cell systems and hydrogen stations and similar infrastructure, rather than being limited to fuel cell vehicles, we are further accelerating specific initiatives to create new business fields such as for medicine or POCT.

>for more detail, please check this link.
<http://www.nissha.com/english/products/dev/gas.html>



Used in the following ways

Sensors for gas alarms, Sensors for air purifiers and air conditioners, Breath alcohol checkers for the prevention of drunk driving (finished product), Halitosis analyzers (finished product), Hydrogen Detectors, etc.



Life Innovation

Contributing to Healthy and Enriched Life



Life Innovation aims to contribute to safe, secure, and healthy life through business activities in the fields of medical devices business. We manufacture and sell our own brand products to medical institutions, while also providing contract manufacturing services for major medical device manufacturers in the North and Central America and Europe.

*These products are currently not sold in Japan.

Medical Devices Brand —Vermed—



Vermed manufactures and provides dependable, high quality and easy to use consumable medical products such as electrodes, medical chart paper and medical surgical devices to service hospitals in the North and Central America and Europe.

Medical Devices Contract Manufacturing Brand —Biomedical Innovations—



Biomedical Innovations is the leading contract manufacturer for innovative concept or established medical product. We design, rapid prototype and manufacture. The products are wearables, surgical instrument, etc.

Information and Communication

Innovating Business Through Communication Design

Nissha identifies and clarifies the customers issues in communication strategies and designs communication policies to solve those issues. Nissha has a wide range of products and solution development expertise, including for Commercial Printing, Publication Printing, Sales Promotions, Web Solutions, Creative Design and Cultural Asset Art Solutions. We make full use of these, together with market research, the verification of effects, contents development and management, in order to realize overall communication policies which are adapted to the times.

* Nissha Printing Communications, Inc. operates the Information and Communication business of Nissha Printing Co., Ltd.



Service example

AR application "Cazasmart"

Nissha Printing Co., Ltd. has developed and released an AR (augmented reality) application "Cazasmart" which can display rich contents such as moving images and detailed information superimposedly by holding (cazasu, in Japanese) the built-in camera of a smart phone or tablet device over an image printed on a booklet, leaflet, poster, etc.



We also contribute to the preservation of important cultural assets for future generations

Nissha has had a close relationship to works of art and cultural assets through its printing activities. We are also involved in passing down cultural assets to future generations by utilizing our experience in the restoration and digital archiving through ultra-precision digital photography.



Editorial Policy

The Nissha CSR Report is published annually to serve as a communication tool for building a “mutually trustful Co-existence with society,” as set forth in our corporate mission. CSR Report 2017 is compiled with the objective of disclosing widely to our stakeholders information regarding Nissha’s initiatives and performance in fiscal year 2017 (April 2016–March 2017), following the editorial policy given below.

Guidelines Used as Reference

- The core option of the GRI Sustainability Reporting Standards
- Environmental Reporting Guidelines 2012, issued by the Japanese Ministry of the Environment

Period Covered

The information contained in this report, in principle, covers the period from April 2016 to March 2017. Some reporting is also done regarding activities carried out after April 2017.

Publication Dates

Current issue: June 2017
Next issue: March 2018 (planned)
Last issue: June 2016

Scope of Reporting

The information and data contained in this report focus mainly on activities conducted by the Nissha Group. Where information for the entire group is not available, the scope of reporting is indicated separately. “Nissha Printing Co., Ltd.” refers to the parent company alone. “Nissha” and “Nissha Group” refer to Nissha Printing Co., Ltd. and its group companies. “Global Headquarters” refers to the global headquarters and associated companies located within the global headquarters premises. The major affiliated companies of each Nissha business are given below. Significant activities conducted by companies in our supply chain are also included in this report.

Major Affiliated Companies and Businesses

Companies	Major Businesses
Nitec Industries, Inc.	Industrial Materials
Nitec Precision and Technologies, Inc.	Devices
SiMICS Co., Ltd.	Devices
FIS Inc.	Devices
Nissha Printing Communications, Inc.	Information and Communication
Nitec Printing Co., Ltd.	Information and Communication
Nissha F8, Inc.	Information and Communication
M crossing Co., Ltd.	Others

Nissha Business Service Co., Ltd.	Others
Nissha USA, Inc.	Industrial Materials, Devices
Eimo Technologies, Inc.	Industrial Materials
Si-Cal Technologies, Inc.	Industrial Materials
PMX Technologies, S.A. de C.V.	Industrial Materials
Graphic Controls Acquisition Corp.	Life Innovation
Nissha Europe GmbH	Industrial Materials, Devices
Schuster Kunststofftechnik GmbH	Industrial Materials
Back Stickers GmbH	Industrial Materials
Nissha Luxembourg Holdings S.a r.l	Industrial Materials
AR Metallizing N.V.	Industrial Materials
AR Metallizing S.r.l.	Industrial Materials
AR Metallizing Ltd.	Industrial Materials
ARM Embalagens Ltda.	Industrial Materials
Málaga Productos Metalizados Ltda.	Industrial Materials
Nissha Korea Inc.	Industrial Materials, Devices
Nissha Industrial and Trading (Shenzhen) Co., Ltd.	Industrial Materials
Nissha (Kunshan) Precision IMD Mold Co., Ltd.	Industrial Materials, Devices
Guangzhou Nissha High Precision Plastics Co., Ltd.	Industrial Materials
Hong Kong Nissha Co., Ltd.	Industrial Materials
Taiwan Nissha Co., Ltd.	Industrial Materials, Devices
Nissha Industrial and Trading Malaysia Sdn. Bhd.	Industrial Materials
Southern Nissha Sdn. Bhd.	Industrial Materials
Nissha Vietnam Co., Ltd.	Devices

Variations in Scope of Reporting

Changes in Nissha Group companies in fiscal year 2017 and their impact on the scope of reporting are given in the table below.

Date	Contents	Impact on scope of reporting
June 2016	Nissha Group company Nitec Industries, Inc. closed its Tsu Factory. (The site became a production base of the Devices business in FY2018.)	CSR Report 2017 contains information on the Tsu Factory ranging primarily from April to June 2016.

Date	Contents	Impact on scope of reporting
Aug. 2016	Nissha Printing Co., Ltd. consolidated subsidiary Nissha Medical International, Inc. acquired the shares of Graphic Controls Holdings, Inc., making the holding company's business company Graphic Controls Acquisition Corp., along with its group companies, subsidiaries of the Nissha Group.	CSR Report 2017 contains some information on Graphic Controls Acquisition Corp. and group companies ranging from December 2016 to March 2017.
Oct. 2016	Nissha Printing Co., Ltd. consolidated subsidiary Nissha Europe GmbH acquired the shares of Schuster Kunststofftechnik GmbH and Back Stickers GmbH, making the companies, along with their group companies, subsidiaries of the Nissha Group.	CSR Report 2017 contains some information on Schuster Kunststofftechnik GmbH, Back Stickers GmbH, and group companies ranging from December 2016 to March 2017.
Jan. 2017	Nissha Printing Co., Ltd. consolidated subsidiary Nissha Industrial and Trading Malaysia Sdn. Bhd. and Malaysian building materials maker Scanwolf Plastic Industries Sdn. Bhd. established the joint venture Nissha Flooring Industries Sdn. Bhd.	The event has no impact on the contents of CSR Report 2017.
Mar. 2017	Nissha Group company Nitec Precision and Technologies, Inc. established Nissha Vietnam Co., Ltd. as a base of the Devices business.	The event has no impact on the contents of CSR Report 2017.

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<http://nissha.com/english/inquiry.html>

GRI Content Index

Nissha CSR Report 2017 conforms to the core option of the GRI Sustainability Reporting Standards.

The comparison table of GRI Standards and Nissha reporting are given below.

GRI Content Index	Disclosure			Location in CSR Report	Pages on PDF
General Disclosures					
1. Organizational profile					
GRI 102 : General Disclosures 2016	102-1	Name of the organization	a. Name of the organization.	Company Outline	103-105
	102-2	Activities, brands, products, and services	a. A description of the organization's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	What's Nissha?	106-112
	102-3	Location of headquarters	a. Location of the organization's headquarters.	Company Outline	103-105
	102-4	Location of operations	a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	Nissha Group	103-105
	102-5	Ownership and legal form	a. Nature of ownership and legal form.	Company Outline	103-105
	102-6	Markets served	a. Markets served, including: i. geographic locations where products and services are offered; ii. sectors served; iii. types of customers and beneficiaries.	What's Nissha?	106-112
	102-7	Scale of the organization	a. Scale of the organization, including: i. total number of employees; ii. total number of operations; iii. net sales (for private sector organizations) or net revenues (for public sector organizations); iv. total capitalization (for private sector organizations) broken down in terms of debt and equity; v. quantity of products or services provided.	Company Outline What's Nissha?	103-105 106-112
	102-8	Information on employees and other workers	a. Total number of employees by employment contract (permanent and temporary), by gender. b. Total number of employees by employment contract (permanent and temporary), by region. c. Total number of employees by employment type (full-time and part-time), by gender. d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees. e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or	Respect for Diversity >Composition of "Nissha People"	40-43

			agricultural industries). f. An explanation of how the data have been compiled, including any assumptions made.		
102-9	Supply chain		a. A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.	Partnership with Our Suppliers > Expansion of Our Supply Chain * We are considering disclosure of our supply chain for Life Innovation business.	87
102-10	Significant changes to the organization and its supply chain		a. Significant changes to the organization's size, structure, ownership, or supply chain, including: i. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions; ii. Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations); iii. Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.	Environmental Impact as a Result of Business Operations Editorial Policy	64-65 113-115
102-11	Precautionary Principle or approach		a. Whether and how the organization applies the Precautionary Principle or approach.	Corporate Governance > Risk Management Environmental Policy and Management Structures > Continuous Improvements in the Environmental Management System (EMS)	25-26 59-60
102-12	External initiatives		a. A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.	CEO Message Nissha's CSR > United Nations Global Compact	2-3 12
102-13	Membership of associations		a. A list of the main memberships of industry or other associations, and national or international advocacy organizations.	Along with Local Communities > Membership in Community Organizations	102
2. Strategy					
102-14	Statement from senior decision-maker		a. A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	CEO Message	2-3
102-15	Key impacts, risks, and opportunities		a. A description of key impacts, risks, and opportunities.	CEO Message Nissha's CSR > Materiality	2-3 6-8
3. Ethics and integrity					
102-16	Values, principles, standards, and norms of behavior		a. A description of the organization's values, principles, standards, and norms of behavior.	Nissha's CSR > Approach to CSR	4
102-17	Mechanisms for advice and concerns about ethics		a. A description of internal and external mechanisms for: i. seeking advice about ethical and lawful behavior, and organizational integrity;	Human Rights > Hotline	33

			ii. reporting concerns about unethical or unlawful behavior, and organizational integrity.		
4. Governance					
	102-18	Governance structure	a. Governance structure of the organization, including committees of the highest governance body. b. Committees responsible for decision-making on economic, environmental, and social topics.	Corporate Governance > Overview of Corporate Governance Nissha's CSR > CSR Management	16-23 5
	102-19	Delegating authority	a. Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees.	Nissha's CSR > CSR Management	5
	102-20	Executive-level responsibility for economic, environmental, and social topics	a. Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics. b. Whether post holders report directly to the highest governance body.	Nissha's CSR > CSR Management	5
	102-21	Consulting stakeholders on economic, environmental, and social topics	a. Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics. b. If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body.	Corporate Governance > Overview of Corporate Governance Nissha's CSR > CSR Management Human Rights > Freedom of Association and Collective Bargaining, Relationship with Labor Union	16-23 5 34-35
	102-22	Composition of the highest governance body and its committees	a. Composition of the highest governance body and its committees by: i. executive or non-executive; ii. independence; iii. tenure on the governance body; iv. number of each individual's other significant positions and commitments, and the nature of the commitments; v. gender; vi. membership of under-represented social groups; vii. competencies relating to economic, environmental, and social topics; viii. stakeholder representation.	Corporate Governance > Overview of Corporate Governance Respect for Diversity > Composition of "Nissha People"	16-23 40-43
	102-23	Chair of the highest governance body	a. Whether the chair of the highest governance body is also an executive officer in the organization. b. If the chair is also an executive officer, describe his or her function within the organization's management and the reasons for this arrangement.	Corporate Governance > Overview of Corporate Governance > Role of the Board of Directors	19
	102-24	Nominating and selecting the highest governance body	a. Nomination and selection processes for the highest governance body and its committees. b. Criteria used for nominating and selecting highest governance body members, including whether and how: i. stakeholders (including shareholders) are involved; ii. diversity is considered; iii. independence is considered; iv. expertise and experience relating to economic, environmental, and social topics are considered.	Corporate Governance > Overview of Corporate Governance	16-23
	102-25	Conflicts of interest	a. Processes for the highest governance body to	Corporate Governance	19

			<p>ensure conflicts of interest are avoided and managed.</p> <p>b. Whether conflicts of interest are disclosed to stakeholders, including, as a minimum:</p> <p>i. Cross-board membership;</p> <p>ii. Cross-shareholding with suppliers and other stakeholders;</p> <p>iii. Existence of controlling shareholder;</p> <p>iv. Related party disclosures.</p>	<p>> Overview of Corporate Governance</p> <p>> Role of the Board of Directors</p>	
	102-26	Role of highest governance body in setting purpose, values, and strategy	a. Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.	<p>Nissha's CSR > Approach to CSR</p> <p>Nissha's CSR > CSR Management</p> <p>Corporate Governance</p> <p>> Internal Control System</p>	<p>4</p> <p>5</p> <p>23-25</p>
	102-27	Collective knowledge of highest governance body	a. Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.		
	102-28	Evaluating the highest governance body's performance	<p>a. Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics.</p> <p>b. Whether such evaluation is independent or not, and its frequency.</p> <p>c. Whether such evaluation is a self-assessment.</p> <p>d. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.</p>		
	102-29	Identifying and managing economic, environmental, and social impacts	<p>a. Highest governance body's role in identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities – including its role in the implementation of due diligence processes.</p> <p>b. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental, and social topics and their impacts, risks, and opportunities.</p>	<p>Nissha's CSR > Approach to CSR</p> <p>Nissha's CSR > CSR Management</p> <p>Corporate Governance</p> <p>> Internal Control System</p>	<p>4</p> <p>5</p> <p>23-25</p>
	102-30	Effectiveness of risk management processes	a. Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental, and social topics.	<p>Nissha's CSR > Approach to CSR</p> <p>Nissha's CSR > CSR Management</p> <p>Corporate Governance</p> <p>> Internal Control System</p>	<p>4</p> <p>5</p> <p>23-25</p>
	102-31	Review of economic, environmental, and social topics	a. Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.	<p>Nissha's CSR > Approach to CSR</p> <p>Nissha's CSR > CSR Management</p> <p>Corporate Governance</p> <p>> Internal Control System</p>	<p>4</p> <p>5</p> <p>23-25</p>
	102-32	Highest governance body's role in sustainability reporting	a. The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material topics are covered.	Nissha's CSR > Materiality	6-8
	102-33	Communicating critical concerns	a. Process for communicating critical concerns to the highest governance body.	<p>Nissha's CSR > Approach to CSR</p> <p>Nissha's CSR > CSR Management</p> <p>Corporate Governance</p>	<p>4</p> <p>5</p> <p>23-25</p>

				> Internal Control System	
	102-34	Nature and total number of critical concerns	a. Total number and nature of critical concerns that were communicated to the highest governance body. b. Mechanism(s) used to address and resolve critical concerns.	Nissha's CSR > CSR Management	5
	102-35	Remuneration policies	a. Remuneration policies for the highest governance body and senior executives for the following types of remuneration: i. Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares; ii. Sign-on bonuses or recruitment incentive payments; iii. Termination payments; iv. Clawbacks; v. Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees. b. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.	Corporate Governance > Overview of Corporate Governance > Nomination and Remuneration Committee, Policy on Determining Remuneration of Directors, Members of the Board and Audit and Supervisory Board Members	19-21
	102-36	Process for determining remuneration	a. Process for determining remuneration. b. Whether remuneration consultants are involved in determining remuneration and whether they are independent of management. c. Any other relationships that the remuneration consultants have with the organization.	Corporate Governance > Overview of Corporate Governance > Nomination and Remuneration Committee, Policy on Determining Remuneration of Directors, Members of the Board and Audit and Supervisory Board Members	19-21
	102-37	Stakeholders' involvement in remuneration	a. How stakeholders' views are sought and taken into account regarding remuneration. b. If applicable, the results of votes on remuneration policies and proposals.		
	102-38	Annual total compensation ratio	a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.		
	102-39	Percentage increase in annual total compensation ratio	a. Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.		
5. Stakeholder engagement					
	102-40	List of stakeholder groups	a. A list of stakeholder groups engaged by the organization.	Nissha's CSR > Nissha's Stakeholders	8-11
	102-41	Collective bargaining agreements	a. Percentage of total employees covered by collective bargaining agreements.	Human Rights > Relationship with Labor Union	35
	102-42	Identifying and selecting	a. The basis for identifying and selecting stakeholders	Nissha's CSR >	8-11

		stakeholders	with whom to engage.	Nissha's Stakeholders	
	102-43	Approach to stakeholder engagement	a. The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Nissha's CSR > Nissha's Stakeholders	8-11
	102-44	Key topics and concerns raised	a. Key topics and concerns that have been raised through stakeholder engagement, including: i. how the organization has responded to those key topics and concerns, including through its reporting; ii. the stakeholder groups that raised each of the key topics and concerns.	Nissha's CSR > Nissha's Stakeholders Partnership with Our Suppliers > CSR Supplier Audits Human Rights > Building and Operation of a Management System, Freedom of Association and Collective Bargaining	8-11 88-89 33-34
6. Reporting practice					
	102-45	Entities included in the consolidated financial statements	a. A list of all entities included in the organization's consolidated financial statements or equivalent documents. b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	Editorial Policy > Scope of Reporting Nissha Group	113 103-105
	102-46	Defining report content and topic Boundaries	a. An explanation of the process for defining the report content and the topic Boundaries. b. An explanation of how the organization has implemented the Reporting Principles for defining report content.	Nissha's CSR > Materiality	6-8
	102-47	List of material topics	a. A list of the material topics identified in the process for defining report content.	Nissha's CSR > Materiality	6-8
	102-48	Restatements of information	a. The effect of any restatements of information given in previous reports, and the reasons for such restatements.	Safety and Health > Occurrence of Work-related Accidents Prevention of Further Global Warming > Status of CO ₂ Emissions at Nissha	54 66-68
	102-49	Changes in reporting	a. Significant changes from previous reporting periods in the list of material topics and topic Boundaries.	Editorial Policy > Variations in Scope of Reporting	114-115
	102-50	Reporting period	a. Reporting period for the information provided.	Editorial Policy > Period Covered	113
	102-51	Date of most recent report	a. If applicable, the date of the most recent previous report.	Editorial Policy > Period Covered	113
	102-52	Reporting cycle	a. Reporting cycle.	Editorial Policy > Period Covered	113
	102-53	Contact point for questions regarding the report	a. The contact point for questions regarding the report or its contents.	Editorial Policy > Publishing Division and Contact for Inquiries	115
	102-54	Claims of reporting in accordance with the GRI Standards	a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: i. 'This report has been prepared in accordance with	GRI Content Index Editorial Policy	116-155 113-115

			the GRI Standards: Core option’; ii. ‘This report has been prepared in accordance with the GRI Standards: Comprehensive option’.		
	102-55	GRI content index	a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report. b. For each disclosure, the content index shall include: i. the number of the disclosure (for disclosures covered by the GRI Standards); ii. the page number(s) or URL(s) where the information can be found, either within the report or in other published materials; iii. if applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.	GRI Content Index	116-155
	102-56	External assurance	a. A description of the organization’s policy and current practice with regard to seeking external assurance for the report. b. If the report has been externally assured: i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; ii. The relationship between the organization and the assurance provider; iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization’s sustainability report.	Assurance has not been sought for the sustainability report.	
Material topics					
Economic					
Economic Performance					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization’s involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.		
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives		
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of		

			<p>the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>		
GRI 201 : Economic Performance 2016	201-1	Direct economic value generated and distributed	<p>a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:</p> <p>i. Direct economic value generated: revenues;</p> <p>ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;</p> <p>iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.</p> <p>b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.</p>	Distribution of Added Value to Stakeholders	30
	201-2	Financial implications and other risks and opportunities due to climate change	<p>a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including:</p> <p>i. a description of the risk or opportunity and its classification as either physical, regulatory, or other;</p> <p>ii. a description of the impact associated with the risk or opportunity;</p> <p>iii. the financial implications of the risk or opportunity before action is taken;</p> <p>iv. the methods used to manage the risk or opportunity;</p> <p>v. the costs of actions taken to manage the risk or opportunity.</p>		
	201-3	Defined benefit plan obligations and other retirement plans	<p>a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities.</p> <p>b. If a separate fund exists to pay the plan's pension liabilities:</p> <p>i. the extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them;</p> <p>ii. the basis on which that estimate has been arrived at;</p> <p>iii. when that estimate was made.</p> <p>c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage.</p> <p>d. Percentage of salary contributed by employee or employer.</p> <p>e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.</p>		
	201-4	Financial assistance received from government	<p>a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including:</p> <p>i. tax relief and tax credits;</p> <p>ii. subsidies;</p> <p>iii. investment grants, research and development grants, and other relevant types of grant;</p> <p>iv. awards;</p>		

			<p>v. royalty holidays;</p> <p>vi. financial assistance from Export Credit Agencies (ECAs);</p> <p>vii. financial incentives;</p> <p>viii. other financial benefits received or receivable from any government for any operation.</p> <p>b. The information in 201-4-a by country.</p> <p>c. Whether, and the extent to which, any government is present in the shareholding structure.</p>		
Market Presence					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>		
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>		
GRI 202 : Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	<p>a. When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage.</p> <p>b. When a significant proportion of other workers (excluding employees) performing the organization's activities are compensated based on wages subject to minimum wage rules, describe the actions taken to determine whether these workers are paid above the minimum wage.</p> <p>c. Whether a local minimum wage is absent or variable at significant locations of operation, by gender. In circumstances in which different minimums can be used as a reference, report which minimum wage is being used.</p> <p>d. The definition used for 'significant locations of operation'.</p>		
	202-2	Proportion of senior management hired from	<p>a. Percentage of senior management at significant locations of operation that are hired from the local</p>	Respect for Diversity > Composition of	40-43

		the local community	community. b. The definition used for 'senior management'. c. The organization's geographical definition of 'local'. d. The definition used for 'significant locations of operation'.	"Nissha People"	
Indirect Economic Impacts					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.		
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives		
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.		
GRI 203 : Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	a. Extent of development of significant infrastructure investments and services supported. b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. Whether these investments and services are commercial, in-kind, or pro bono engagements.		
	203-2	Significant indirect economic impacts	a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts. b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.		
Procurement Practices					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the		

			<p>impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>		
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>		
GRI 204 : Procurement Practices 2016	204-1	Proportion of spending on local suppliers	<p>a. Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally).</p> <p>b. The organization's geographical definition of 'local'.</p> <p>c. The definition used for 'significant locations of operation'.</p>		
Anti-corruption *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline Corporate Ethics and Compliance > Guideline of the Corporate Ethics and Compliance, Promotion Structure and Initiatives Initiatives Related to Anti-corruption	<p>5</p> <p>6-8</p> <p>33</p> <p>28-29</p> <p>92</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p>	Nissha's CSR > CSR Management	<p>5</p>

			ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.		
GRI 205 : Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	a. Total number and percentage of operations assessed for risks related to corruption. b. Significant risks related to corruption identified through the risk assessment.		
	205-2	Communication and training about anti-corruption policies and procedures	a. Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region. b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region. c. Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations. d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region. e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	Initiatives Related to Anti-corruption Corporate Ethics and Compliance > Promotion Structure and Initiatives	92 28-29
	205-3	Confirmed incidents of corruption and actions taken	a. Total number and nature of confirmed incidents of corruption. b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption. c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.		
Anti-competitive Behavior					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline Corporate Ethics and Compliance > Guideline of the Corporate Ethics and Compliance,	5 6-8 33 28-29

			vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Promotion Structure and Initiatives	
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Nissha's CSR > CSR Management	5
GRI 206 : Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	a. Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant. b. Main outcomes of completed legal actions, including any decisions or judgments.		
Environmental					
Materials					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.		
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives		
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.		
GRI 301 : Materials 2016	301-1	Materials used by weight or volume	a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: i. non-renewable materials used; ii. renewable materials used.	Environmental Impact as a Result of Business Operations	64-65
	301-2	Recycled input materials used	a. Percentage of recycled input materials used to manufacture the organization's primary products and services.		

	301-3	Reclaimed products and their packaging materials	<p>a. Percentage of reclaimed products and their packaging materials for each product category.</p> <p>b. How the data for this disclosure have been collected.</p>		
Energy *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline Environmental Policy and Management Structures Environmental Objectives and Status of Achievement	<p>5</p> <p>6-8</p> <p>33</p> <p>58-60</p> <p>61-63</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	Nissha's CSR > CSR Management	<p>5</p>
	302-1	Energy consumption within the organization	<p>a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.</p> <p>b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.</p> <p>c. In joules, watt-hours or multiples, the total:</p> <p>i. electricity consumption</p> <p>ii. heating consumption</p> <p>iii. cooling consumption</p> <p>iv. steam consumption</p> <p>d. In joules, watt-hours or multiples, the total:</p> <p>i. electricity sold</p> <p>ii. heating sold</p> <p>iii. cooling sold</p> <p>iv. steam sold</p> <p>e. Total energy consumption within the organization, in joules or multiples.</p> <p>f. Standards, methodologies, assumptions, and/or calculation tools used.</p> <p>g. Source of the conversion factors used.</p>	Environmental Impact as a Result of Business Operations Prevention of Further Global Warming	<p>64-65</p> <p>66-69</p>
	302-2	Energy consumption outside of the organization	<p>a. Energy consumption outside of the organization, in joules or multiples.</p> <p>b. Standards, methodologies, assumptions, and/or</p>		

			<p>calculation tools used.</p> <p>c. Source of the conversion factors used.</p>		
	302-3	Energy intensity	<p>a. Energy intensity ratio for the organization.</p> <p>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</p> <p>c. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.</p> <p>d. Whether the ratio uses energy consumption within the organization, outside of it, or both.</p>	Prevention of Further Global Warming	66-69
	302-4	Reduction of energy consumption	<p>a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.</p> <p>b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.</p> <p>c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</p> <p>d. Standards, methodologies, assumptions, and/or calculation tools used.</p>		
	302-5	Reductions in energy requirements of products and services	<p>a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples.</p> <p>b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</p> <p>c. Standards, methodologies, assumptions, and/or calculation tools used.</p>		
Water					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline Environmental Policy and Management Structures	5 6-8 33 58-60
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	Nissha's CSR > CSR Management	5
GRI 303 : Water 2016	303-1	Water withdrawal by	a. Total volume of water withdrawn, with a breakdown	Environmental Impact	64-65

		source	<p>by the following sources:</p> <ul style="list-style-type: none"> i. Surface water, including water from wetlands, rivers, lakes, and oceans; ii. Ground water; iii. Rainwater collected directly and stored by the organization; iv. Waste water from another organization; v. Municipal water supplies or other public or private water utilities. <p>b. Standards, methodologies, and assumptions used.</p>	as a Result of Business Operations	
	303-2	Water sources significantly affected by withdrawal of water	<p>a. Total number of water sources significantly affected by withdrawal by type:</p> <ul style="list-style-type: none"> i. Size of the water source; ii. Whether the source is designated as a nationally or internationally protected area; iii. Biodiversity value (such as species diversity and endemism, and total number of protected species); iv. Value or importance of the water source to local communities and indigenous peoples. <p>b. Standards, methodologies, and assumptions used.</p>		
	303-3	Water recycled and reused	<p>a. Total volume of water recycled and reused by the organization.</p> <p>b. Total volume of water recycled and reused as a percentage of the total water withdrawal as specified in Disclosure 303-1.</p> <p>c. Standards, methodologies, and assumptions used.</p>		
Biodiversity					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <ul style="list-style-type: none"> i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary. 		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <ul style="list-style-type: none"> i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives 		
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <ul style="list-style-type: none"> i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach. 		
GRI 304 : Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or	a. For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high		

		adjacent to, protected areas and areas of high biodiversity value outside protected areas	<p>biodiversity value outside protected areas, the following information:</p> <ul style="list-style-type: none"> i. Geographic location; ii. Subsurface and underground land that may be owned, leased, or managed by the organization; iii. Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas; iv. Type of operation (office, manufacturing or production, or extractive); v. Size of operational site in km2 (or another unit, if appropriate); vi. Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem); vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation). 		
	304-2	Significant impacts of activities, products, and services on biodiversity	<ul style="list-style-type: none"> a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following: <ul style="list-style-type: none"> i. Construction or use of manufacturing plants, mines, and transport infrastructure; ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources); iii. Introduction of invasive species, pests, and pathogens; iv. Reduction of species; v. Habitat conversion; vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level). b. Significant direct and indirect positive and negative impacts with reference to the following: <ul style="list-style-type: none"> i. Species affected; ii. Extent of areas impacted; iii. Duration of impacts; iv. Reversibility or irreversibility of the impacts. 		
	304-3	Habitats protected or restored	<ul style="list-style-type: none"> a. Size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals. b. Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures. c. Status of each area based on its condition at the close of the reporting period. d. Standards, methodologies, and assumptions used. 		
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<ul style="list-style-type: none"> a. Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk: <ul style="list-style-type: none"> i. Critically endangered ii. Endangered iii. Vulnerable iv. Near threatened v. Least concern 		

Emissions *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	Nissha's CSR > CSR Management Nissha's CSR > Materiality Nissha's CSR > Nissha's Stakeholders > External Assessment Human Rights > Hotline Environmental Policy and Management Structures Environmental Objectives and Status of Achievement	<p>5</p> <p>6-8</p> <p>10-11</p> <p>33</p> <p>58-60</p> <p>61-63</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	Nissha's CSR > CSR Management	<p>5</p>
GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG emissions	<p>a. Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent.</p> <p>b. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent.</p> <p>d. Base year for the calculation, if applicable, including:</p> <p>i. the rationale for choosing it;</p> <p>ii. emissions in the base year;</p> <p>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</p> <p>e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>f. Consolidation approach for emissions; whether equity share, financial control, or operational control.</p> <p>g. Standards, methodologies, assumptions, and/or calculation tools used.</p>	Environmental Impact as a Result of Business Operations Prevention of Further Global Warming	<p>64-65</p> <p>66-69</p>
	305-2	Energy indirect (Scope 2) GHG emissions	<p>a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.</p> <p>b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.</p> <p>c. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>d. Base year for the calculation, if applicable, including:</p> <p>i. the rationale for choosing it;</p> <p>ii. emissions in the base year;</p>		

		<p>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</p> <p>e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>f. Consolidation approach for emissions; whether equity share, financial control, or operational control.</p> <p>g. Standards, methodologies, assumptions, and/or calculation tools used.</p>		
305-3	Other indirect (Scope 3) GHG emissions	<p>The reporting organization shall report the following information:</p> <p>a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent.</p> <p>b. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent.</p> <p>d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.</p> <p>e. Base year for the calculation, if applicable, including:</p> <p>i. the rationale for choosing it;</p> <p>ii. emissions in the base year;</p> <p>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</p> <p>f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>g. Standards, methodologies, assumptions, and/or calculation tools used.</p>	Prevention of Further Global Warming > Initiative in Scope 3 Management	69
305-4	GHG emissions intensity	<p>a. GHG emissions intensity ratio for the organization.</p> <p>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</p> <p>c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).</p> <p>d. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p>	Prevention of Further Global Warming	66-69
305-5	Reduction of GHG emissions	<p>a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO₂ equivalent.</p> <p>b. Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.</p> <p>c. Base year or baseline, including the rationale for choosing it.</p> <p>d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).</p> <p>e. Standards, methodologies, assumptions, and/or calculation tools used.</p>	Prevention of Further Global Warming > Status of CO ₂ Emissions at Nissha	66-69
305-6	Emissions of ozone-depleting substances (ODS)	<p>a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent.</p> <p>b. Substances included in the calculation.</p> <p>c. Source of the emission factors used.</p> <p>d. Standards, methodologies, assumptions, and/or calculation tools used.</p>		
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	<p>a. Significant air emissions, in kilograms or multiples, for each of the following:</p> <p>i. NOX</p> <p>ii. SOX</p> <p>iii. Persistent organic pollutants (POP)</p> <p>iv. Volatile organic compounds (VOC)</p>		

			v. Hazardous air pollutants (HAP) vi. Particulate matter (PM) vii. Other standard categories of air emissions identified in relevant regulations b. Source of the emission factors used. c. Standards, methodologies, assumptions, and/or calculation tools used.		
Effluents and Waste *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Nissha's CSR > CSR Management Nissha's CSR > Materiality Nissha's CSR > Nissha's Stakeholders > External Assessment Human Rights > Hotline Environmental Policy and Management Structures Environmental Objectives and Status of Achievement	5 6-8 10-11 33 58-60 61-63
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Nissha's CSR > CSR Management	5
GRI 306 : Effluents and Waste 2016	306-1	Water discharge by quality and destination	a. Total volume of planned and unplanned water discharges by: i. destination; ii. quality of the water, including treatment method; iii. whether the water was reused by another organization. b. Standards, methodologies, and assumptions used.	Environmental Impact as a Result of Business Operations	64-65
	306-2	Waste by type and disposal method	a. Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable: i. Reuse ii. Recycling iii. Composting iv. Recovery, including energy recovery v. Incineration (mass burn) vi. Deep well injection vii. Landfill viii. On-site storage ix. Other (to be specified by the organization) b. Total weight of non-hazardous waste, with a breakdown by the following disposal methods where	Environmental Impact as a Result of Business Operations Status of Waste Generation at Bases	64-65 76-78

			<p>applicable:</p> <ul style="list-style-type: none"> i. Reuse ii. Recycling iii. Composting iv. Recovery, including energy recovery v. Incineration (mass burn) vi. Deep well injection vii. Landfill viii. On-site storage ix. Other (to be specified by the organization) <p>c. How the waste disposal method has been determined:</p> <ul style="list-style-type: none"> i. Disposed of directly by the organization, or otherwise directly confirmed ii. Information provided by the waste disposal contractor iii. Organizational defaults of the waste disposal contractor 		
	306-3	Significant spills	<ul style="list-style-type: none"> a. Total number and total volume of recorded significant spills. b. The following additional information for each spill that was reported in the organization's financial statements: <ul style="list-style-type: none"> i. Location of spill; ii. Volume of spill; iii. Material of spill, categorized by: oil spills (soil or water surfaces), fuel spills (soil or water surfaces), spills of wastes (soil or water surfaces), spills of chemicals (mostly soil or water surfaces), and other (to be specified by the organization). c. Impacts of significant spills. 		
	306-4	Transport of hazardous waste	<ul style="list-style-type: none"> a. Total weight for each of the following: <ul style="list-style-type: none"> i. Hazardous waste transported ii. Hazardous waste imported iii. Hazardous waste exported iv. Hazardous waste treated b. Percentage of hazardous waste shipped internationally. c. Standards, methodologies, and assumptions used. 		
	306-5	Water bodies affected by water discharges and/or runoff	<ul style="list-style-type: none"> a. Water bodies and related habitats that are significantly affected by water discharges and/or runoff, including information on: <ul style="list-style-type: none"> i. the size of the water body and related habitat; ii. whether the water body and related habitat is designated as a nationally or internationally protected area; iii. the biodiversity value, such as total number of protected species. 		
Environmental Compliance					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: <ul style="list-style-type: none"> i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary. 	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	<ul style="list-style-type: none"> a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management 	Nissha's CSR > CSR Management Nissha's CSR >	5 6-8

			<p>approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	<p>Materiality</p> <p>Corporate Ethics and Compliance ></p> <p>Guideline of the Corporate Ethics and Compliance, Promotion Structure and Initiatives</p> <p>Human Rights ></p> <p>Hotline</p> <p>Environmental Policy and Management Structures</p>	<p>28-29</p> <p>33</p> <p>58-60</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	<p>Nissha's CSR > CSR Management</p>	5
GRI 307 : Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	<p>a. Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations in terms of:</p> <p>i. total monetary value of significant fines;</p> <p>ii. total number of non-monetary sanctions;</p> <p>iii. cases brought through dispute resolution mechanisms.</p> <p>b. If the organization has not identified any non-compliance with environmental laws and/or regulations, a brief statement of this fact is sufficient.</p>	<p>Environmental Objectives and Status of Achievement</p>	61-63
Supplier Environmental Assessment *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	<p>Nissha's CSR ></p> <p>Materiality</p> <p>Editorial Policy</p>	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	<p>Nissha's CSR > CSR Management</p> <p>Nissha's CSR ></p> <p>Materiality</p> <p>Human Rights ></p> <p>Hotline</p> <p>Environmental Policy and Management Structures</p> <p>Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits</p>	<p>5</p> <p>6-8</p> <p>33</p> <p>58-60</p> <p>86-89</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p>	<p>Nissha's CSR > CSR Management</p>	5

			iii. any related adjustments to the management approach.		
GRI 308 : Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	a. Percentage of new suppliers that were screened using environmental criteria.	Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits	86-89
	308-2	Negative environmental impacts in the supply chain and actions taken	a. Number of suppliers assessed for environmental impacts. b. Number of suppliers identified as having significant actual and potential negative environmental impacts. c. Significant actual and potential negative environmental impacts identified in the supply chain. d. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment. e. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.	Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits	86-89
Social					
Employment *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline, Building and Operation of a Management System Respect for Diversity > Enhancement of Systems and Communication Tools	5 6-8 33 44
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Nissha's CSR > CSR Management	5
GRI 401 : Employment 2016	401-1	New employee hires and employee turnover	a. Total number and rate of new employee hires during the reporting period, by age group, gender and region. b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.		
	401-2	Benefits provided to full-time employees that are	a. Benefits which are standard for full-time employees of the organization but are not provided to temporary		

		not provided to temporary or part-time employees	<p>or part-time employees, by significant locations of operation. These include, as a minimum:</p> <ul style="list-style-type: none"> i. life insurance; ii. health care; iii. disability and invalidity coverage; iv. parental leave; v. retirement provision; vi. stock ownership; vii. others. <p>b. The definition used for 'significant locations of operation'.</p>		
	401-3	Parental leave	<p>a. Total number of employees that were entitled to parental leave, by gender.</p> <p>b. Total number of employees that took parental leave, by gender.</p> <p>c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender.</p> <p>d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender.</p> <p>e. Return to work and retention rates of employees that took parental leave, by gender.</p>	<p>Support for Diverse Work Styles > Status of Major Long-term Leave and Time Taken Off from Work</p> <p><small>*We are considering future disclosure of overseas situation and efforts.</small></p>	48-50
Labor/Management Relations					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <ul style="list-style-type: none"> i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <ul style="list-style-type: none"> i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives 		
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <ul style="list-style-type: none"> i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach. 		
GRI 402 : Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	<p>a. Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them.</p> <p>b. For organizations with collective bargaining agreements, report whether the notice period and</p>	Human Rights > Relationship with Labor Union	35

			provisions for consultation and negotiation are specified in collective agreements.		
Occupational Health and Safety *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	Nissha's CSR > CSR Management Nissha's CSR > Materiality Nissha's CSR > Nissha's Stakeholders > External Assessment Human Rights > Hotline Human Resources Development > Safety and Health > Occupational Safety and Health Policy / Safety and Health Objectives, Safety and Health Management System / Safety and Health Subcommittee The Environment > Environmental Policy and Management Structures	<p>5</p> <p>6-8</p> <p>10-11</p> <p>33</p> <p>52-53</p> <p>58-60</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	Nissha's CSR > CSR Management	<p>5</p>
GRI 403 : Occupational Health and Safety 2016	403-1	Workers representation in formal joint management-worker health and safety committees	<p>a. The level at which each formal joint management-worker health and safety committee typically operates within the organization.</p> <p>b. Percentage of workers whose work, or workplace, is controlled by the organization, that are represented by formal joint management-worker health and safety committees.</p>	Safety and Health > Safety and Health Management System / Safety and Health Subcommittee Human Rights > Relationship with Labor Union	<p>52-53</p> <p>35</p>
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<p>a. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by:</p> <p>i. region;</p> <p>ii. gender.</p> <p>b. Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organization,</p>	Safety and Health > Occurrence of Work-related Accidents, Occurrence of Work-related Accidents	<p>54</p>

			<p>with a breakdown by:</p> <p>i. region;</p> <p>ii. gender.</p> <p>c. The system of rules applied in recording and reporting accident statistics.</p>		
	403-3	Workers with high incidence or high risk of diseases related to their occupation	a. Whether there are workers whose work, or workplace, is controlled by the organization, involved in occupational activities who have a high incidence or high risk of specific diseases.		
	403-4	Health and safety topics covered in formal agreements with trade unions	<p>a. Whether formal agreements (either local or global) with trade unions cover health and safety.</p> <p>b. If so, the extent, as a percentage, to which various health and safety topics are covered by these agreements.</p>		
Training and Education *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline, Building and Operation of a Management System Human Resources Development > Human Resources Development Policy, Approach to Human Resources Development	<p>5</p> <p>6-8</p> <p>33</p> <p>37-39</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	Nissha's CSR > CSR Management	5
GRI 404 : Training and Education 2016	404-1	Average hours of training per year per employee	<p>a. Average hours of training that the organization's employees have undertaken during the reporting period, by:</p> <p>i. gender;</p> <p>ii. employee category.</p>	Human Resources Development > Training Programs in Fiscal Year 2017	39
	404-2	Programs for upgrading employee skills and transition assistance programs	<p>a. Type and scope of programs implemented and assistance provided to upgrade employee skills.</p> <p>b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.</p>		
	404-3	Percentage of employees	a. Percentage of total employees by gender and by	Human Rights > Fair	34

		receiving regular performance and career development reviews	employee category who received a regular performance and career development review during the reporting period.	Evaluation and Treatment	
Diversity and Equal Opportunity *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline, Building and Operation of a Management System Human Resources Development > Programs to Promote Diversity Respect for Diversity	5 6-8 33 39 40-45
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Nissha's CSR > CSR Management	5
GRI 405 : Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories: i. Gender; ii. Age group: under 30 years old, 30-50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups). b. Percentage of employees per employee category in each of the following diversity categories: i. Gender; ii. Age group: under 30 years old, 30-50 years old, over 50 years old; iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).	Respect for Diversity > Composition of "Nissha People"	40-43
	405-2	Ratio of basic salary and remuneration of women to men	a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation. b. The definition used for 'significant locations of operation'.	Human Rights > Wage Management	34
Non-discrimination *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur;	Nissha's CSR > Materiality Editorial Policy	6-8 113-115

			<p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	<p>Nisssha's CSR > CSR Management</p> <p>Nisssha's CSR > Materiality</p> <p>Human Rights > Hotline, Basic Policy on Labor and Human Rights, Building and Operation of a Management System</p>	<p>5</p> <p>6-8</p> <p>32-33</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	<p>Nisssha's CSR > CSR Management</p>	5
GRI 406 : Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	<p>a. Total number of incidents of discrimination during the reporting period.</p> <p>b. Status of the incidents and actions taken with reference to the following:</p> <p>i. Incident reviewed by the organization;</p> <p>ii. Remediation plans being implemented;</p> <p>iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;</p> <p>iv. Incident no longer subject to action.</p>	Not applicable	
Freedom of Association and Collective Bargaining					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>		

	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>		
GRI 407 : Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<p>a. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of:</p> <p>i. type of operation (such as manufacturing plant) and supplier;</p> <p>ii. countries or geographic areas with operations and suppliers considered at risk.</p> <p>b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.</p>	<p>Human Rights > Freedom of Association and Collective Bargaining Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits</p>	<p>34</p> <p>86-89</p>
Child Labor					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	<p>Nissha's CSR > Materiality Editorial Policy</p>	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	<p>Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline Human Rights > Basic Policy on Labor and Human Rights, Building and Operation of a Management System</p>	<p>5</p> <p>6-8</p> <p>33</p> <p>32-33</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	<p>Nissha's CSR > CSR Management</p>	<p>5</p>
GRI 408 : Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	<p>a. Operations and suppliers considered to have significant risk for incidents of:</p> <p>i. child labor;</p> <p>ii. young workers exposed to hazardous work.</p> <p>b. Operations and suppliers considered to have significant risk for incidents of child labor either in terms of:</p> <p>i. type of operation (such as manufacturing plant) and supplier;</p> <p>ii. countries or geographic areas with operations and</p>	<p>Human Rights > Basic Policy on Labor and Human Rights Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits</p>	<p>32</p> <p>86-89</p>

			suppliers considered at risk. c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.		
Forced or Compulsory Labor *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline, Basic Policy on Labor and Human Rights, Building and Operation of a Management System	5 6-8 32-33
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Nissha's CSR > CSR Management	5
GRI 409 : Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of: i. type of operation (such as manufacturing plant) and supplier; ii. countries or geographic areas with operations and suppliers considered at risk. b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.	Human Rights > Basic Policy on Labor and Human Rights Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits	32 86-89
Security Practices					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.		
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach.		

			<p>c. A description of the following, if the management approach includes that component:</p> <ul style="list-style-type: none"> i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives 		
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <ul style="list-style-type: none"> i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach. 		
GRI 410 : Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	<p>a. Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security.</p> <p>b. Whether training requirements also apply to third-party organizations providing security personnel.</p>		
Rights of Indigenous Peoples					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <ul style="list-style-type: none"> i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary. 		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <ul style="list-style-type: none"> i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives 		
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <ul style="list-style-type: none"> i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach. 		
GRI 411 : Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	<p>a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period.</p> <p>b. Status of the incidents and actions taken with</p>		

			<p>reference to the following:</p> <ul style="list-style-type: none"> i. Incident reviewed by the organization; ii. Remediation plans being implemented; iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes; iv. Incident no longer subject to action. 		
Human Rights Assessment					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: <ul style="list-style-type: none"> i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary. 		
	103-2	The management approach and its components	<ul style="list-style-type: none"> a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: <ul style="list-style-type: none"> i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives 	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline, Building and Operation of a Management System	5 6-8 33
	103-3	Evaluation of the management approach	<ul style="list-style-type: none"> a. An explanation of how the organization evaluates the management approach, including: <ul style="list-style-type: none"> i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach. 	Nissha's CSR > CSR Management	5
GRI 412 : Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	<ul style="list-style-type: none"> a. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country. 	Human Rights > Building and Operation of a Management System	33
	412-2	Employee training on human rights policies or procedures	<ul style="list-style-type: none"> a. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations. b. Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations. 		
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<ul style="list-style-type: none"> a. Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening. b. The definition used for 'significant investment agreements'. 		
Local Communities					
GRI 103 :	103-1	Explanation of the	<ul style="list-style-type: none"> a. An explanation of why the topic is material. 		

Management Approach 2016		material topic and its Boundary	<p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>		
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>		
GRI 413 : Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	<p>a. Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of:</p> <p>i. social impact assessments, including gender impact assessments, based on participatory processes;</p> <p>ii. environmental impact assessments and ongoing monitoring;</p> <p>iii. public disclosure of results of environmental and social impact assessments;</p> <p>iv. local community development programs based on local communities' needs;</p> <p>v. stakeholder engagement plans based on stakeholder mapping;</p> <p>vi. broad based local community consultation committees and processes that include vulnerable groups;</p> <p>vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts;</p> <p>viii. formal local community grievance processes.</p>		
	413-2	Operations with significant actual and potential negative impacts on local communities	<p>a. Operations with significant actual and potential negative impacts on local communities, including:</p> <p>i. the location of the operations;</p> <p>ii. the significant actual and potential negative impacts of operations.</p>		
Supplier Social Assessment *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>

			<p>example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	<p>Nissha's CSR > CSR Management</p> <p>Nissha's CSR > Materiality</p> <p>Human Rights > Hotline</p> <p>Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits</p>	<p>5</p> <p>6-8</p> <p>33</p> <p>86-89</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	<p>Nissha's CSR > CSR Management</p>	5
GRI 414 : Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	<p>a. Percentage of new suppliers that were screened using social criteria.</p>	<p>Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits</p>	86-89
	414-2	Negative social impacts in the supply chain and actions taken	<p>a. Number of suppliers assessed for social impacts.</p> <p>b. Number of suppliers identified as having significant actual and potential negative social impacts.</p> <p>c. Significant actual and potential negative social impacts identified in the supply chain.</p> <p>d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.</p> <p>e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.</p>	<p>Partnership with Our Suppliers > Basic Purchasing Policy, CSR Supplier Audits</p>	86-89
Public Policy					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p>		

			ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives		
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.		
GRI 415 : Public Policy 2016	415-1	Political contributions	a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary. b. If applicable, how the monetary value of in-kind contributions was estimated.		
Customer Health and Safety					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Nissha's CSR > CSR Management Nissha's CSR > Materiality Nissha's CSR > Nissha's Stakeholders > External Assessment Human Rights > Hotline Corporate Ethics and Compliance > Guideline of the Corporate Ethics and Compliance, Promotion Structure and Initiatives Consumer Issues > Quality Slogan, Quality and Safety of Products	5 6-8 10-11 33 28-29 96-97
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Nissha's CSR > CSR Management	5

GRI 416 : Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.		
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:</p> <p>i. incidents of non-compliance with regulations resulting in a fine or penalty;</p> <p>ii. incidents of non-compliance with regulations resulting in a warning;</p> <p>iii. incidents of non-compliance with voluntary codes.</p> <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>	Consumer Issues > Quality and Safety of Products	97
Marketing and Labeling					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>		
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>		
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>		
GRI 417 : Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	<p>a. Whether each of the following types of information is required by the organization's procedures for product and service information and labeling:</p> <p>i. The sourcing of components of the product or service;</p> <p>ii. Content, particularly with regard to substances that might produce an environmental or social impact;</p> <p>iii. Safe use of the product or service;</p> <p>iv. Disposal of the product and environmental or social impacts;</p> <p>v. Other (explain).</p> <p>b. Percentage of significant product or service</p>		

			categories covered by and assessed for compliance with such procedures.		
	417-2	Incidents of non-compliance concerning product and service information and labeling	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, by:</p> <p>i. incidents of non-compliance with regulations resulting in a fine or penalty;</p> <p>ii. incidents of non-compliance with regulations resulting in a warning;</p> <p>iii. incidents of non-compliance with voluntary codes.</p> <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>		
	417-3	Incidents of non-compliance concerning marketing communications	<p>a. Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:</p> <p>i. incidents of non-compliance with regulations resulting in a fine or penalty;</p> <p>ii. incidents of non-compliance with regulations resulting in a warning;</p> <p>iii. incidents of non-compliance with voluntary codes.</p> <p>b. If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.</p>		
Customer Privacy *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline Initiatives Related to Information Security Nissha's CSR > Nissha's Stakeholders > External Assessment The Environment > Waste Management > Risk Management Related to Waste and Waste Converted in Valuable Resources	<p>5</p> <p>6-8</p> <p>33</p> <p>80-81</p> <p>10-11</p> <p>71</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	Nissha's CSR > CSR Management	<p>5</p>

GRI 418 : Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>a. Total number of substantiated complaints received concerning breaches of customer privacy, categorized by:</p> <p>i. complaints received from outside parties and substantiated by the organization;</p> <p>ii. complaints from regulatory bodies.</p> <p>b. Total number of identified leaks, thefts, or losses of customer data.</p> <p>c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.</p>	No complaint has been reported.	
Socioeconomic Compliance *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <p>i. where the impacts occur;</p> <p>ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</p> <p>c. Any specific limitation regarding the topic Boundary.</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>
	103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <p>i. Policies</p> <p>ii. Commitments</p> <p>iii. Goals and targets</p> <p>iv. Responsibilities</p> <p>v. Resources</p> <p>vi. Grievance mechanisms</p> <p>vii. Specific actions, such as processes, projects, programs and initiatives</p>	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline Corporate Ethics and Compliance > Guideline of the Corporate Ethics and Compliance, Promotion Structure and Initiatives	<p>5</p> <p>6-8</p> <p>33</p> <p>28-29</p>
	103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <p>i. the mechanisms for evaluating the effectiveness of the management approach;</p> <p>ii. the results of the evaluation of the management approach;</p> <p>iii. any related adjustments to the management approach.</p>	Nissha's CSR > CSR Management	5
GRI 419 : Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	<p>a. Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:</p> <p>i. total monetary value of significant fines;</p> <p>ii. total number of non-monetary sanctions;</p> <p>iii. cases brought through dispute resolution mechanisms.</p> <p>b. If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.</p> <p>c. The context against which significant fines and non-monetary sanctions were incurred.</p>	Consumer Issues > Quality and Safety of Products	97
Material topics specific in Nissha					
Grievance Mechanisms *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p>	Nissha's CSR > Materiality Editorial Policy	<p>6-8</p> <p>113-115</p>

			i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.		
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline, Relationship with Labor Union Corporate Ethics and Compliance	5 6-8 33-35 28-29
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Nissha's CSR > CSR Management	5
Index				Human Rights > Hotline	33
Transport *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	Nissha's CSR > Materiality Editorial Policy	6-8 113-115
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline	5 6-8 33
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach;	Nissha's CSR > CSR Management	5

			iii. any related adjustments to the management approach.		
Index					
Business Continuity Plan *					
GRI 103 : Management Approach 2016	103-1	Explanation of the material topic and its Boundary	a. An explanation of why the topic is material. b. The Boundary for the material topic, which includes a description of: i. where the impacts occur; ii. the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships. c. Any specific limitation regarding the topic Boundary.	Prevention of Further Global Warming > Initiative in Scope 3 Management Nissha's CSR > Materiality Editorial Policy	69 6-8 113-115
	103-2	The management approach and its components	a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives	Nissha's CSR > CSR Management Nissha's CSR > Materiality Human Rights > Hotline	5 6-8 33
	103-3	Evaluation of the management approach	a. An explanation of how the organization evaluates the management approach, including: i. the mechanisms for evaluating the effectiveness of the management approach; ii. the results of the evaluation of the management approach; iii. any related adjustments to the management approach.	Nissha's CSR > CSR Management	5
Index				Corporate Governance > Risk Management	25-26