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2015
Environmental
Report



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Message from the President

Dynic Corporation promotes corporate activities covering the stages from development through to disposal of products, considering the environmental preservation at any time.

The corporate objective of Dynic is to color our day-to-day life *abundant* and *comfortable*.

All employees of Dynic always take care to follow the Environmental Basic Policy, which is established for directing us to a habitable earth, and are working hard every day on environmentally-friendly corporate activities in consideration of harmony between technologies and the environment.

We at Dynic are not only making efforts to promote energy-saving activities including the introduction of LED lighting for the ceiling lights in factories, the reduction of fuel through the recycling of exhaust heat and the switching of transformers to those with higher efficiency, but we are also working on the reuse and recycling of waste materials, thereby proactively promoting the delivery of products featuring smaller environmental burdens by accelerating the reduction in the final disposal quantity.

To continue to be a trusted company in the future, all employees will enhance their efforts for the environmental programs in concert with the next generation, thereby promoting corporate activities to contribute to the preservation of the global environment.

To ensure further growth as a company that supports environmental preservation, we appreciate your honest opinions, guidance, and support.



A handwritten signature in black ink, reading "Yoshio Oishi".

Yoshio Oishi
President
Dynic Corporation

August 2015

Company Profile

Corporate Name	Dynic Corporation
Establishment	August 18, 1919
Capital	5,795,650,000 yen
Stock Listing	Listed on the first section of the Tokyo Stock Exchange
Amount of Sales	27.3billion yen (41 billion yen including the Group companies) (As of March 31, 2015)
Employees	606(1,427 including the Group companies) (As of March 31, 2015)
Head Office	Kyoto Head Office: 26 Daimon-cho, Nishikyogoku, Ukyo-ku, Kyoto 615-0812 Tel: +81-75-313-2111(main) Fax: +81-75-313-2116
	Tokyo Head Office: Shin Onarimon Bldg., 6-17-19, Shimbashi, Minato-ku, Tokyo 105-0004 Tel: +81-3-5402-1811(main) Fax: +81-3-5402-3146
Branch	Sapporo, Sendai, Tokyo, Nagoya, Osaka, Fukuoka, Hong Kong, Singapore, U.S.A., Thailand, England, China (including the Group companies)
Factory	Shiga, Saitama, Oji, Fuji, Moka, Singapore, U.S.A., Thailand, England, China (including the Group companies)
Affiliated Company	Six companies in Japan; nine companies in other countries
Business Line	Book-binding cloth, cloth for printing/business purposes, decorative cloth for packages, cloth for magnetic passbooks, film-coated products, material for display labels, composite film, printer ribbon, business card printers, stationary paper goods, magnet-related products, moisture getter for organic EL, carpet, wallpapers, ceiling material, blinds, non-woven cloth/carpets for automotive interiors, filters, industrial tarpaulins, canvases, rainwear, industrial non-woven cloth, aluminum foil/lid material for container sealing, paper core/paper packaging, film processing for cataplasm, freshness-keeping agents for food, adhesive interlining, fancy products, transportation/storage of products, etc. (including



Basic Environmental Policy

[Basic Environmental Policy of Dynic]

Dynic Corporation is aware the efforts toward environmental preservation are an important business challenge and believes it is the responsibility of the manufacturer to observe domestic and overseas laws and regulations related to the environment and provide products with less environmental burden to the markets. To implement the concept in a specific manner, we will thoroughly promote the following items in each of the stages, including development, material procurement, manufacturing, sales, distribution, and disposal.

- (1) We will reduce the environmental burden in all stages of our business activities throughout the life cycle of the products;
- (2) We will proactively make efforts to save energy and reduce waste, thereby preventing environmental contamination;
- (3) We will prevent risk caused by harmful chemical substances that damage the environment;
- (4) We will disclose information regarding our business activities related to the environment and proactively promote environment preservation activities, while acting in concert with local communities; and
- (5) We will implement education related to environmental preservation, thereby improving awareness of the environment.

Yoshio Oishi, President
Dynic Corporation

■ Efforts for Reducing Environmental Burden

We are introducing the manufacturing method that features less of an energy burden and implementing product design where resource saving and longer service life are taken into consideration; in addition, we consider materials that feature less of an environmental burden and materials that are easy to recycle from the design phase of the product. In the manufacturing phase, we make efforts to save energy and reduce waste in the manufacturing scene every day, thereby contributing to the reduction in the environmental burden. In the marketing phase, we propose environmentally friendly products that reduce the environmental burden at the customer by using the products, thereby making efforts to contribute to the environmental preservation of the earth.

■ Efforts for Countermeasures against Global Warming and Biodiversity Conservation

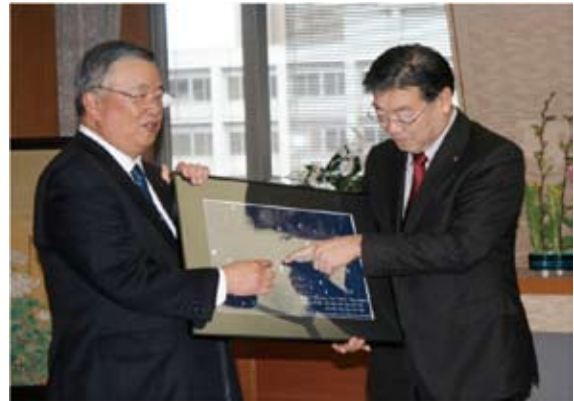
We are promoting countermeasures against global warming through our efforts for energy-saving activities throughout Dynic, thereby reducing emissions of carbon dioxide. In addition, regarding the biodiversity conservation, we are making efforts toward coexistence with the global environment through our activities toward risks, including countermeasures against global warming.



Activity Status 2014

●Regional Contribution Activities

We named two asteroids, which our astronomical observatory “Dinic Astro-Park Tenkyukan” in the Shiga Factory discovered, “Tomiokamachi” and “Heiankyo” and they were registered. Based on our concept “Contributing to global environmental protection by knowing other planets,” we have been using the names of regional areas for asteroid names, thereby achieving regional contribution. This time, we determined to make a contribution to Kyoto Prefecture, which is the birthplace of the company, and we reported the naming of “Heiankyo” to the Kyoto Prefectural Government.



●Heat-shielding Construction

We applied special heat-shielding sheets behind the ceiling of the office building and the engineering building of the Shiga Factory. The indoor heat will be retained and the outdoor heat will not be taken into rooms through the use of this shielding, and the operational load of air conditioning can eventually be reduced, which contributes to a significant reduction in energy consumption and CO₂ emissions.



Activity Status 2014

●Exhaust Heat Recovery Equipment

The machines newly installed in the Saitama Factory are equipped with exhaust heat recovery equipment, thereby enhancing further energy savings and a reduction in CO₂ emissions. A duct that is capable of re-circulating and reusing the exhaust heat is installed at the upper part of the dryer to achieve a significant reduction in fuel use.



●Transformer with Higher Efficiency

The 1200 KVA transformer of the Moka Factory was replaced with one with higher efficiency. Since the transformer had been used under a low load factor, the capacity was lowered to the adequate capacity of 750 KVA, which is best suited for the load. The introduction of higher-efficiency transformers and the revision of the capacity contributed to the achievement of a significant reduction in CO₂ emissions and lower operation noise.



Replacement with Higher-Efficiency Type



●LED Lighting

We are sequentially replacing the fluorescent ceiling lights of the Moka Factory with LED lighting, reducing the power consumption by 55% compared to fluorescent lamps. In addition, since LED lighting has the effect of not attracting insects, it also contributes to quality improvement.



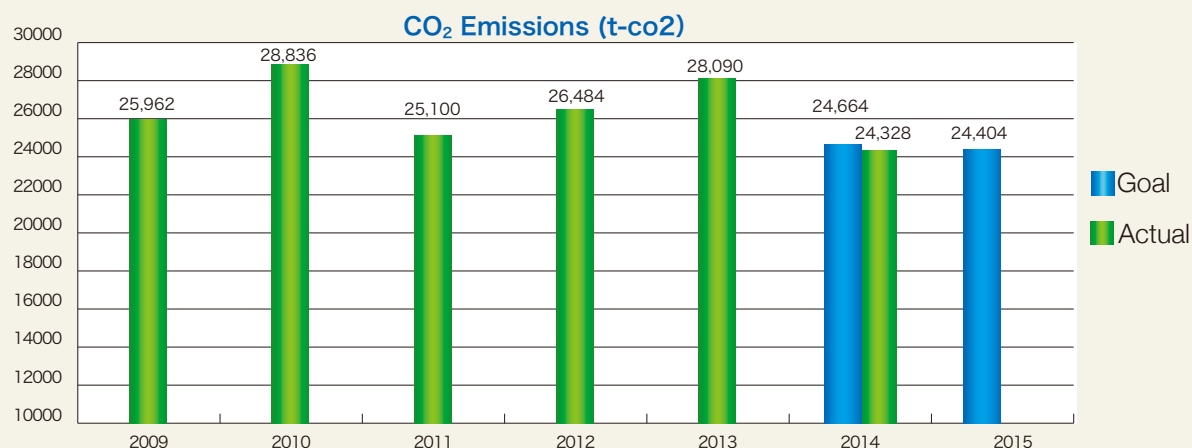
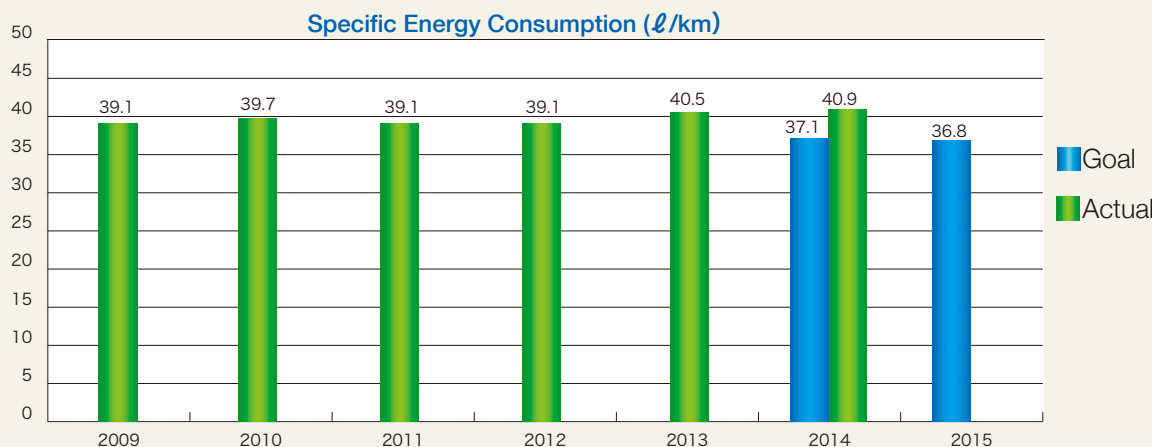
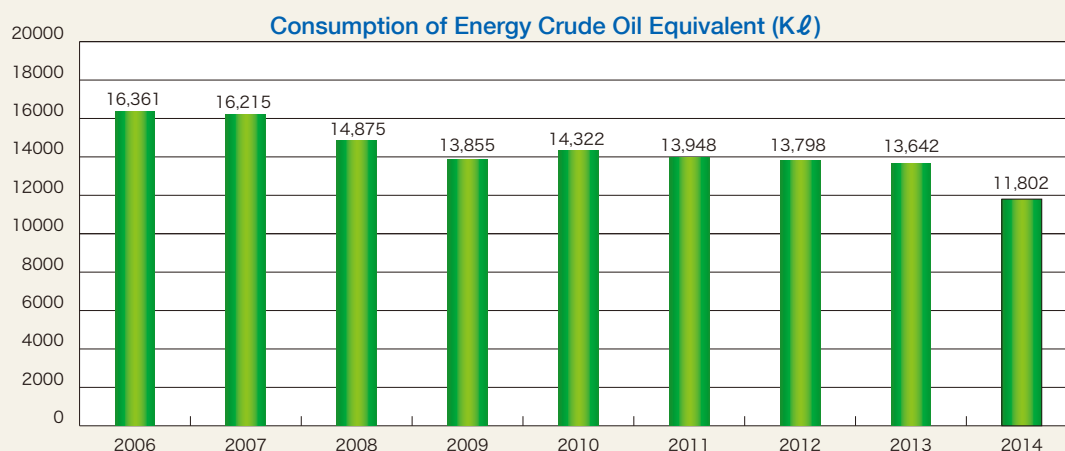
2014 Measures for Reducing Environmental Burden

Measures for Global Warming/Energy Saving



In our production activities, we create products by consuming energy. As a result, we emit CO₂, a global warming gas. With the goal of reduction in CO₂ emissions, we are making efforts to reduce the consumed energy in the production processes. We are developing our activities under the goal of reducing the gas by 1% every year as compared with 2009. As investments in energy-saving equipment, we have been implementing the replacement of ceiling lights (mercury lamps) of factories with LED lamps, change of transformers to the higher-efficiency type, change of air conditioners to the higher-efficiency type, change of compressors to the centralized type, and the change of lights in office buildings to LED lamps.

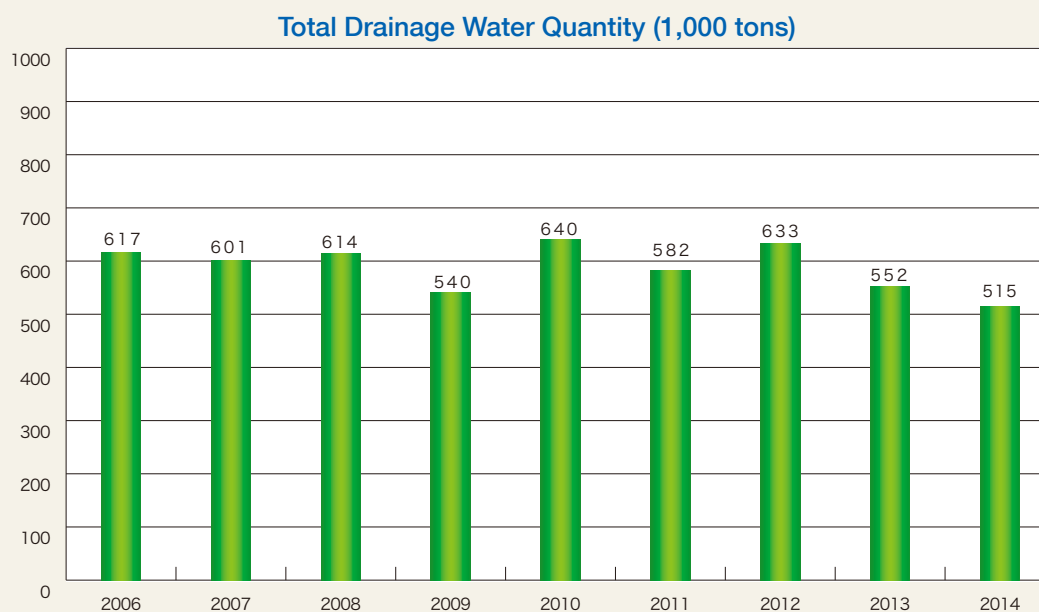
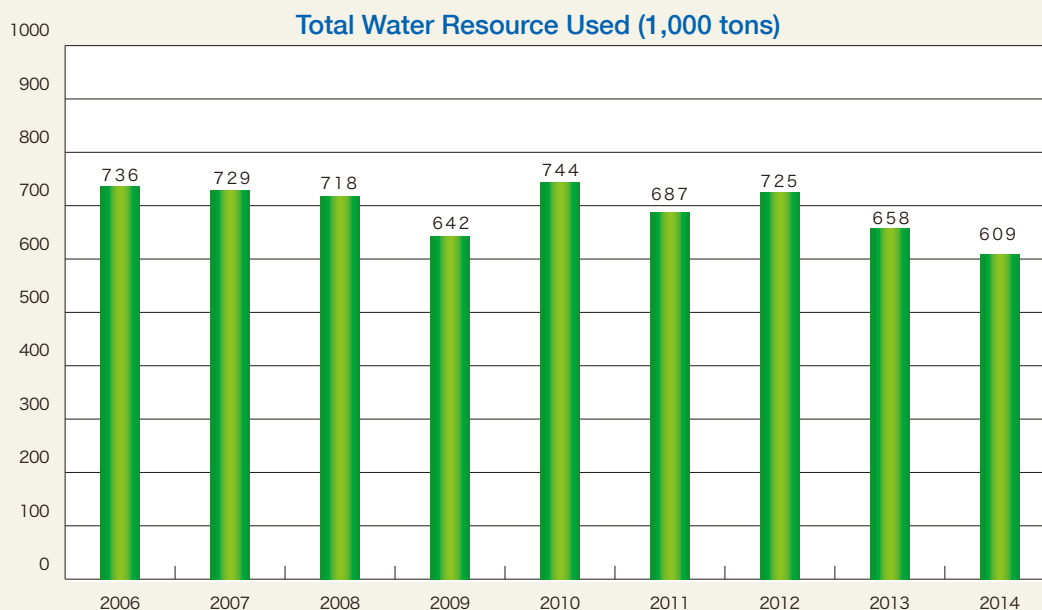
Regarding the business performance in fiscal 2014, we could not achieve the goal since the specific energy consumption deteriorated. On the other hand, CO₂ emissions were reduced due to the reduced production, and we could suppress the emissions below the target value. In fiscal 2015, we will implement energy efficiency improvement measures that comply with the reduced production and work harder toward the achievement of our goal.



Resource Saving/ Waste Reduction

●Effective Utilization of Water Resources

We at Dynic are also working on the effective utilization of water resources throughout the company. In our production processes, we have been making efforts to reduce the total water resource input and the total drainage volume by promoting the recycling of used cleaning water, cooking water, etc. In fiscal 2014, we achieved a reduction of the total water resource input by about 17% and the total drainage volume by about 16% compared to fiscal 2006.



●Reduction in Waste

We are working on the reduction of waste to protect the global environment. For our activities, we have been promoting reuse and recycling not only for the purpose of reducing the total quantity of waste, but also from the viewpoint of the effective utilization of resources. Regarding the total quantity of materials used, we could achieve a reduction of 18.8% from 37,129 tons in 2010 to 30,166 tons in 2014. Although the total quantity of waste was slightly on the uptrend in 2014 and thereafter, the final disposal quantity of waste has been reduced year by year as a result of promoting reuse and recycling, thus resulting in a reduction of 56% compared to 2006.

Total Quantity of Materials Used (tons)

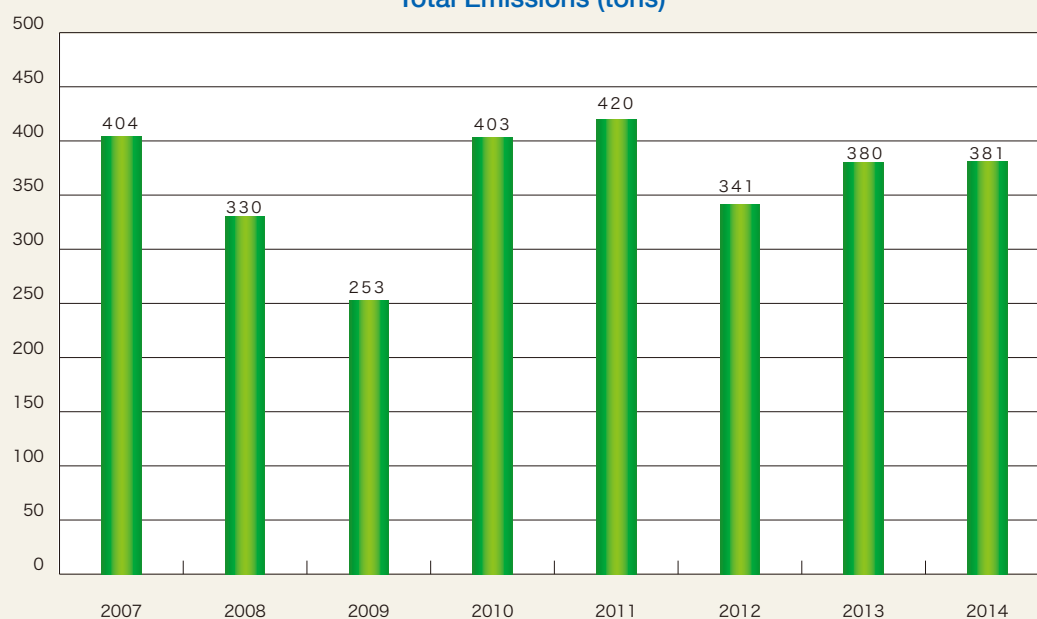


Reduction in Chemical Substance Release

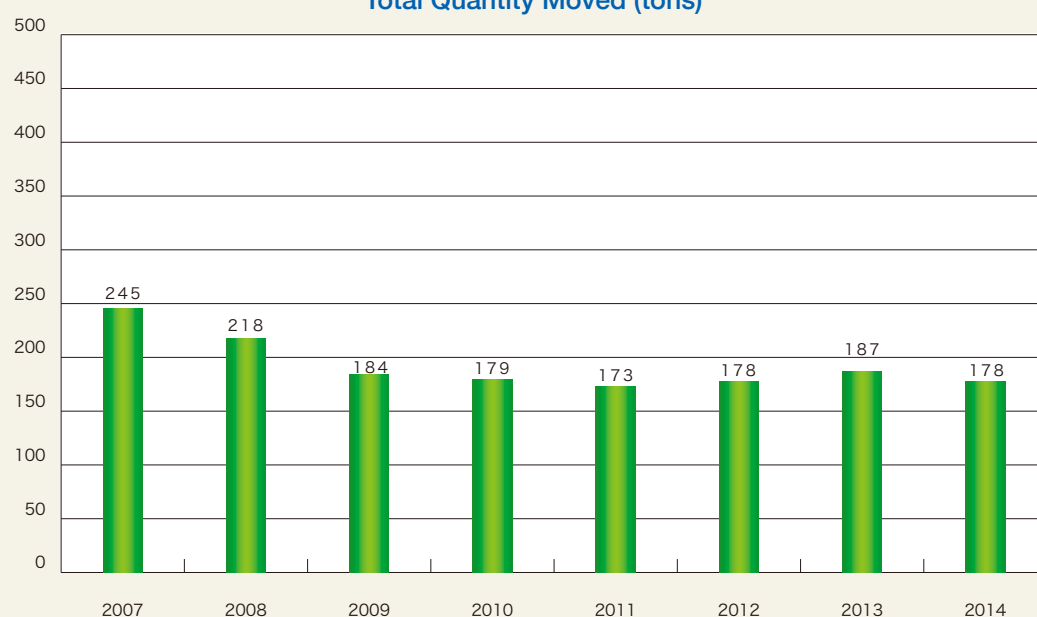
We have been reporting the quantity of release of chemical substances in use into the environment according to the PRTR system based on the Law concerning Pollutant Release and Transfer Register, and we are working on a reduction thereof.

The total drainage volume in fiscal 2014 remained almost the same as the fiscal 2013 performance, but the total moving amount was reduced by 4.8%. In fiscal 2015, we introduced combustion-type VOC processing equipment. As a result, a further reduction in the total drainage volume can be expected.

Total Emissions (tons)



Total Quantity Moved (tons)



Environment-Related Products

Dynic Corporation is working hard on the development of various products that contribute to the development of society and creation of a life of affluence. We believe the delivery of such new products to society will lead to the contribution to society through our business activities.

We define the concept *products with consideration for human health and global environment* as environment-related products.

[Products where raw materials with less environmental burden are used]

- * No-vinyl-chloride Products

Paper blade, no-vinyl-chloride files, olefin cloth, paper bank transfer cards, EVA containers, etc.

- * Products using recycled paper, recycled fiber, recycled resin

FSC certification paper cloth, toner cartridge recycling, recycled carpet, Eco Mark adhesive interlining, etc.

[Products that can reduce the environmental burden through the use]

- * Products with an antibacterial effect, deodorizing effect and sound-proofing function are featured

Cloth for antibacterial bookbinding, antibacterial wrapping material, non-woven fabric deodorizing sheets, non-woven fabric sound proofing material, deodorizing/antibacterial wallpaper, etc.

- * Products that are convenient for health and freshness-keeping of food

Water proof food packaging material, freshness-keeping agents of food, filter material for air purifiers, release film of cataplasm material, etc.

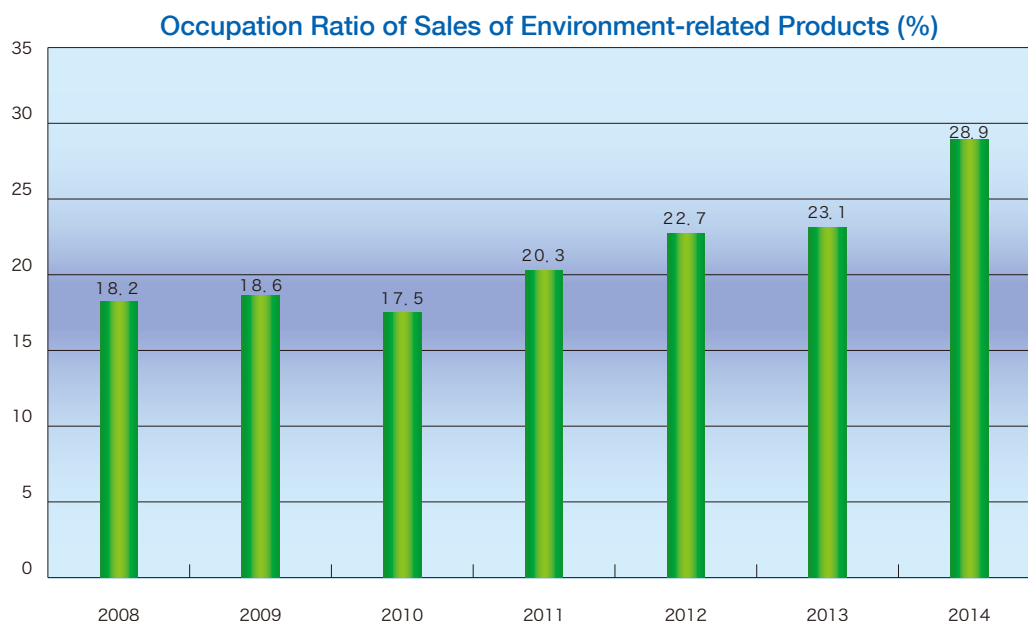
[Products that are incorporated as parts and contribute to reductions in the environmental burden]

- * Products that are incorporated as electronic parts and contribute to energy saving

Drying agent for organic EL

- * Parts that are convenient for shortening the manufacturing process

Hook-and-loop fastener material for fixing car seats



You can find the individual explanation of such environment-related products on our home page.

We have proactively developed the products with the keywords *contributing to society with environment-related products*. As a result, the ratio of environment-related products accounting for the sales of the company could be expanded year by year after 2010. Regarding 2014, we could expand the percentage by 5.8% compared to 2013.

Furthermore, we think we will contribute to society by enhancing the occupation ratio of environment-related products. We appreciate it if you would provide your opinions and requirements regarding our environment-related products.



Environmental Report 2015

Issued by: Environment Enhancement Division, Dynic Corporation

Issued on: August 11, 2015