

RISO KAGAKU CORPORATION

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Sustainability
Report

2016

About the Cover

Ginkgo

Eliminating greenhouse gas emissions and preventing global warming are issues that confront all living creatures. The flowering Ginkgo on the cover was chosen to symbolize the realization of a low-carbon society and the carrying on of our beautiful environment into the next generation. The flower adorning the cover is ginkgo. Ginkgo trees can be male or female, and both flower genders can bloom on the same tree. An exceedingly fertile plant that matures rapidly, ginkgo trees were the first to bud on the burnt ruins in Tokyo following World War II.

Norito Shinmura

For all those who read the Sustainability Report 2016

Editorial Policy

Since the issue of its first Environmental Report in 2004, RISO has published regular reports on its environmental protection activities. As part of a larger initiative to communicate in an easy-to-understand manner how the Company's relationships with the environment and society are reflected in its management, the title was changed to Sustainability Report in 2006.

In this version of the report we aimed to provide a precise and easy-to-understand overview of activities pursued in fiscal 2016. As with past reports, an easy-to-comprehend universal design color scheme was incorporated to ensure that the provided information is accurately understood. Going along with the introduction of the first digital duplicator ink to use Japanese-grown rice bran, we decided to switch from soy oil-based ink to rice bran oil ink when printing this report.

Approach to the Release of Information

RISO considers about the characteristics of media types to report information on sustainability.



Booklet Version

The booklet version is a concise collection of details centering on our efforts in fiscal 2016 that we wish to share with our stakeholders. (<http://www.riso.co.jp/english/company/eco/report/>)



Website

In addition to in-depth statistics related to the Sustainability Report 2016 provided in the Data Book, RISO GROUP's initiatives are reported in a comprehensive manner. Please view the website for details that could not be included in the report, continuing initiatives and other corporate information (products, services, financial information, etc.).

Note: Please refer to page 19 regarding information contained on the website.

(<http://www.riso.co.jp/english/>)



Scope

This report covers all Japanese domestic worksites and sales facilities belonging to RISO KAGAKU CORPORATION and RISO OKINAWA CORPORATION. For overseas operations, this report covers data on environmental burdens at manufacturing sites belonging to the RISO Group as well as certain power, fuel (including Company-owned vehicle fuel), and water consumption related data for non-manufacturing sites. The scope of data calculation may differ on a case-by-case basis. For details, see each listing.

Period Covered

This report covers fiscal 2016 (the fiscal year from April 1, 2015 to March 31, 2016).

Note: Certain initiatives that fall outside this period have also been included in this report.

Japanese Publication Date

July 2016

Note: RISO plans to issue its next report in July 2017.

Guidelines Used for Reference

- Ministry of the Environment "Environmental Reporting Guidelines 2012"

Major Changes during the Fiscal Year

- April 2015 - Established a sales subsidiary in Singapore
- June 2015 - Established a sales subsidiary in Turkey
- June 2015 - Launched the digital duplicator RISO CV3230 aimed at emerging markets
- March 2016 - Launched the compact and high-speed inkjet printer ORPHIS FW series in Japan.

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Message from the President

Providing Products and Services that Improve Customer Convenience while Reducing Environmental Burdens



Akira Hayama
President and C.E.O.
RISO KAGAKU CORPORATION

Guided by the RISO Environmental Charter, which emphasizes contributing to global environmental protection and ensuring a sound environment for the next generation, RISO strives to reduce the environmental burdens associated with its operations.

In the course of our operations as a manufacturer, including the development, production, and sale of products, as well as in our customers' use of our products, we consume natural resources and generate waste. We believe that it is our responsibility to recognize this fact, and to create and continue to supply our customers with products and services that improve convenience while reducing environmental burdens.

RISO released the ORPHIS FW series and GD series high-speed color printers in 2016.

We focus on products from the very start to make sure they comply with the environmental laws and guidelines of countries around the world. RISO pushed forward with plans that gave consideration to the impact on people and the

environment over the lifetime of the product. These efforts resulted in attaining Germany's Blue Angel and America's silver standard EPEAT environmental labels.

We will continue to develop products and services that increase the productivity and decrease the environmental impact of our customers' office work without sacrificing safety.

This report outlines our environmental initiatives, our relationships with customers and other stakeholders, and our compliance and corporate governance framework—which is the very bedrock on which all the structures of our corporate activities are built. As always, we appreciate you taking the time to read through this report and invite your candid feedback.

July 2016
Akira Hayama
President and C.E.O.
RISO KAGAKU CORPORATION

RISO's Environmental Policy

RISO has established the RISO Environmental Charter and the RISO Environmental Protection Principles as clear statements of the Company's stance on environmental initiatives. These declarations serve to guide our company-wide environmental protection program.

RISO Environmental Charter

RISO resolutely acknowledges its membership in the global community, while following a basic philosophy of contributing to society through the development of excellent products. RISO endeavors to contribute to global environmental protection in order to bestow a fair and sound environment to coming generations.

RISO Environmental Protection Principles

1. Development of Environment-Friendly Products

When developing and designing products, we create and execute development policies that reduce the total environmental burden by considering the influence that respective product life stages have on the environment in the manufacturing, logistics, use, recycling, and disposal phases.

2. Resource and Energy Saving

We investigate the influence exerted on the environment by our business activities and try to save resources and energy to reduce environmental burdens.

3. Local Environmental Protection

We observe local environmental regulations and investigate possible risks of contamination to prevent such occurrences in the case of an emergency, such as leakage.

4. Global Arrangements

We also consider our influence on overseas local communities and environments when operating or exporting products, and we try to respond to the requests of local communities as faithfully as possible.

5. Continual Improvement

We maintain a dynamic organization and system to establish environmental objectives and targets and always work to improve such systems.

6. Environmental Education and Information Disclosure

We educate our employees and carry out publicity activities appropriately, in accordance with the "RISO Environmental Charter" and the principles detailed above, to help employees deepen their insight on environmental issues.

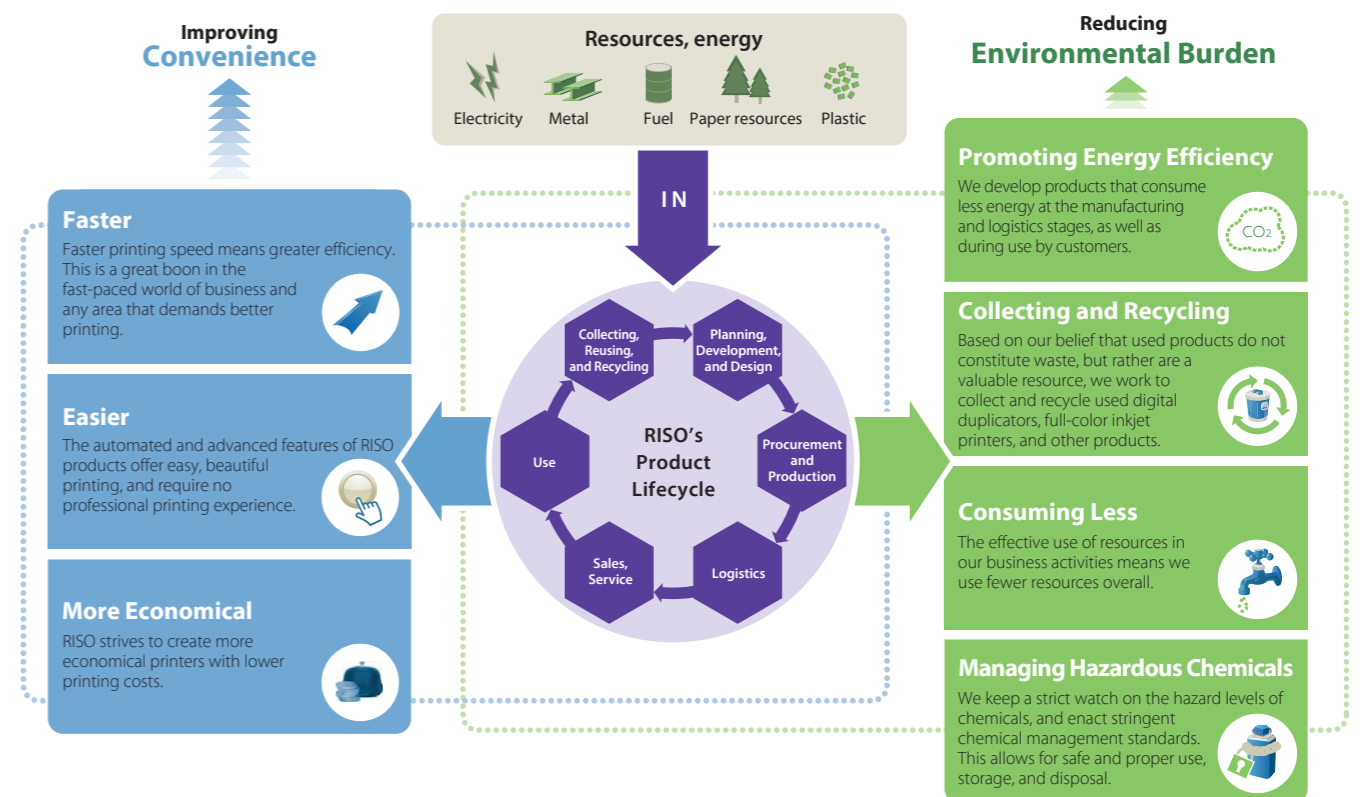
We also disclose information on environmental issues without hesitation and work on further reducing environmental burdens in cooperation with other community members.

Established on August 28, 1998
Revised on April 1, 2007

Akira Hayama
President and C.E.O.

Approach to Environmental Protection

Improving Convenience while Reducing the Environmental Burden



About RISO KAGAKU

Bringing Unique Printing Solutions to the World

RISO, with the development policy of "creating fundamentally unique products," solves a variety of issues by delivering original printing solutions to offices and other working environment. Such creativity and user-friendliness are appreciated by customers in all regions of the globe. We continuously offer our own new value as RISO to customers in over 180 countries and regions worldwide.

Corporate Profile (as of March 31, 2016)

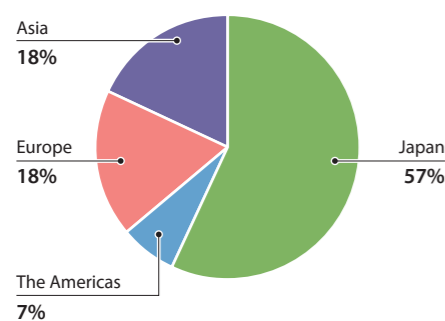
Corporate name	RISO KAGAKU CORPORATION	Paid-in capital	¥14,114 million
Established	September 2, 1946	Consolidated financial results (Fiscal year ended March 31, 2016)	Net sales: ¥85.454 billion Profit attributable to owners of parent: ¥5.267 billion
Incorporated	January 25, 1955	Number of employees	3,563 (RISO Group)
Head office	5-34-7 Shiba, Minato-ku, Tokyo 108-8385, Japan	Subsidiaries	28 companies (domestic: 2; overseas: 26)

Worldwide Facilities (as of March 31, 2016)

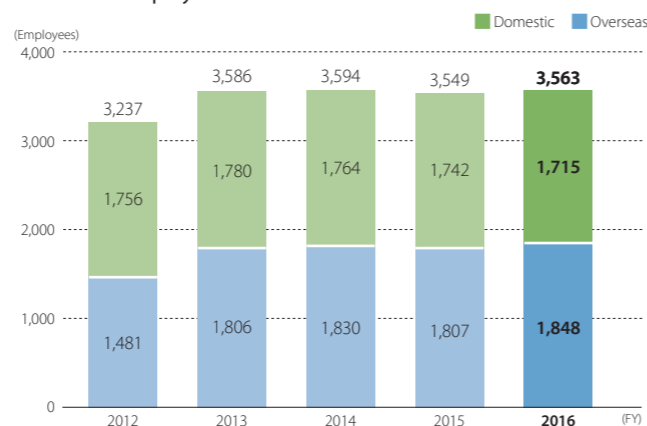


Corporate Data (Consolidated Basis)

Sales Ratio by Region (FY2016)



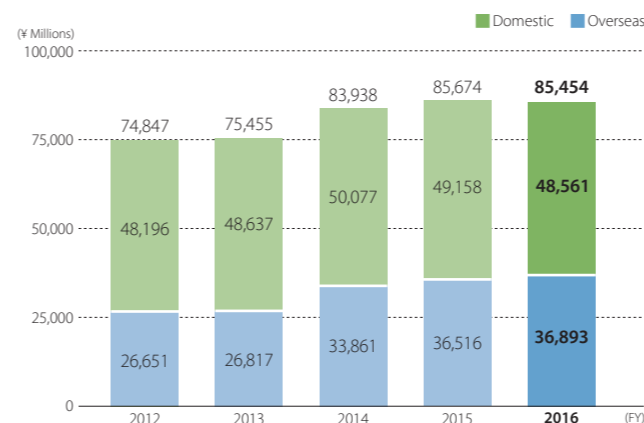
Number of Employees at Year-End



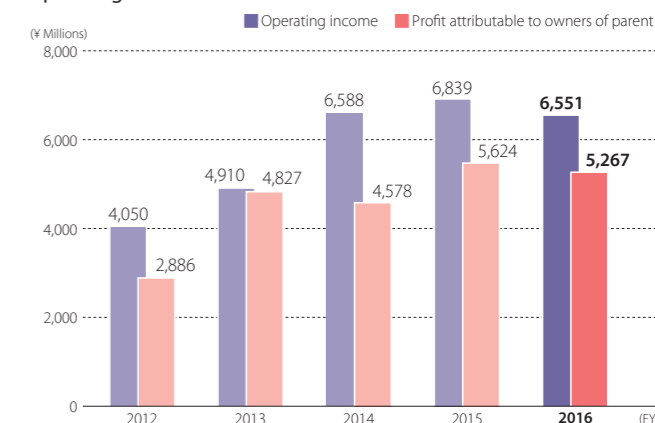
Result Highlights (Consolidated Basis)

Note: Amounts less than the unit expressed are omitted.

Net Sales



Operating Income/Profit Attributable to Owners of Parent



Main Products

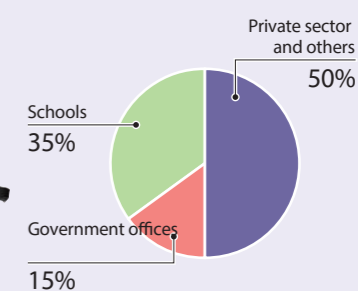
RISO Digital Duplicator

Digital duplicator that combines proprietary RISO technologies based on the principles of stencil printing. The more prints that are made from a single master, the lower the cost of each page.

New
2016
Launched
RISO SF series



Japan Sales Breakdown by End Users (FY2016)



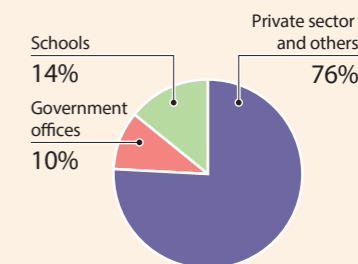
ComColor Full-color Inkjet Printer

Inkjet printers for business use, capable of high-speed full-color printing with high-volume at low running costs

New
2016
Launched
ComColor FW series



Japan Sales Breakdown by End Users (FY2016)



GOCCOPRO Digital Screen Maker

Digital screen maker that uses a fully dry process, with no water or chemicals. As simple as using a printer, for creation of precise, high-resolution masters



New
2014
Launched
GOCCOPRO QS200

1946-

RISO is established and becomes a manufacturer of printing equipment

- 1946 Founded (Riso-sha)
- 1955 Established RISO Science Laboratory Limited
- 1963 Name changed to RISO KAGAKU CORPORATION
- 1965 Established Kasumigaura Plant

1977-

Actively develops new hardware

- 1981 Established Tsukuba Plant

1986-

Toward the global stage with leading edge technology

- 1986 Established Ube plant and U.S. Worksite
- 1990 Established Product Development Research Laboratory
- 1997 Established Development Technology Center

2003-

Proposed a new age of color printers

- 2002 Operations began at the Shenzhen Plant in China
- 2006 Listed on the first section of the Tokyo Stock Exchange
- 2013 Established RISO Research and Design Center
- 2015 Operations began at the Ayutthaya Plant in Thailand



1954 Developed RISO INK



The first emulsion ink developed independently in Japan

1967 Launched RISO FAX



Thermal screen-maker able to make a new print in 5 seconds

1980 Launched RISOGRAPH AP7200/ RISOGRAPH FX7200



The first product in the RISOGRAPH series to realize spectacular printing speed and durability

1984 Launched RISOGRAPH 007



United previously separate screen-maker and printer units

1958 Launched mimeograph printing device RISO-Graph



Circular stencil machine released that solved the problems posed by flat-frame machines

1972 Launched RISO TRAPEN-UP/RISO OHP



OHP film printer that prints screens using a flashing xenon lamp

1977- Personal Greeting Card Printers

1977 Launched PRINT GOCCO B6



Simple printers for personal use changed the way we thought about New Year's greeting cards

1991 Launched Print Gocco PG-10 Super



"Alignment" function added for layered printing

2003 Launched Print Gocco jet V-10



Inkjet postcard printer with a special flatbed scanner

1986- Digital Duplicators

1986 Launched Digital Duplicator RISOGRAPH 007 DIGITAL



Digitalized screen-making and direct connection word processor printing realized

1994 Launched RISOGRAPH GR series and RISOGRAPH SR series



The SR series introduced both inner-press engine whole-sheet typesetting and high-accuracy fine printing

Started selling one-pass 2-color digital duplicators

2000 Launched RISO V8000



Industry-first dual screen-maker/printer with one-pass 2-color printing

2004 Launched RISO RZ series and RISO MZ series



Conformed to the 2007 international Energy Star program

2003 High-Speed Color Printers

2003 Launched RISO HC series



World's fastest high-speed color inkjet printer was launched

2013 Launched ComColor EX series



Winner of the FY 2013 Energy Conservation Grand Prize (*The Japanese version of the ComColor series)

2011- Digital Screen Maker

2011 Launched GOCCOPRO 100



Digital-based thermal technology for worry-free screen making

Environmental Initiatives

- 1992 Established Environmental Committee
- 1995 Commenced ink cartridge collection and thermal recycling
- 1996 Commenced ink cartridge material recycling
- 1996 Established Environmental Protection Department
- 1997 Commenced production of products utilizing recycled plastic from ink cartridges
- 1998 Established Recycle Center
- 1998 Launched RISO ENVIRONMENTAL PAPER (recycled paper)
- 1999 Commenced recycling of RISOGRAPH digital duplicators

- 2000 Tsukuba Plant obtained ISO14001 certification
- 2001 Ube site obtained ISO14001 certification
- 2001 Launched RISO SOY INK
- 2002 Established Environment Promotion Meeting
- 2002 Published Product Environmental Report
- 2004 Published Environmental Report 2004
- 2005 Five sites of the domestic Sales Division obtained ISO14001 certification
- RISO Digital Duplicator obtained the Eco Mark environmental label

- 2006 Obtained company-wide single registration of ISO14001 certification at domestic business sites
- 2007 RISO Digital Duplicator conformed to the International Energy Star Program
- 2008 Published Sustainability Report 2008 in English
- 2012 Launched Returnable Pallets for shipping ComColor series in Japan
- 2013 The ComColor series was awarded the Energy Conservation Grand Prize in Japan
- 2015 EPEAT registration with RISO Digital Duplicator
- 2016 Launched "Rice bran oil ink" for digital duplicators
- ComColor FW employed Eco Mark mutual certification and gained Blue Angel recognition

For Quick-drying and High-quality Images! Developed Inks That Consider Human Health and the Environment

The ink used by the ComColor high-speed color printer is an oil-based pigment ink independently developed by RISO. We would like to share our environmental and human health considerations as well as the desirable high-speed printing traits inherent in this ink.

Our Own Oil-Based Ink Allows for the World's Fastest and Highest-Quality Printing

The ComColor series is known for providing the world's fastest printing and beautiful images, and uses oil-based ink to simultaneously accomplish speed and quality.

With water-based inks, paper absorbs the water immediately after printing and the paper fibers elongate. This process makes waves, curls, and other malformations. On the other hand, oil-based inks are more permeable to printer paper than water-based inks, and they don't tend to deform paper fibers. The rapid transfer of printer paper in a smooth and accurate manner is only possible when there is an absence of paper deformities. Through such rapid transfer, printing can be achieved that is both fast and of a high quality. Accordingly, collation just after printing and binding can be done without fail.



Water-based inks tend to cause waves, curls, and other deformities.

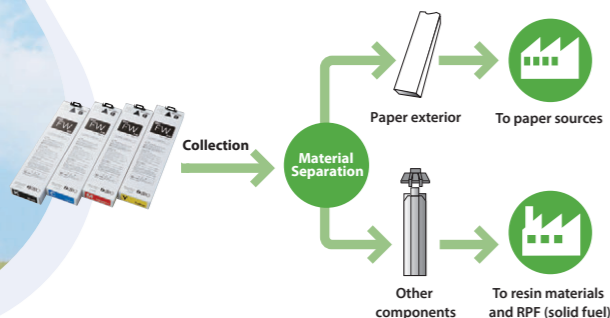


Oil-based inks reduce such deformities.

TOPICS

We are Working on Ink Cartridge Recycling Initiatives

Based on our policy that used products do not constitute waste, but rather are a valuable resource, we have worked to set up a system to collect and recycle used ink cartridges.



We Have Taken Our Impact on Human Health and the Environment into Consideration

RISO have been developed our own inks that possess an aptitude for high-speed printing, as well as further consideration to both human safety and environmental impact.

The ComColor ink is produced in accordance with the Law on Promoting Green Purchasing which is also applied in constructing the main unit and optional devices. This ink is a certified Eco Mark product, and corresponds to environmental labels and other regulations put forth by the European RoHS and other such organizations. With consideration to the impact on human health, we do not use certain azo dyes that are known to potentially transform into carcinogenic compounds.

Furthermore, we provide ink chemical information by SDS, and an FAQ section available on our Japanese website so that our clients and customers may use our products safely.

Explanatory MEMO What Is an SDS?

SDS is an abbreviation of Safety Data Sheet. In order to ensure the safe handling of chemical substances, an SDS provides the hazardous nature of a chemical substance, cautions during handling, safety precaution measures, emergency procedures in case of an accident, and other related information.



SDS Web page
<http://www.riso.co.jp/company/eco/product/label/sds/>
(only available in Japanese)

Aiming Towards Further Safety with the New Series of ComColor Ink, TVOC Has Been Taken under Consideration for Being Made into a Safer and More Efficient Product

Normally, several types of certain VOCs exist in a room. Given that VOCs have a harmful effect on human health, a higher level of safety and a more pleasant environment is ensured not only through reducing specific VOCs which are strictly under control of regulations, but also through considering the VOC amount in an entire room. Therefore, RISO worked to reduce the whole-room VOC content (TVOCs, or Total Volatile Organic Compounds) in the workplace.

With the ComColor FW series released in 2016, we re-examined our ink design to reduce the amount of VOC emissions. Ingredient selection was reconsidered, and new techniques were introduced for the manufacturing process.

With an eye on reducing the TVOC levels released into a room from printing, we now offer an oil-based ink that is safer and more pleasant to use.



ComColor FW series



RISO ComColor FW Ink

Explanatory MEMO What Is VOC?

VOC is an abbreviation of Volatile Organic Compounds. These compounds are defined by the WHO (World Health Organization) as "any organic compound that exists as a gas in the atmosphere and has a boiling point between 50°C and 260°C." Specific VOCs found in construction material, paint, adhesives, etc. diffuse into the air and are considered to cause for photochemical smog, sick-house syndrome, and other harmful effects on people and the environment. VOC safety regulations and guidelines are becoming stronger in various countries. The entire amount of VOCs in a room is referred to as Total VOCs, or TVOCs.

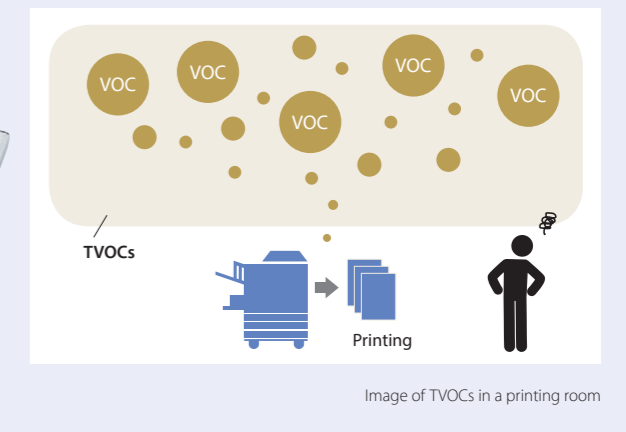


Image of TVOCs in a printing room

The New Eco Mark Standards Were Achieved for an Oil-Based Ink That is an Environmental-Friendly Product

RISO's ink for ComColor model products has been certified as an Eco Mark product through excluding hazardous and harmful ingredients, providing ink SDS, establishing an ink cartridge collection and recycling system, reducing the impact on the environment through the product's entire life cycle, and other measures in line with protecting the environment.*

In particular, RISO ComColor FW Ink, designed to reduce the diffusion of indoor TVOCs, was Eco Mark-approved under the April 2016 Eco Mark standards revision titled "No. 142 Ink Cartridge Version 2." Through these new standards, considering the regulations and policies of WHO, Germany, and other countries, the provisions regarding reduction of TVOC diffusion, and circulation of resources are reinforced to the global standard.

*Excluding RISO HC Ink



Eco Mark



Eco Mark product certificate

1. 認定商品	
(1) エコマーク認定番号	15 142 010
(2) エコマーク商品類型	No. 142 「インクカートリッジVersion2.0」
(3) 商品ブランド名	RISO FW インク



RISO works towards reducing a number of burdens on the environment through all of our business activities.

At Our Development and Production Facilities

Developing the World's First Ink Applicable to Digital Duplicators Made from Rice Bran Oil

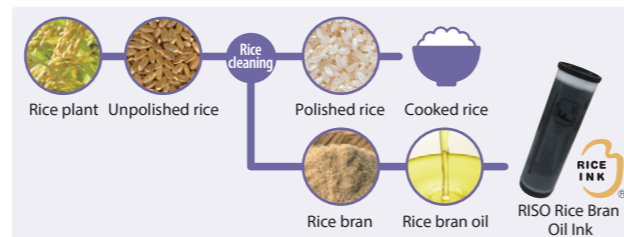
RISO continues to develop products with consideration for the environment. Now, we have developed the world's first ink applicable to Digital Duplicators made from rice bran oil*.

Taking society and the environment into consideration, RISO Rice Bran Oil Ink effectively utilizes the bran portion of rice which used to be discarded. This process ensures an ink supply that doesn't reduce the food supply.

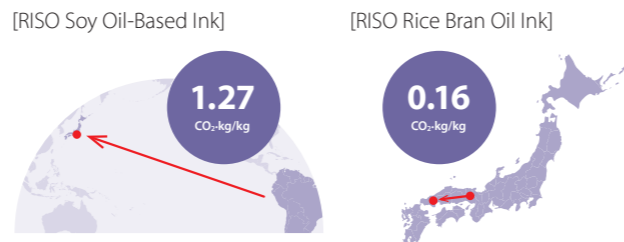
Furthermore, RISO Rice Bran Oil Ink uses the bran from Japanese-grown rice as raw material. Compared to the import of foreign soy for soy oil-based ink, another type of vegetable-based ink, both the transportation distance of raw materials and the CO₂ emissions accompanying transportation are reduced.

*RISO Rice Bran Oil Ink goes on sale August 2016 in Japan.

The RISO Rice Bran Oil Ink Manufacturing Process



CO₂ Emissions Associated with Transportation



Notes: Comparison of raw material transported from the source of production to the RISO ink manufacturing plant. Values were calculated through an in-house RISO examination.

Through Sales and Service Activities

Creating Sales Promotional Materials From Used Ink Bottles

At RISO, in order to gain recognition for our environmental preservation activities and cooperation in the collection of used ink bottles, we have produced baskets, garbage cans, and other sales promotional materials made from used ink bottles for our customers. They are affixed with a sticker indicating their course in the recycling process, and they call for cooperation in efforts to collect used ink bottles.



Garbage can compatible with 70ℓ trash bags Baskets are useful for holding tools and more

Making Used Products and Components into Reusable Parts

RISO considers used products a valuable resource, and works towards reducing waste while effectively utilizing resources. For instance, unit components replaced during repairs are collected by our parts center and processed for reuse. Such parts pass quality control tests before being used again in the market.

In fiscal 2016, we actively engaged in the expansion of reusing parts from collected used products, exchanged unit parts, and more. We also promoted the use of such parts.

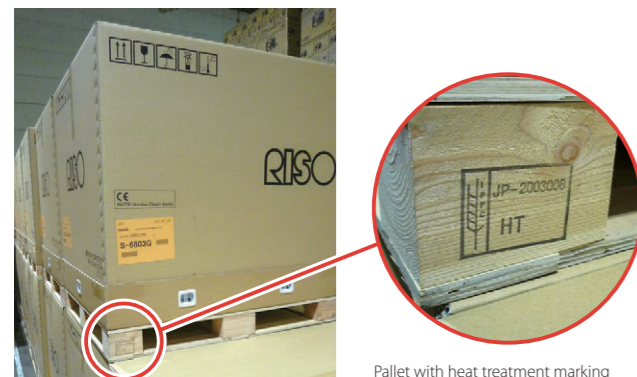


Reused unit parts

Through Procurement and Logistics

Using Wood Pallets that Protect Biodiversity

The process of harmful insects burrowing into wood pallets used for product transportation and then breeding upon arrival at the export destination is cited as being a potential ecosystem risk. International standards call for "the use of wood material that undergoes appropriate processing to prevent the spread of disease." RISO only uses pallets that have been eliminated of harmful insects through heat treatment or fumigation.

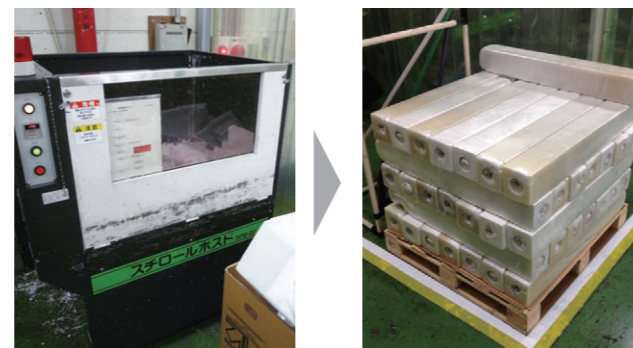


Pallet with heat treatment marking

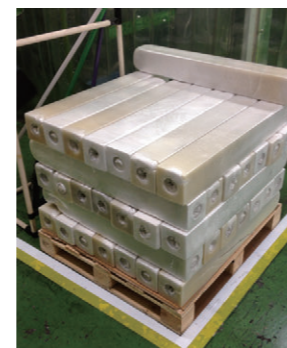
Recycling Polystyrene Foam Used for Product Packing

We recycle polystyrene foam cushioning used for product packing and other uses. We are also moving forward with reuse efforts.

Collected polystyrene foam is reduced in volume by an electrothermal melting machine to form small lumps (ingots) before being shipped out as raw material to plastic makers. From there, new polystyrene foam and plastic products are created.



Melting machine



Ingots remain after a 100-fold reduction in volume.

At Our Work Sites

Participating in the Light Down Campaign

RISO participates in the Japan-wide "CO₂ reduction/Light Down Campaign" every summer. We support of this campaign that is a part of a larger initiative by the Ministry of the Environment to halt global warming.

In fiscal 2016 as well, RISO turned off all the lights at the Tsukuba and Ube sites for 2 hours from 8PM to 10PM on two separate days: summer solstice on June 22nd and Cool Earth Day on July 7th.



Light Down Campaign poster

Cool Biz

As a way of counteracting global warming through energy conservation, and in accordance with the action policies set forth by industry associations related to electronics and electricity, every summer we set the air conditioning temperature at 28°C and encourage employees to dress lightly at work in a campaign known as Cool Biz.

Furthermore, we ask our clients who visit us for the cooperation to dress lightly. RISO is increasing the participation awareness of each employee along with creating posters that notify and educate the public about Cool Biz.



Cool Biz poster



In order to fulfill our responsibilities to society, we do everything possible to communicate and closely coordinate with stakeholders in implementing a variety of activities.

Customer Satisfaction

Elevating CE Technical Ability and Support through Contests

Customer Engineers (CE) are responsible for the task of swiftly responding to repairs and maintenance inspections while providing a better printing environment. They exist as a necessary link of trust between RISO and our customers. At RISO, we hold the RISO TECHNICAL CHAMPIONSHIP with the purpose of improving CE specialized knowledge, technical prowess, and customer relations.

We hosted the 13th Japan National Championship in January of 2016. 27 individuals made their appearance after regional qualifying events with over 1,000 participants from all over Japan. Competitors fought through each test's practical skills portion, which involved a written test, solving mechanical problems, and giving a speech.



Scene from a practical skills test

SDS (safety data sheet) are Available on Our Website for Using Our Products Safely

RISO is taking the initiative in displaying product-related information on our website, in catalogues, and more, so that customers can use our products in an even safer manner. SDS (safety data sheet) containing information, handling cautions, and more regarding the chemical substances contained in ink, masters, and other products became available on our Japanese website in fiscal 2016.

商品名	RISO機種	商品名	SDS登録番号	作成日・改訂日
GHPS FW 531, 5330機	RISO FWインク用ブラック	RISO FWインク用ブラック	FW0011-03	2016.03.01
		RISO FWインク用シアン	FW0003-03	2016.03.01
		RISO FWインク用マゼンタ	FW0004-03	2016.03.01
GHPS FW 530A	RISO FWインク用イエロー	RISO FWインク用イエロー	FW0005-03	2016.03.01
		RISO FWインク用ブラック	FW0003-02	2016.03.01
		RISO FWインク用シアン	FW0003-01	2016.03.01
GHPS EX 9050, 9050, 7250, 7200機	RISO EXインク用ブラック	RISO EXインク用ブラック	EX0011-02	2015.10.01
		RISO EXインク用シアン	EX0002-02	2015.10.01
		RISO EXインク用マゼンタ	EX0004-02	2015.10.01
		RISO EXインク用イエロー	EX0003-02	2015.10.01

SDS Web page (only available in Japanese)
<http://www.riso.co.jp/company/eco/product/label/sds/>

Building Fulfilling Work Environments

Maintaining a Balance Support System Enriches Work-Life Balance

With the idea that the fulfillment of each employee is connected to the activity of the whole organization, RISO maintains childcare leave, family care leave, and other systems so that people don't have to choose between their jobs and their family even when maternity, childcare, nursing care, etc. require the alteration of work hours or work duties. We are striving to create an environment where women and men can work with peace of mind.

In 2011, RISO received recognition as being a corporation that offers childcare support. After acquiring the Kurumin next-generation childcare support company recognition mark, we implemented robust public awareness and other action plans encouraging employees to take childcare leave and paid time off. That initiative was praised, and renewal has been approved in continuation with 2013 and 2015.

In fiscal 2016, there were 40 people (including 1 male) who made use of the childcare leave system for a total of 3,852 days. For employees that took childcare leave and then returned to work, the Return to Work Support Seminar, offering advice from senior employees with experience in returning to work after taking leave, was conducted with regards to essential work-childcare balance and post return-to-work lifestyle topics. There were 9 attendees.



The "Kurumin" next-generation childcare support company recognition mark



Image from the "Return to Work Support Seminar"

Formulating and Disseminating Action Plans to Promote More Activity on the Part of Women

RISO respects the diversity of employees and aims to make a work environment that showcases the abilities of each member regardless of gender or nationality. As of March 2016, we were continuing with further efforts, based on the Act to Advance Women's Success in their Working Life, to formulate and disseminate an action plan both internally and externally, as well as to promote the role of women.

An Action Plan Based on the Act to Advance Women's Success in their Working Life

The following action plans have been set so that women may continue to actively work.

- Plan Period
April 1st 2016 to April 1st 2021
- Target, Initiative Details, and Implementation Period
Increase the average employment length of female employees to over 15 years

Initiative Details

From April 2016	<ul style="list-style-type: none"> Carry out career training for female employees Carry out management training to promote female employees Carry out cross-sectional, individual career discussion support with female management
From April 2017	<ul style="list-style-type: none"> Carry out career advancement support training for transitioning from general office work to career path positions

Motivating Employees through a Special Bonus System

At RISO, we set up a special bonus system for the purpose of raising employee motivation and supporting activity throughout the organization. We also honor departments and individuals who realize the development of superior products, improve upon previous products, and engage in other such efforts.

In 2015, RISO welcomed the 15th anniversary of this system, which sees many applicants gather annually. This year, 64 individuals were recognized. We will continue with activities that encourage employees to participate for the future.

Column

The RISO T-Shirt Contest Promoted Communication with Customers

The RISO T-Shirt Contest involved individuals designing their own ideal T-Shirt and then using RISO's GOCCOPRO series of digital screen-makers to create the T-shirts. Applicants proudly print their own designs onto T-shirts, which are then displayed in a traveling exhibition where visitors vote and judges make evaluations to determine each prize winner. The exhibition was a good opportunity to deepen communication with the regular, everyday people that visited while also broadening the awareness of how easy-to-use and fun silk screen printing can be when using digital screen-makers.



"GOCCOPRO 100"



Image from a travelling T-shirt exhibition

Display gallery >>
<http://www.riso.co.jp/tcon2015/gallery.html>

Members of the Community

Promoting Local Sports through Support of the Kashima Antlers

In February of 2016, RISO entered into an official 2016 season club sponsor contract with the "Kashima Antlers" professional soccer team, which is based in the same Ibaraki Prefecture city of Kashima as RISO's central manufacturing and development site.

By posting our corporate logo on uniform jerseys and stadium signs, RISO's brand value is expected to go up. Through our contributions, we will be promoting sports in Ibaraki Prefecture and contributing to local activities.



© Kashima Antlers

Performing Cleaning and Weed Removal Activities through Foster Parents for Road Program

The RISO Research and Design Center participates in the local Foster Parents for the Road program developed by Ibaraki Prefecture's Tsukuba City. This program involves assuming the cleaning, weeding, landscaping, and other road maintenance duties usually performed by the city in the area around our site.

After participating in November of 2013, we have continuously contributed by keeping sidewalks clean and performing "foster parents" activities such as roadside beautification and environmental protection.



Cleaning the city roads around the RISO Research and Design Center

Developing Local Activities Contributing to Society as Corporate Citizens of the City

● Volunteering during Times of Water Damage from Heavy Rain

In September of 2015, Ibaraki Prefecture's Joso City suffered water damage from Typhoon Number 18 and other heavy rain. 3 RISO employees volunteered to help the victims, and assisted in taking out soaked tatami floor panels, removing muddy water, and other efforts.

● Cooperating to Shibuya Day, City-Wide Cleaning

Every year, April 28th is designated as Shibuya Day in Tokyo's Shibuya Ward for cleaning up the city with citizens. Starting 7 years ago, employees at RISO's Shibuya branch have worked together for "Shibuya Day," and 2 employees participated again in FY 2016.



Clean-up participants

● Contributing Locally through Relief Support Donations

In fiscal 2016, RISO donated monetary relief to aid victims and reconstruct regions hit with large-scale disasters both in Japan and overseas.

- May 15, 2015: Support provided for the Nepal earthquake
- Sep. 24, 2015: Support provided for rain damage from Typhoon Number 18, etc.
- Apr. 27, 2016: Support provided for the Kumamoto earthquake

"ComColor" Used to Print the Hakone Ekiden Newspaper Extra

In January of 2016, RISO's high-speed color IJ printer "ComColor" was used to quickly print newspaper extras containing the results of the 92nd annual Hakone Ekiden (Tokyo-Hakone Round-Trip College Ekiden Race). The race was put on in cooperation with the Yomiuri Shimbun, and articles were edited locally before being hurriedly printed out then and there by "ComColor" printers. Quick announcements were able to reach a multitude of spectators watching the race by the inbound and outbound finish lines respectively.



Newspaper extras distributed at the finish line

Overseas Activities

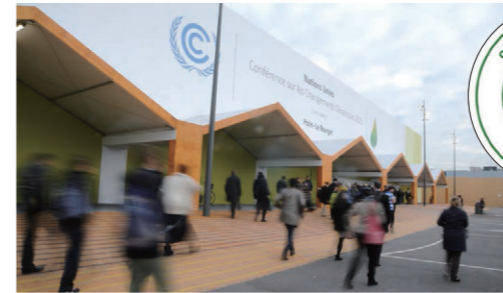
With respect for the culture and customs of each country, we are furthering environmental preservation and other activities rooted in local communities.

In France



Supporting COP21 as a Public Partner

RISO FRANCE was selected as an official corporate partner for the "COP21 (2015 United Nations Climate Change Conference)" held in Paris from November to December of 2015. 8 high-speed "ComColor" color printer units, possessing both high speed printing capabilities and high energy efficiency, helped make COP21 a success by printing approximately 3 million conference documents related to agreements and contracts. The maintenance and support of the machines are also provided by RISO FRANCE.



COP21 venue



8 "ComColor" units set up in a copy center



Material printed on the day of the conference (Left: Arabic version, Right: English version)

In South Korea



Implementing Cleaning Efforts at Sightseeing Locations

Local cleaning and environmental protection activities essential to the everyday environmental maintenance of cultural assets and sightseeing locations visited by many has been performed by RISO KOREA every year since 2010. And in October of 2015, we also cleaned up the area around the Namhansanseong UNESCO world cultural heritage site.



Clean-up participants

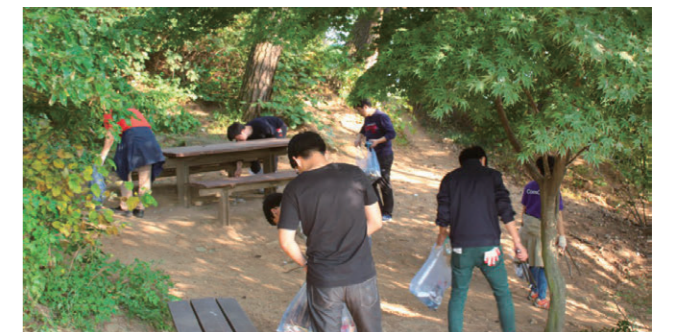


Image of the cleaning activities

Column

In USA



"EZ221U" Digital Duplicator Registered with the EPEAT Silver Standard

The "RISO EZ221U" digital duplicator has been registered with the Silver standard in the field of imaging devices of the Electronic Product Environmental Assessment Tool (EPEAT). The EPEAT standards are also employed by the U.S. government to evaluate the purchase of electronics. Data regarding concern for and impact on the environment across the entire lifecycle of the product, from the use of materials and designs with a minimal environmental impact, to collection and recycling, environmental activities performed as a company, and other items were evaluated to earn "silver" standard recognition.



RISO EZ221U



EPEAT (silver) logo



RISO aims to be recognized by society as a trusted, robustly managed corporation. We work to continuously improve and enhance our management system.



Corporate Governance/Compliance/Risk Management

Corporate Governance

When conducting business, RISO's Board of Directors employs a governance system for important decision-making through the monitoring and direction of an auditor.

RISO's Internal Control Department is the branch set up to maintain and evaluate the internal control system. This department monitors the finances and activity at plants, business sites, and subsidiary companies based on the Official Internal Auditing Regulations.

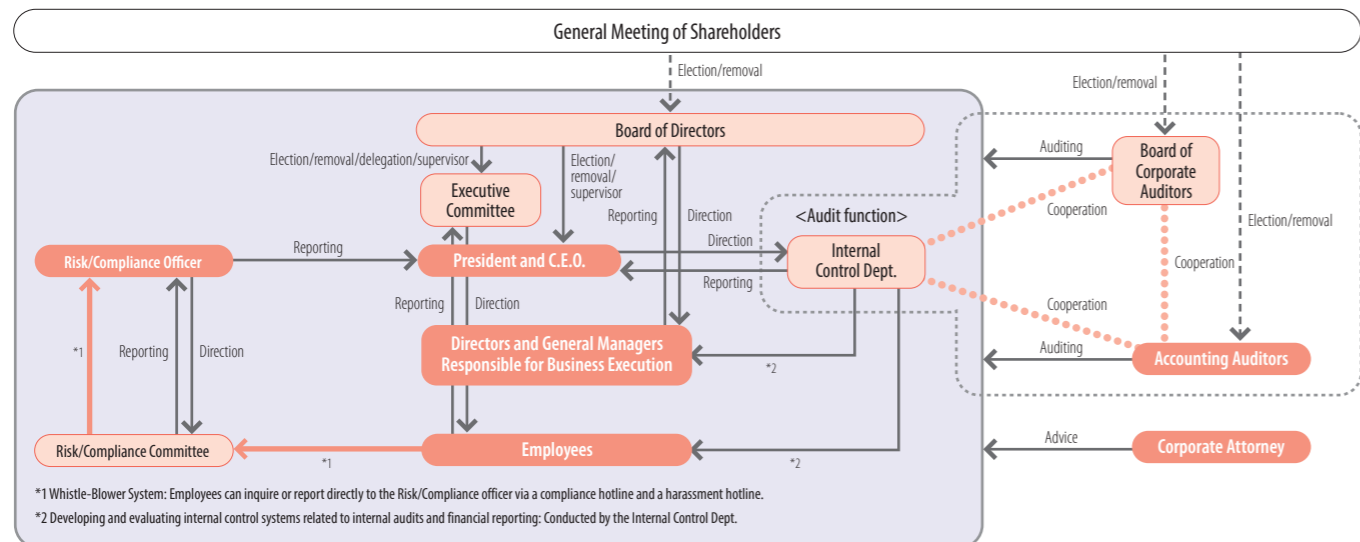
Compliance with Laws and Regulations

RISO considers compliance fundamental to corporate management. We consider societal ethics and morality to be very serious as we obey both the law and our own internal policies. Furthermore, we strive to conduct business with the understanding that we are, collectively, a member of society.

The fiscal 2016 inspection, measurement, and compliance evaluation results confirmed RISO's full compliance with laws and regulations. We have not received any fines or disciplinary action from administrative government bodies, nor have we received complaints from the local residents regarding the environment.

Corporate Governance Structure

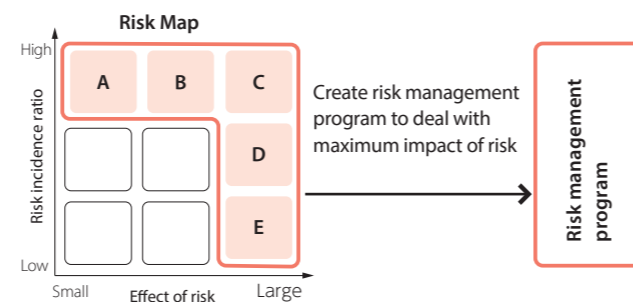
Relationship between RISO's corporate organization and internal control system (--- represents selection and delegation → represents direction, reporting and auditing)



Strengthening Compliance Structures, with Risk/Compliance Committee at Core

RISO has formulated its Regulations to Manage the Risk of Loss, which are based on Japan's Companies Act. For major business and work conducted by the company, the Executive Committee and the Board of Directors analyze associated risk and consider measures to deal with such risk, then decide which of these measures to implement. The Risk/Compliance Committee analyzes and assesses the effect that a range of risks will have on the RISO Group and creates "risk maps" to outline ways to deal with such risks. By formulating and implementing individual programs to deal with risks that could have a major impact on Group management, we strive to reduce and avoid risk as part of integrated, systematic, and constantly improving efforts.

Overview of Risk Management



RISO maintains an environmental management organization system, has set medium-to-long term goals, and continues to develop activities.



Progress with the Fiscal 2021 Company-Wide Environmental Targets (Mid-Term Environmental Targets)

Along with participating in the "Action Plan of the Industries of Electrical and Electronics on a Low Carbon Society" initiative proposed by the industrial community with the aim of reconciling corporate growth and global warming policies, we are setting yearly goals towards achieving the "Fiscal 2021 Company-Wide Environmental Objectives (Mid-Term Environmental Targets)" based on the aforementioned initiative. In addition we are proceeding with activities that reduce our overall impact on the environment.

Fiscal 2021 Environmental Objectives (Medium-Term Targets)

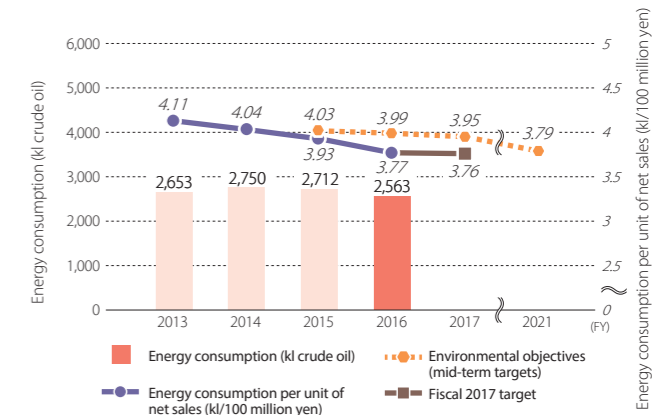
◆ Reducing Energy Consumption (Crude Oil-Equivalent)

Throughout our domestic Japanese operations, we will:

➤ Reduce the energy consumption rate per unit of sales to **3.79 kl/100 million yen or less by fiscal 2021**

(The average annual rate of improvement in per-unit energy consumption between fiscal 2015 and fiscal 2021 is set at 1%. The target will have been achieved if the figure for fiscal 2021 is at least 7.73% greater than the base year of fiscal 2013.)

Energy Consumption in Japan and per Unit of Net Sales



Scope of calculation: Energy consumption at all RISO business bases (non-consolidated) in Japan (excluding contracted transport operations and company-owned vehicle fuel). Based on non-consolidated net sales.

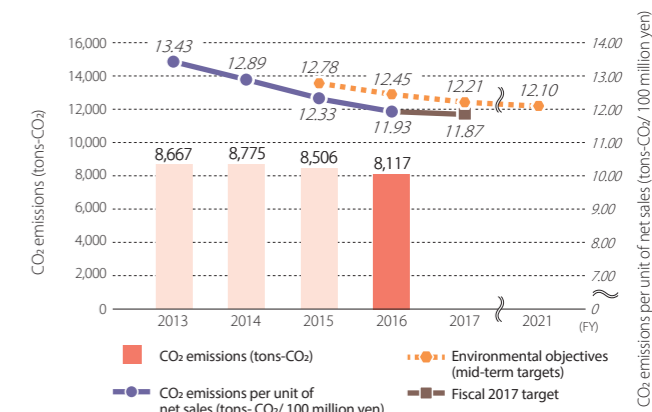
◆ Reduction of Total CO₂ Emissions

Throughout our domestic Japanese operations, we will:

➤ Reduce the CO₂ emissions rate per unit of sales to **12.10 tons-CO₂/100 million yen or less by fiscal 2021**

(This is the figure for energy consumption rate per unit of sales (3.79 kl/100 million yen) converted to the CO₂ emissions rate per unit of sales, plus CO₂ emissions from distribution activities and RISO-owned vehicles.)

CO₂ Emissions in Japan and per Unit of Net Sales



Scope of calculation: CO₂ emissions attributable to energy consumption by all RISO domestic sites, fuel consumption by company vehicles, contracted transport for products and services by the Logistics Dept.; based on non-consolidated net sales.

Fiscal 2016 Results

We continued efforts that stressed the importance of conserving electric power in fiscal 2016. With updates to energy-efficient equipment, coating the roofs with heat-blocking paint, and other proactive investments, energy usage per net sale unit improved 4% and CO₂ emissions per net sale unit improved by 3% compared to fiscal 2015. Moving forward, we will take part in activities that work towards further reducing our impact on the environment.

Details can be found on our website. >>"Fiscal 2016 Activities"(Data Book)(only available in Japanese) http://www.riso.co.jp/eco_report/

>>"Environmental Activities and Environmental Management System" <http://www.riso.co.jp/english/company/eco/management/system.html>

Information Published on the Website

More detailed information on RISO's environmental management and business operations is available online.

Sustainability Report

<http://www.riso.co.jp/english/company/eco/report/>



>> Sustainability Report (booklet version)

The booklet version (this version) of the sustainability report is available online in PDF and e-book format.



>> Sustainability Report (Data Book) (Japanese only)

- Environmental Data
- Environmental Accounting
- Environmental Data for Major Plants and Offices
- Social Data
- Environmental Reporting Guidelines Cross-Reference Chart

Other Disclosure and Communication Tools



>> Corporate Profile

- >> Corporate Governance Report (Japanese only)
- >> Financial Results
- >> Securities Report/Internal Controls Report (Japanese only)



>> Annual Reviews

The RISO Website

<http://www.riso.co.jp/english/>

In addition to product information, the website also includes the latest information and updates from RISO.



>> Corporate Profile

- Message from Management
- Corporate Data
- RISO's History
- Facilities in Japan
- Overseas Directory



>> Environmental Activities

- RISO's Basic Policy for Environmental Conservation
- Environmental Conservation Efforts and Results
- Environmental Label Certified Products
- Environmental Report



>> Engagement with Society (Japanese only)

- Our Customers
- Our Suppliers
- Our Shareholders and Investors
- Local Communities
- Our Employees
- General Office Worker Action Plan
- Management System

>> Investor Relations

- Management Policies
- IR Library
- Shareholder Returns
- IR Event Schedule
- Financial Indicators
- Stock Information

RISO no Uta (PR magazine) (Japanese only)



A PR magazine focusing on various aspects of communication

Third-Party Evaluation

With the aim of enhancing the reliability and objectivity of its sustainability reports, RISO asked a third party to offer opinions regarding report content and endeavored to incorporate those opinions into the production of the reports. This fiscal year we used TÜV Rheinland Japan Ltd., the same evaluator that conducted the third-party evaluation of last year's report. RISO continues to pursue accuracy and reader-friendliness in its sustainability reporting, while reinforcing the quality of information it discloses.

Third party verification report for the "RISO KAGAKU CORPORATION Sustainability Report 2016"



RISO KAGAKU CORPORATION
Mr. Akira Hayama, President

July 15 2016
TUV Rheinland Japan Ltd.
Holger Kunz, President

1. Scope, purpose, target, procedure and conclusion of the verification

TUV Rheinland Japan Ltd. (hereinafter referred to as the verification body), as an independent third party, verified the "RISO KAGAKU CORPORATION Sustainability Report 2016" and the "Environmental Information on the web" prepared by RISO KAGAKU CORPORATION (hereinafter referred to as the organization) from the view point of:

- Rational calculation methods, reliability of numerical values and adequacy of contents of the report in terms of the environmental report, environmental performance and environmental accounting
- Disclosure of all important information in environmental reporting

The purpose of the verification is to report the results including verification opinions.

Ministry of Environment's "Environmental Reporting Guidelines, and Environmental Reporting Standard," and GRI's "Sustainability Reporting Guideline" were used as reference during the verification process however, the statement does not imply certification or compliance with these guidelines.

As a result of the verification that was performed in a planned manner, the verification team concludes that the "RISO KAGAKU CORPORATION Sustainability Report 2016" and the "Environmental Information on the web" provide accurate data in light of the environmental reporting guidelines that are generally considered adequate as principles of reporting, providing that the organization takes appropriate corrective actions that were required in the verification process.

2. Verification opinion

With its environmental management information as its focal point of non-financial information disclosure, and its effort to make CSR related information more substantial, the organization has been providing "Riso" (ideal) products to its users, while promoting its environmental consciousness throughout phases including raw material, manufacturing, use of products, waste disposal, reuse and recycle. As the organization observes its 70th anniversary, looking back through its past products, it is hoped that the organization continuously manufactures "Riso" products, with its attitude being maintained.

The "R&D of the ink" which is one of the organization's core technology, shows the organization's attitude pursuing Riso products; that is a gradual shift to rice bran oil from soy bean oil which is required for ink. This shift enables the organization not just to respond to a food problem where there is a competing demand of soy bean as a food, but also to help reduce CO2 emissions during transportation by procuring domestically produced rice bran.

The organization's efforts on responding to social accountability from various aspects should be appreciated.

[Environment]

It is evident that PDCA based environmental management is steadily implemented according to the articles on page 18 of the report and the figure 1 in the data book. Among others, the organization's determination to improve energy consumption in basic unit

deserves to be praised despite expected increase of energy consumption in FY2016 because of production increase, advanced investment for development and so on.

Regarding accuracy of data in collecting, aggregating and reporting processes, reliability of the accuracy has been fully confirmed. One example is that there tends to be difficulties in communicating with overseas offices though, if the data has a difference of 10%, compared with the previous year, explanation for the reason is required, which is good. Moreover, from this year's report, data of collected hardware products is shown in actual measured value while a figure of an average value multiplied by the number of collected hardware was reported in the past (it has been verified that the gap between the two is ±1%). What is appreciated is that the organization has a system to investigate the root cause and to take actions to prevent recurrence after correcting a numerical value which turned out to be incorrect.

In addition to the explanation of improvement, it is also appreciated that the organization discloses negative factors to ensure its accountabilities, which often can be found in the report. Further continual improvement with its thorough implementation of PDCA cycle is very much expected.

For future expectations, it is hoped that the organization will further promote its environmentally friendly products in the global market and carry out its environmentally friendly management to further reduce environmental load from the perspective on a global scale.

[Social initiative]

The organization has started to distribute a booklet of this report to all employees in Japan. Ink used for printing is rice bran oil ink as mentioned above. There has been increasing interest towards environmental consciousness in products and individual employees came to recognize the importance of understanding environmental management and eco-friendliness about their products. Therefore, it can be positively seen that the organization places much consideration on readers; universal design as an example.

From now on, together with production sites and sales offices overseas, in order to grow further, the organization will actively involve employees overseas, while enhancing effectiveness of initiatives taken there, and eventually will better provide CSR information including website information so that readers can be more familiarized with.

[Environmental accounting]

It is hoped that with its effectively maintained environmental accounting data aggregation process, the organization will provide information on merits and risks utilizing the application of environment accounting, such as currency information to express environmental risks in key business and sites, currency evaluation to show environmentally friendly performance related information and so on.

End

Note: The full third-party report is available from the RISO website.