

FY2022

# Environmental Report



# Top Management Message

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## Message

In May 2022, our company celebrated the 129th anniversary. We would like to express our deepest gratitude for many people including customers, distributors and those who take part in our business activities for their cooperation and kindness.

While the spread of COVID-19 has not yet ended around the world, in order to prioritize safety and security of people involved our business, we take measures against virus infection by refraining from business trips, working from home, and utilizing web conferencing.

In recent years, there has been growing concern about the prolonged disruption caused by the lockdown in Shanghai against for the spread of COVID-19, soaring raw fuel prices and the tight supply of materials used in products. To deal with uncertainty, we identify risks, set targets, and plan to achieve those targets. We also actively invest in training and job rotation to enhance the skills of our employees, thereby improving the quality of our operations and helping us to overcome difficulties.

We create the better production circumstances which make our products not contaminate by restricted substances by working with our business partners and suppliers. We will continue to provide products that comply with the latest regulations.

We are promoting the development of products that contribute to the improvement of our customers' production efficiency and to the environment, and the contribution by procurement of the environment-friendly material as ever.

As we are making a fresh start to strive to continue providing environment-contributing products, your continuous guidance and encouragement would be greatly appreciated

**Minoru Oshita**  
**Executive Director**  
**Quality and Environment management system**

### Quality and Policy

Ishida Co., Ltd. executes, based on the corporate philosophy “Three Way Harmony”, quality and management in the following matters.

- 1) To enhance customer satisfaction by improving products, services and management systems continuously.
- 2) To make efforts for conservation of the global environment by supplying environment-contributing products and services and by environment-friendly business activities.
- 3) To satisfy requirements and compliance obligations applicable to offer of products and services and to business activities.
- 4) To prevent pollution which can be caused by offer of products and services and by business activities. Moreover, to promote the use of sustainable resources to maintain biodiversity and to protect ecosystems.
- 5) To establish quality and targets for relevant departments and levels, and to make efforts for their achievement.

Understanding of this quality and policy is promoted to all those who work for our company, and the policy is communicated to stakeholders as well.

Established: June 17, 2016

Revision: April 27, 2017

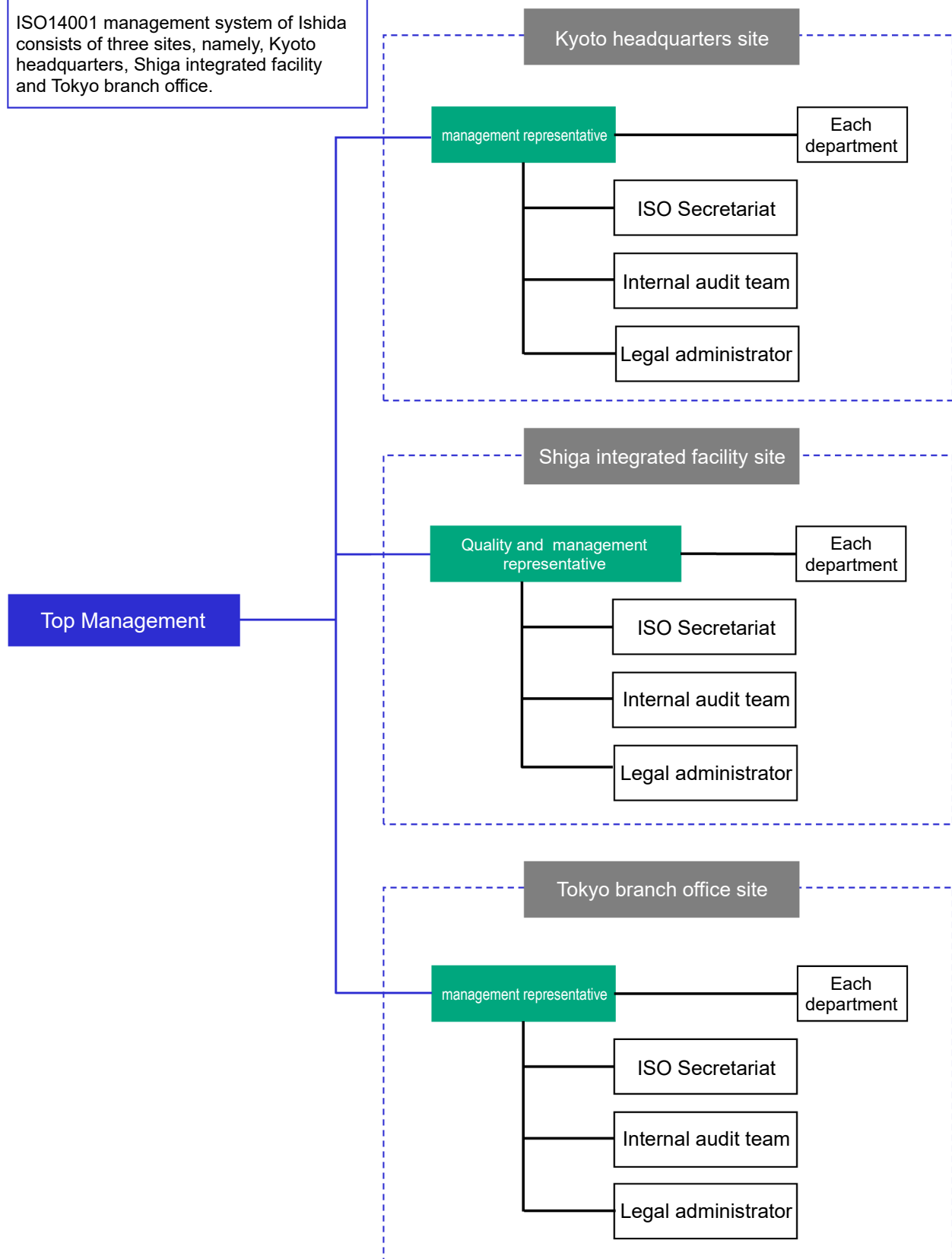
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# 1. Management System

ISO14001 management system of Ishida consists of three sites, namely, Kyoto headquarters, Shiga integrated facility and Tokyo branch office.



## 2. Energy Management Conditions of the Whole Company

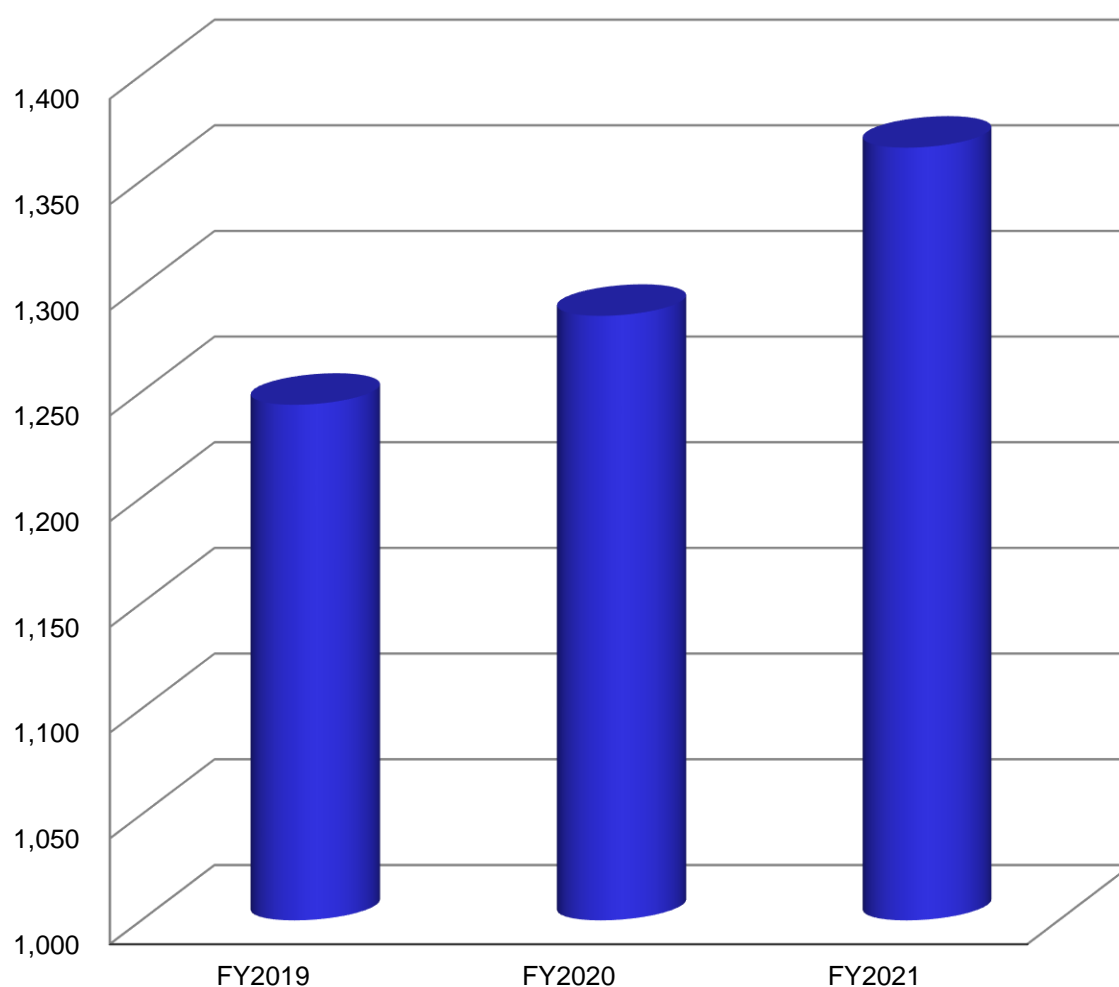
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In order to promote company-wide energy-saving activities, our company collects the energy consumption (crude oil equivalent) of all business establishments including domestic sales offices and service bases every month and uses it to achieve the annual target.

The actual result was 1365.6 kL, compared to our target value of 1384.0 kL or less in 2021.

In FY 2021, due to the spread of COVID-19 infection, the operation of air conditioning equipment increased compared to previous years due to the implementation of infection prevention measures such as office ventilation. However, the overall energy consumption is being controlled by the establishment of each person's energy saving awareness and Monitoring with demand control equipment, reliable energy saving actions such as turning off unnecessary lights.

We will continue these activities and strive to use appropriate energy to protect the global environment.







Energy consumption of the whole company (crude oil equivalent, vertical axis: kL)

### 3. FY2021 Targets and Results

#### Kyoto headquarters

#### Overview table of targets

Priority subjects	targets (FY2021)	Results (achievement rate)
<b>Offer of environment-contributing products</b>	1) Sales promotion of environment-contributing products : Domestic distribution 3,200 products →products sold : 2,920 products  2) Sales promotion of environment-contributing consumables : Domestic distribution 898,000 rolls →rolls sold : 1,455,000 rolls	1) 91.3%   2) 162.0% 
<b>Saving energy and resources</b>	1) Appropriate management of energy usage 【Monitoring Item】 Energy consumption in crude oil equivalent Less than 66 kL in Kyoto headquarters →Achieved (Total 30.2 kL in FY2021 fiscal years)	1) 218.5% 
<b>Waste disposal</b>	1) "100% waste disposal in compliance with the law," →Ongoing at 100%	1) 100% 

## **Offer of environment-contributing products**

The head office sales department promotes the sale of IP-AI, UNI-9, WM-AI, AL-AI linerless labeler as the environment-contributing products. Therefore, waste is not generated when issuing labels, and unnecessary paper waste can be reduced.

In FY 2021, we have set a target of 3,200 products sold annually for environment-contributing products. However, the result was 2,920 products, which did not reach the target value.

The reason why we could not achieve our sales target was because we had to reduce the number of units produced due to the material supply shortage caused by the shortage of semiconductors around the world. In FY2022, we will analyze the political and economic situation in real time and strive to achieve the target volume.



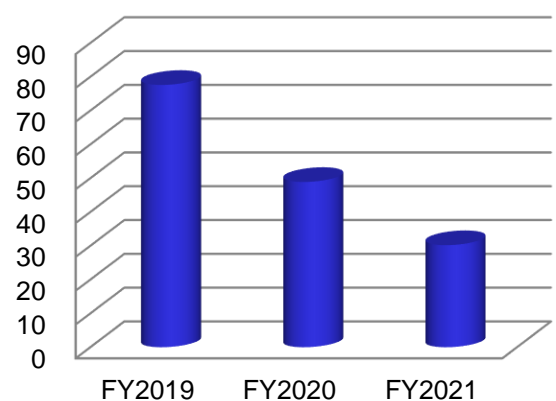
IP-AI

## **Reduction of electricity consumption**

We were able to reduce by 39% compared to the previous year.

In FY 2020, The head office is being rebuilt and is operating in a rental office. This is one of the factors that reduce power consumption.

In FY2022, due to the recent power shortage, the electricity bill will be raised significantly, accordingly, we will work to raise awareness within the company to encourage further power conservation.



Electricity consumption  
(vertical axis: MWh)



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## Waste disposal

In FY2021, we generated almost no industrial waste from equipment due to our tenants.

Under the owner's designated industrial waste collector, manifests were properly issued and collected to ensure "100% law-abiding disposal of waste."

The capacitors and fluorescent light ballasts containing high concentrations of PCBs found in the former head office building after its demolition were entrusted to a specialized recovery contractor, and disposal at the final disposal site has been completed. (This has been confirmed by receipt of the manifest E slip).

### **Comment by the environmental management representative of Kyoto headquarters**

The Kyoto Headquarters is a base centered on sales and general staff departments, and lists "sales promotion of environment-contributing products", "energy saving/resource saving (proper management of energy usage)", and "Appropriate treatment of legally disposing of all waste" as the main targets. We are working on activities every day.




As in the previous fiscal year, operations in FY2021 will continue to be conducted in temporary offices, and energy consumption and industrial waste emissions are under control. However, we will continue to make further efforts to conserve energy in the future, given the global competition to reduce CO<sub>2</sub> emissions and soaring energy prices affected by the situation in Russia and Ukraine.

Although it is difficult to predict the future outlook for the sales volume of environmental contributing products, which has fallen short of the target, we will continue to make thorough efforts to share information within the sales department and to promote sales of environment-contributing products.

Yoshio Iwasaki,  
management representative of the headquarters

## Shiga Integrated Facility

### Overview table of targets

Priority subjects	targets (FY2021)	Results (achievement rate)
<b>Offer of environment contributing products</b>	Development of environment-contributing products Commercialization of six or more environment contributing products.	1) 66.7% 
<b>Saving energy and resources</b>	Proper management of energy consumption Energy consumption 974.0 kL or less (crude oil equivalent)	1) 95.6% 
<b>Reduction of environmental hazardous substances</b>	Increase of RoHS II compliant model • Increase of RoHS II compliant component. Strengthening of management system.	1) Completed 

## Development of environment-contributing products

In FY2021, we completed the development of the following four environment-contributing products in response to our target of completing six products. However, the development of the new labeler and DACS-AS was not completed. The reason why we could not achieve our target was that we had to postpone the development of these products due to the parts supply shortage and other factors.

We will continue to develop environmental contributing products and strive to protect the environment.

【In FY2021, contributing products】

saving resources : INSPIRA-CTC

Tray Unit (Linked to UNIPUL)

Saving energy : new type measuring instrument

Fixed quantity cut specification IX



DACS-AS

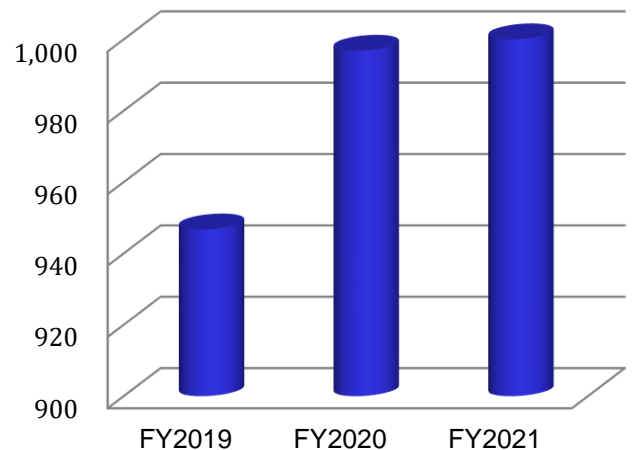
## ■ Transition of energy consumption

In FY2021, we failed to achieve our target of reducing energy consumption to 974.0 kL or less, with an actual result of 1,018.7 kL.

The reason for the increase in energy consumption from FY2020 is an increase in the operating rate of air conditioners due to the ventilation of rooms as a measure to prevent infection by COVID-19. In addition, due to a tight supply of parts, there is a possible expansion of storage space for securing and storing inventory.

However, we are working to reduce energy consumption through employee energy-saving efforts, monitoring with demand control equipment, replacement of aging air conditioners, and use of LED lighting.

We will continue to work on measures to reduce energy usage.



Energy consumption  
(crude oil equivalent, vertical axis: kL)

## ■ The reduction of Environmental hazardous substances

Ishida has designed and manufactured products that comply with the EU RoHS directive.

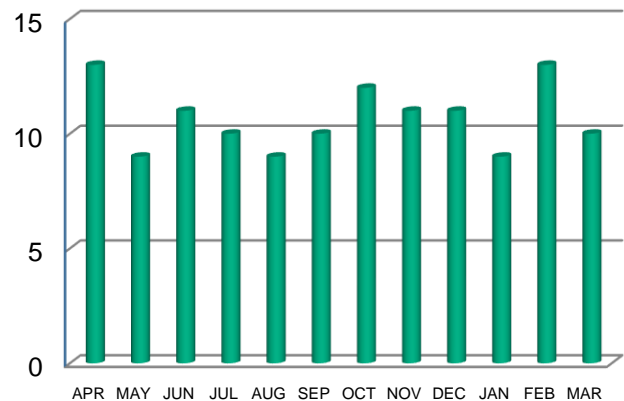
We are continuing to gather information in cooperation with external organizations in order to respond to the addition of regulated substances.

We will continue to work with our suppliers and related departments to provide products that comply with the EU RoHS Directive.

## **Eco-Foster activity**

We as an beautification activities based on the "Omi Eco-Foster system", once a month from 2004, we are a clean up activities of the roads around the Shiga office. We are active from 5:30 pm in the summer and from 8 am to 30 am in the winter.

In FY2021, we were able to hold this activity in all months after implementing measures to prevent COVID-19virus infection. A total of 128 people participated and collected approximately 17 kg of garbage.



(Vertical axis: number of people)

## **Cooperation in learning projects**

Ishida cooperates with the " Learning Project for Elementary School Students" sponsored by the Kyoto Chamber of Commerce and Industry Special Committee for Measures, and every year, female employees take the lead in giving classes at elementary schools in Kyoto City.

Although the class could not be held in FY2020 due to the spread of COVID-19virus infection, in FY2021, a class was held on October 29 for 4th graders (45 students) at Matsugasaki Elementary School in Kyoto City under the theme "Let's think about the environment from the world of scales".

The students learned the importance of weighing and preservation through the experience of weighing combinations of actual green peppers and waste sorting.



Learning Project

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## Measurement

Once a year, Ishida commissions an analysis agency to measure water quality, and noise and vibration measurements. The reason for this is to control the effects of drainage into the public sewage system and noise and vibration at the Shiga Integrated Facility and the Processing Technology Center.

As a result of fiscal 2021, we have confirmed that both water quality and noise/vibration measurements meet the standards of the ordinance.

In addition, the results of analysis of sewage effluent by on-site inspection by the government also confirm that the standards are met.

We will continue to monitor the environment so that we can maintain this status.

### **Comment by the quality and environmental management representative of Shiga integrated facility**

In fiscal year 2021, while business activities were restricted due to the spread of COVID-19, we were able to continue production without suspending operations, thanks to the efforts of all employees. Thank you very much.

Meanwhile, regarding the provision of environment-contributing products, which is the target for Shiga Works in FY2021, we have completed the commercialization of four models, compared to the target of six models. The development of the two models that were not completed had to be postponed due to a parts supply shortage and other factors.

In terms of resource and energy conservation, our target was 974.0 kL or less (crude oil equivalent), but we failed to achieve the target with 1,018.7 kL. Although the spread of COVID-19 infection is thought to be a factor in the increase in energy use, we will continue to strive for appropriate energy use by maintaining individual awareness of energy conservation and reliable energy conservation actions.






In the area of reducing environmental hazardous substances, we continue to gather information in cooperation with external organizations in order to respond to the addition of substances to be regulated by the EU RoHS Directive, and are preparing a system for the start of the regulation.

We will continue to carry out various activities that will contribute to reducing our impact.

Akimitu Kojima,  
quality and management representative, Shiga integrated facility

## Tokyo branch office

### Overview table of targets

Priority subjects	targets (FY2021)	Results (achievement rate)
<b>Offer of contributing products</b>	1) Offer of contributing products • Sales target including contributing products.: 27.1 billion yen  2) Support of contributing products • Support for introduction of paperless system utilizing digital paper signage such as i-degiita.	1) 97.5%   2) 100.0% 
<b>Saving energy and resources</b>	1) Proper management of energy consumption • Energy consumption Tokyo branch office: 220.0 kL or less (crude oil equivalent)	1) 122.8% 
<b>Reduction of environmental hazardous substances</b>	1) Reduction of waste • Retention of purchase volume of copier paper Annual purchased volume of 5.3 m <sup>3</sup> or less  2) Reduction of CO <sub>2</sub> emitted from company cars.  • Fuel cost conversion average 17km/L or more	1) 124.7%   2) 100.3% 

## ■ Environment contributing products

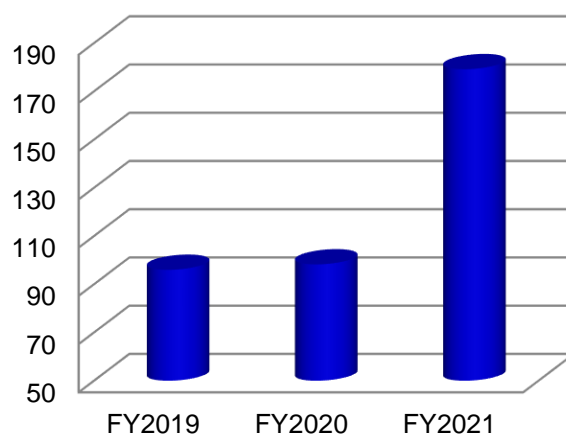
In the sales department of the Tokyo branch office, we are working to set targets such as the environment contributing products such as X-ray inspection equipment and linerless labeling.

In FY2021, we fell short of our sales target, which includes Environment contributing products, with an achievement rate of 97.5%. We believe that this is due to uncertainty over the future caused by the COVID-19 disaster and the invasion of Ukraine, as well as food-related price hikes and tight supply of parts. On the other hand, the strong performance of supermarkets, which have been on the receiving end of the food service slump caused by the COVID-19 disaster, led to an increase in equipment replacements and supply orders in some sectors. In addition, when replacing equipment or installing new equipment, we will continue to promote the introduction of such equipment and maintain a high level of awareness of contribution, as demand for environment contributing products such as linerless printers and de-plasticized equipment is increasing due to customers' growing interest in the SDGs and other issues.

## ■ Transition of electricity consumption

We were able to achieve our target of 179.2 kL (122.8%) against our target of energy consumption of 220.0 kL or less.

Since the new building was completed this year and the building area increased from the previous year, the target was calculated based on the assumed annual usage based on the amount of electricity used relative to the square meters of other offices. The energy consumption was much lower than the assumed value because the new building has LEDs, air conditioning control, and other facilities that are expected to be effective in saving electricity. The energy consumption was much lower than expected due to the new building's LED and air-conditioning control systems.



Electricity consumption  
(crude oil equivalent, vertical axis: kL)

\*Electricity consumption was approximately 2.8 times that of the Bunkyo temporary office. As in previous years, we are working to avoid unnecessary energy use. Although it will not be easy to achieve the target amid increasing sales, we will continue to promote ecological activities.



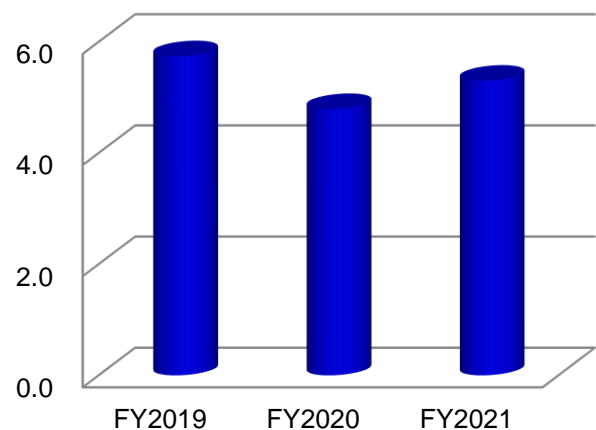
## ■ Reduction of purchase volume of copier paper

Regarding the amount of OA paper purchased, we achieved the target with 4.3 m<sup>3</sup> (124.7%) compared to the target of 5.3 m<sup>3</sup>, an 11.7% reduction compared to last year.

Although we set the target at 0.7 m<sup>3</sup> less than last year, we believe that we were able to achieve the target through ongoing activities to convert documents into data and workflow, and to convert proposals into data through web-based business negotiations.

This was the lowest amount of OA paper purchased since the start of statistics in FY2011. We will continue to review the usage of OA paper and strive to achieve the target.

We will continue to review the usage of OA paper to achieve the target.



Purchase volume of copier paper  
(vertical axis: m<sup>3</sup>)

## ■ Reduction of CO<sub>2</sub> emissions from company cars

We were able to achieve our target of reducing CO<sub>2</sub> emissions from company vehicles we use (17 km/L on average) with an average of 17.1 km/L.

Year against to FY2020, annual mileage increased, but the amount of fueling decreased, suggesting that the replacement of vehicles with more fuel-efficient ones (29 vehicles in FY2021) has led to improved fuel efficiency.

We will continue to promote the replacement of vehicles with more fuel-efficient ones in order to reduce CO<sub>2</sub> emissions.

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### **Comment by the environmental management representative of Tokyo branch office**

In FY2021, we were unable to achieve our sales target for environmental contributing products due to unstable economic conditions such as the invasion of Ukraine, food-related price hikes, and tight supply of parts, while our business activities were restricted by the spread of COVID-19 infection, as in the previous year. On the other hand, we were able to achieve our targets for energy and resource conservation and reduction of environmental hazardous substances.

In May 2021, the Tokyo Branch Office building was completed, and we are now working in the new environment; LED lightings and air conditioning control systems have been installed, and the facility environment is expected to be effective in saving electricity. We will make effective use of the facilities and continue to promote activities with an awareness of power saving.

We were able to achieve the CO<sub>2</sub> reduction target for company vehicles which has set since FY2020. Although the mileage has increased, the amount of fuel consumption has decreased, thus we believe is due to the replacement with more fuel-efficient vehicles. We will continue to promote the selection and replacement of vehicles with more fuel-efficient ones.

Hisao Mukai,  
management representative, Tokyo branch office

## 4. Efforts of Activities by Ishida – The History

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- 2004 Shiga integrated facility: ISO14001 certified  
Ishida Eco-Foster activity started
- 2005 Cooperation with the “leaning project for elementary school children” by the Kyoto Chamber of Commerce and Industry started
- 2006 Participation and exhibition in “Bikkuri Eco 100”  
Cooperative company agreement for the Shiga Prefecture Life-long Learning concluded
- 2007 Participation in Kyoto Protocol walking parade
- 2008 Registered for “School support menu” by the Shiga Prefectural Board of Education
- 2009 Kyoto headquarters and Tokyo branch office: ISO14001 certified  
Joined in the commissioned project by the Ministry of Economy, Trade and Industry, “Supply chain resource saving cooperation promotion project”
- 2010 Trayless wrapper NTP-UNI awarded LOHAS Grand Prize (article department)  
Participation in the Eco-Action Point model project of the Kyoto Carbon Dioxide Reduction Bank
- 2011 Shiga integrated facility: Introduction of LED illumination in five buildings
- 2012 Kyoto headquarters: Certified as an excellent enterprise for waste reduction and 3R
- 2013 Shiga integrated facility: Commended as an excellent office by the Conservation Association of Shiga Prefecture
- 2014 Received a letter of appreciation from the Kyoto City Board of Education for the leaning project for elementary school children
- 2015 Shiga integrated facility: Building A completed and opened
- 2016 Shiga integrated facility: Introduction of LED illumination in the office building completed
- 2017 Transition to ISO14001:2015
- 2018 Shiga integrated facility: Air conditioner replacement of Administration Building, Techno Building, B ridge.
- 2019 ISO14001 registration range expanded at 4 sites in Tokyo branch office.  
(Tokyo branch office, Ukimafunado office, Urawa office, and Tokyo branch office Second)
- 2020 Completed update to ISO14001:2015 in Shiga integrated facility, Kyoto headquarters and Tokyo branch.
- 2021 Ishida Tokyo Daiichi Building completed.

## 5. Overview of Ishida Co., Ltd.

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Business overview: Production and sales of weighing, wrapping and inspection system devices in production, logistics and distribution fields

Business started on: May 23, 1893

Company founded on: October 26, 1948

Capital: JPY 99.63 million

Consolidated sales: JPY 134.4 billion (stand-alone sales by Ishida: JPY 95.426 billion, settlement in March 2022)

Number of group employees: 3,968 (number of employees of Ishida: 1,588, as of June 21, 2022)

Office locations:

Headquarters temporary office: 3<sup>RD</sup> floor, GRAND KYOTO, 75 Higashihieijo-cho, Nishikujo, Minami-ku, Kyoto city, Kyoto, 601-8434 Japan  
Phone: +81-75-771-4141, Fax: +81-75-693-7300

Shiga integrated facility: 959-1 Shimomagari, Ritto-shi, Shiga, 520-3026 Japan  
Phone: +81-77-553-4141, Fax: +81-77-551-0350

Tokyo branch: ISHIDA TOKYO 1ST BLDG, 1-52-1 Itabashi, Itabashi-ku, Tokyo, 173-0004 Japan  
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