

Environmental and
Social Responsibility Report
2019





Creating a Sustainable Society and Striving to be a Company that Inspires Customer Kando

Komori strives to be a company that inspires customer Kando (customer satisfaction beyond expectations). In addition to this commitment, we work to realize a sustainable society through future harmony among people, communities and the global environment. Embracing these goals, Komori Corporation is spreading its wings to venture out into the world.

To be a “company that inspires customer Kando”

Komori’s management philosophy seeks to create customer Kando with its excellent management quality, thereby attaining the following three goals: Komori will inspire customer Kando through the bold pursuit of these three goals.

Management Philosophy	1. Enhance the Komori brand image	2. Deliver improved quality control	3. Implement solutions that meet business outcomes
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The Komori Group’s Mission

Ever since its founding in 1923, the Komori Group has sought to contribute to society and culture by manufacturing printing presses.

The pace of social change has accelerated in the 21st century, transforming the operating climate of the printing industry. Now is the time to renew our commitment to making progress one step at a time. Our ideal of being a company that inspires customer Kando will illuminate our path.

We are committed to listening to our customers, providing the finest services by viewing print from user perspectives, and we seek to offer the best product and technology solutions. Through diligent effort, we believe that we can create true brand value as an enterprise that offers Kando.

We will continue striving to inspire customer Kando through every aspect of our corporate activities that originate with our customers both internal and external.

Customer Satisfaction Beyond Expectations (The KANDO-PROJECT)

“The KANDO-PROJECT”

Customer satisfaction beyond expectations

- Always listen to our customers
- Provide tailored services rooted in the needs of our customers
- Provide products and technologies that meet business outcomes

“Green PJ” environmental protection activities

- Raise our environmental commitment in the printing industry and for customers
- Proactively promote environmental measures to realize a more livable global environment
- Contribute to the community as a good corporate citizen

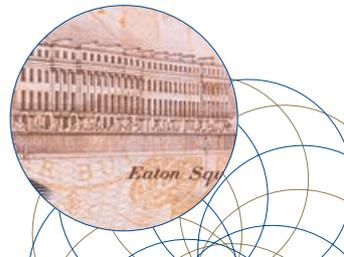
Specific solutions provided through Kando

Printing technologies and services that support society and culture, and resolve social issues

<p>Total solution services</p> 	<p>Printing machinery</p> 
<p>Digital technologies</p> 	<p>Environmental solutions</p> 

▲ Societal issues surrounding the printing industry and our customers

Reducing running costs through environmental measures	Global warming prevention measures	Preservation of biodiversity	Control of harmful chemicals
Quality enhancement of information culture and lifestyles	More advanced and high value-added industry	Bridge the digital divide	Improving the workplace environment, health and safety



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Message from Top Management

We will bring about transformation underpinned by our strong will as “a company that inspires customer Kando” (customer satisfaction beyond expectations) contributing sustainable development of society.

Representative Director,
President and CEO

Satoshi Mochida

Looking back at the Fifth Medium-Term Management Plan

Under the Fifth Medium-Term Management Plan launched in 2016, operating results fell significantly short of its numerical targets despite steadily accumulating achievements from a variety of measures.

One reason of this was the inability to respond to fluctuations in demands of emerging nations in the offset printing press business, which is our core operations.

Specifically, during the first half of the medium-term management plan, the impact of slow demand recovery in Chinese market and disruptions caused by economic reforms in India. Furthermore, our efforts to get the digital printing system (DPS) business on track was hampered by significant delays in the development and release of Impremia IS29 digital printing system.

The Sixth Medium-Term Management Plan

We will structure the new medium-term management plan to cover the coming five years as Komori Corporation will celebrate the centennial of its founding in 2023.

We will clarify the roles of our businesses and redefine the strategic positioning for each business in order to take more effective measures to achieve each business's respective targets.

The core businesses are the offset and securities printing press businesses, and our basic policy is to improve profitability and improve our ability to generate cash flow.

Medium-term business results are necessary for DPS, which is a key

business, and we expect it to be a core business in the future and look forward to it creating synergies with the offset business.

We will steadily improve the profitability of businesses and generate recurring income.

PE (print electronics), which is our new business, is a business in development that organizes trial and error of current technologies and market expansion, and focuses on PE products involving ultra fine printing such as FHE (flexible hybrid electronics), sensors, etc.

Within this, we will create a business foundation using conventional PCB (print circuit boards) and electronic component manufacturing equipment.

Furthermore, we will strengthen the management structure, and make securing stable profits an important issue.

We will promote the “creation of the optimal capital structure” and financial soundness for our financial strategy.

Initiatives for CSR

Ever since its founding, Komori Corporation has been promoting CSR initiatives involving products and manufacturing processes, taking a common capital approach to the natural environment and society.

Accordingly, our longstanding initiatives hold great significance particularly from the perspective of ESG (“environment,” “social” and “governance”) investment and loans focusing on sustainability with respect to ESG concerns. At the same time, our commitment to pursuing sustainable development of society also entails helping to achieve the Sustainable Development Goals (SDGs)

established by the United Nations as objectives to be met by the year 2030.

With that in mind, Komori Corporation will endeavor to continue to achieve even greater corporate value. To such ends we will adhere to our management philosophy in acting as “a Company that Delivers Kando to Customers” by ceaselessly providing products and services that give rise to Kando in the form of customer satisfaction beyond expectations.

To all stakeholders

In order to address the changing conditions in the printing industry, which is our primary market, we established “three transformative initiatives” and did our utmost to actively work on them under the fourth and fifth medium-term management plans.

Despite steady results such as receiving orders from customers in France, Indonesia, China and India for multiple units of bank note printing facilities, and the multiple large orders resulted in a total of approximately 11.0 billion yen in fiscal 2018, “transformation” is only halfway through.

Through executing and verifying the “Sixth Medium-Term Management Plan” repeatedly, we will ensure to achieve the numerical targets, and aim for the further increase of corporate value and sustainable business growth to become a true “a Company that Delivers Kando (Customer Satisfaction beyond Expectations) to Customers,” as stated in our management philosophy.

We sincerely ask for the continued support and encouragement of our stakeholders going forward.

The Sixth Medium-Term Management Plan (April 2019 to March 2024)

Theme

Improving Profitability + Building Foundations for Growth Businesses

○ Business strategy

Theme: Focusing on profitability, Building foundations for growth businesses

Core businesses	Offset printing press business (Existing market / Existing technology) Securities printing press business	<ul style="list-style-type: none"> · Enhancement of profitability · Improvement of cash flow generation capability
Key business	DPS business (Existing market / Existing and new technologies)	<ul style="list-style-type: none"> · Increase of business profitability · Promotion of recurring income
New (developing) business	PE business (New market / New technology)	<ul style="list-style-type: none"> · Proactive investment in growth market

○ Execution structure

Clarify the organizational operation structure

Establish management structure that performs steadily

○ Financial strategy

Create the optimal capital structure

Promote a financial strategy that strikes a balance between financial soundness, capital efficiency and shareholder returns

**Create a foundation for the recovery of profitability
Increase corporate value**

Long-term plan (to 2030)

Become a company of superior quality as a company that delivers Kando to customers

Enhance profitable businesses among DPS/PE businesses

ROE 10.0% or more

Priority Themes and Major Issues

The Komori Group will help make the concept of a sustainable society a reality by actively working to achieve objectives related to the Sustainable Development Goals (SDGs) that were adopted at the United Nations Sustainable Development Summit in September 2015.



Major issues and their connection with SDGs

Contribute toward a low-carbon society, and a resource recycling-based society

We will contribute to achieving SDG goals 12 and 13 through various initiatives including improving energy efficiency and reducing CO2 emissions throughout the full product life cycle, utilizing renewable energy in the manufacturing process, and support activities to reduce the environmental burden on our customers and society.

ESG	Challenges	Major issues	Categories of initiatives	Page	
E	Environment	Eco-products	Development of environment-friendly products	LITHRONE GX40RP LITHRONE G37P Impremia IS29 Impremia NS40	P8~9
		Eco-factories	Reduction of environmental impact at plants and business sites	Adoption of solar power generation equipment Upgrade of heat source equipment for energy-efficient air conditioners Adoption of devices for water conservation Improvements regarding waste materials	P10
		Eco-communication	Reducing environmental impact upon distribution, marketing and services	KGC's global contribution activities Water risk management Preservation of biodiversity Initiatives regarding the problem of plastic waste in the ocean KOMORI Preventive Maintenance (KPM) Longer machine service life Recycling	P11 P14 P20 P20 - - -
S	Social	Together with customers	Customer Kando	KOMORI Club Sponsor General Meeting KOMORI Calendar PRINT CHINA exhibition	P15
		Together with employees	Respect for human rights	Respect for human rights	-
			Human resources and employee benefits	Labor practices Childcare support, nursing care support Living assistance	P16
			Occupational safety	Promoting women's empowerment Promotion of occupational health and safety	P17
		Together with suppliers	Supply chain management	Partner company briefing sessions Green procurement Control of chemical substances Tracking of patent numbers	P18
		Together with communities	Education and culture	Accept technical interns from Vietnam New Year Relay Race Commendation for superior implementation of a town charter	P19
G	Governance	Organizational governance	Dialogue with shareholders and investors	Holding IR events Providing IR information Shareholder return Participate in Environmental Reporting Platform Development Pilot Project	P20
			Corporate governance	Corporate governance establishment and structure Compliance structure	P21
			Compliance	Komori Group Code of Corporate Conduct Compliance education Internal reporting system	P22
		Risk management	Crisis response manuals for natural disasters BCP structure establishment		



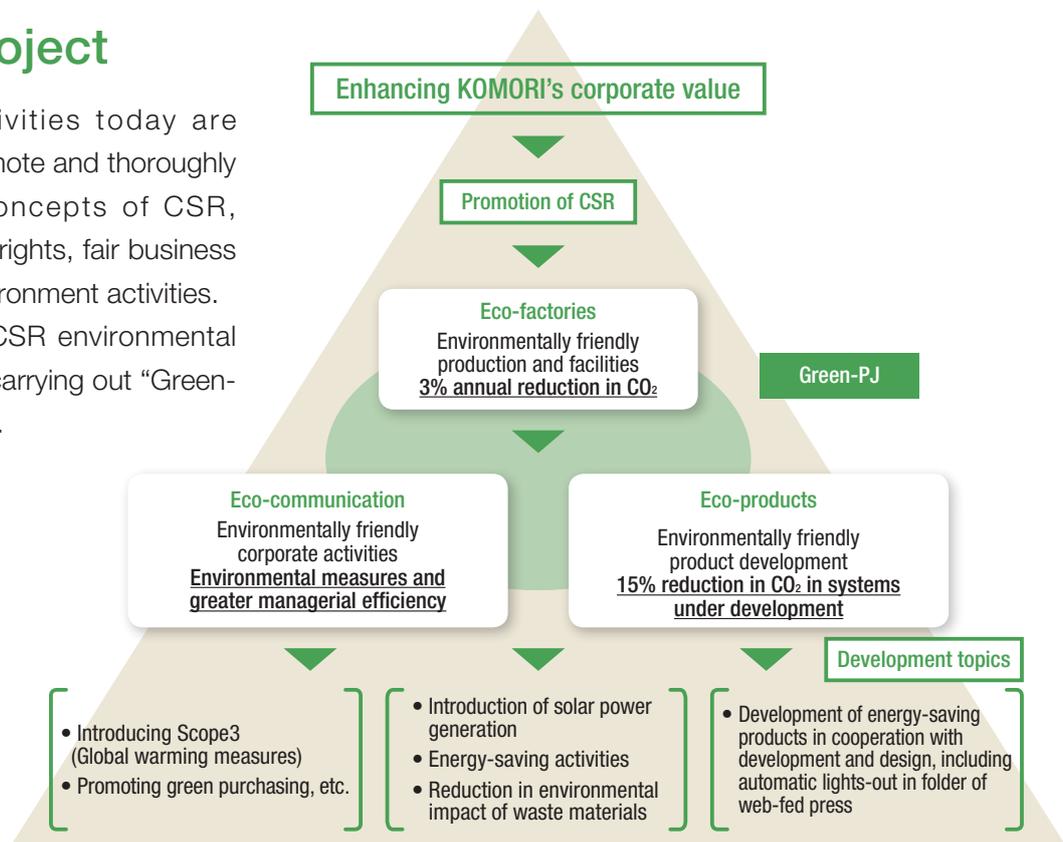
Environment

The Komori Group will contribute to the realization of global and communal sustainability with prevention of global warming, measures for a recycling-based society and biodiversity as tenets.

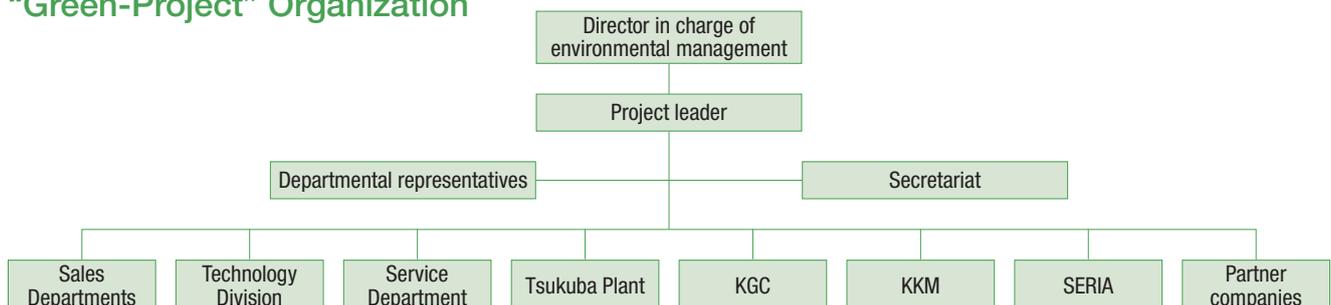
Having designated 2013 as the year of re-establishment, Komori, as a company that aims to meet public expectations in terms of environmental response, is working to improve the environment at the global and corporate operational levels by launching the Green-Project an in-house, cross-organizational initiative to promote its environmental activities at three levels; eco-products, eco-factories and eco-communication.

Green Project

Corporate activities today are expected to promote and thoroughly embody the concepts of CSR, including human rights, fair business practice and environment activities. With regard to CSR environmental matters, we are carrying out “Green-Project” activities.



“Green-Project” Organization

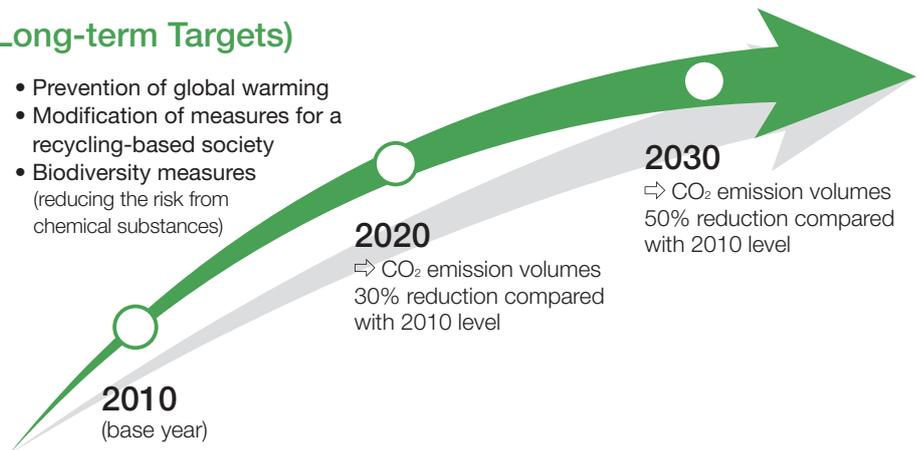


* KGC: Komori Graphic Technology Center, KKM: Komori Machinery Co., Ltd., SERIA: SERIA CORPORATION, SERIA ENGINEERING, INC.

KOMORI Eco Vision 2030 (Long-term Targets)

The long-term KOMORI Eco Vision 2030 was drawn up by the Komori Group in 2015 and activities have continued to be carried out. The basic tenets of this vision are prevention of global warming, measures for a recycling-based society and biodiversity. These orientations support our aim of contributing to the realization of global and communal sustainability and fulfilment of our responsibilities as a global company.

- Prevention of global warming
- Modification of measures for a recycling-based society
- Biodiversity measures (reducing the risk from chemical substances)



Komori's Basic Environment Policy

1. We consistently pursue improvements, such as saving energy and other resources, reusing and recycling, and reducing all waste for corporate activities.
2. We promote environmentally friendly printing presses and equipment. We practice green purchasing.
3. We adhere strictly to environmental and related laws and ordinances while reducing emissions of hazardous chemical substances and striving to prevent pollution.
4. We meet regularly to review environmental goals. We continuously reduce environmental loads.
5. We will document, practice, and maintain this policy. We will educate employees about the policy to enhance their awareness of the need to safeguard the environment.
6. We are committed to communicating with local residents, customers and related companies to aid environmental protection, and will disclose this policy to the general public.

ISO 14001 Certifications

Registered offices	Komori Corporation (Tsukuba Plant)	Komori Corporation (Techno Service Center)	Komori Machinery Co., Ltd.
Applicable Standard	ISO 14001: 2004 JIS Q 14001: 2004	ISO 14001: 2015 JIS Q 14001: 2015	ISO 14001: 2004 JIS Q 14001: 2004
Registration Number	JQA-EM1949	JQA-EM3223	JQA-EM3213
Registration Date	December 7, 2001	June 13, 2003	June 6, 2003
Certifying institution	Japan Quality Assurance Organization	Japan Quality Assurance Organization	Japan Quality Assurance Organization

Message



Director and Operating Officer, Plant Director of Tsukuba Plant, Officer in charge of Komori Graphic Technology Center and General Manager of Technology Division
Isao Funabashi

We aim to be a company that inspires society while realizing sustainable development.

Komori has continued to actively improve the environment both within and outside of the Company, to which end it has established the in-house, cross-organizational "Green-Project" geared to realizing a sustainable world, thereby addressing global warming and other such changes in the Earth's environment.

We reached a record high position, having ranked 45th in the manufacturing industry category of the Nikkei 22nd Environmental Management Survey 2019 results released this fiscal year.

This is tied to the social recognition from Komori's continuous environmental activities, but we will not stop progressing there, and intend to advance further with our activities.

Komori primarily manufactures and sells printing presses to printing companies, who in turn pass the printed documents to people around the world, and it is our mission to support and enrich this way of life.

Therefore, the social responsibility of Komori is one that includes extremely important and various things, and we believe that we will greatly contribute to a sustainable society through the development of our products that continue to take the environment into consideration.

Komori will celebrate its centennial in 2023 thanks to the support of stakeholders such as our customers, partner companies, shareholders and community members.

We aim to be a company that can further create inspiration to reward everyone for their understanding and cooperation, and to ensure that our further progress and a sustainable society can exist together.

We hope that you will understand Komori's activities through this publication.



Eco-Products (Development)

We are developing eco-friendly printing equipment that aims at “coexistence of the environment, people and nature.”

Smart factory



LITHRONE GX40RP (40-inch double-sided sheet-fed offset press)

The GX40RP is the result of technology and know-how cultivated in our offset printing press business, which realizes production efficiency at a max speed of 18,000 sph.

In addition, it realizes package Parallel Makeready, which minimizes incidental burdens such as the burden on the operator, man-hours for preparation and paper waste by combining the KP-Connect Pro and the new KHS-A to provide skill-less operation and automatic scheduling, thereby providing customers with a smart factory that is a next generation printing environment.

- Print speed...18,000sph
- Maximum paper size...750×1,050mm
- Paper thickness...0.04mm~0.8mm

This is a machine that provides not only productivity, but also high cost effectiveness through the implementation of environmental measures such as VOC recovery equipment in addition to high value added printing elements such as distinctive color management and maintenance management (KHS-AI,PQA-S).

High performance



LITHRONE G37P (A1-size sheet-fed offset press with a sheet-reversing unit)

The G37P, a printing press that prints on both sides of paper in one pass, has a compact design that improves durability and maintainability in particular, and makes it possible to engage in printing operations with only one operator due to the installation of the operation manager that works with KP-Connect Pro and the Autopilot system, while also using less resources and contributing toward the environment.

Furthermore, it is a commercial printing solution that has high productivity and high cost efficiency, which realizes high productivity for a wide variety of small lots, and saves labor through the Parallel Makeready feature.

- Print speed...15,000sph
- Maximum paper size...640×940mm
- Paper thickness...0.04mm~0.45mm

It has high accuracy and efficiency even with in-line quality control due to the installation of PQA-S front and back registration adjustment and PDF comparison features, and it aims to contribute to solving a wide variety of customer issues.



Impremia IS29 (29-inch UV inkjet digital printing system)

The Impremia IS29, which is the culmination of initiatives to develop a high end digital printing system that is based on offset printing press and securities printing press technology and know-how cultivated by Komori over many years, is a professional printing system suitable for printing companies. It realizes the ability to print a variety of different products, short run production and quick delivery through the ability to handle a wide variety of printing paper and paper thickness that is usable as normal offset printing paper, and superior post-processing ability due to its quick drying ability, the ability to print on both sides of paper in one pass, and UV ink.

- Print speed...3,000sph for single sided/1,500sph for double sided
- Resolution...1,200dpi
- Maximum paper size...585×750mm
- Paper thickness...0.06mm~0.60mm for single sided/0.06mm~0.45mm for double sided.

It can use normal offset printing paper as is, and can match colors with offset printing.



Impremia NS40 (40-inch size sheet-fed Nanographic Printing® system)

The Impremia NS40 is a 40-inch size sheet-fed Nanographic Printing® system that utilizes Nanography® technology, which was shown at drupa 2016 and is planned to commence sales at drupa 2020, based on a licensing agreement with Landa Corporation, and was developed by combining the technology and know-how cultivated by our offset printing business over many years.

- Print speed...6,500sph
- Resolution...1,200dpi
- Number of corresponding colors...4~7
- Maximum paper size...750×1,050mm
- Paper thickness...0.06mm~0.8mm

It is possible to use offset paper for printing without any special preprocessing due to the installation of an in-line coater and the ability to reject damaged paper using an in-line sensor.



▶ Voice >

Leader of
Development
Department 1,
Sheet-fed Press
Development Division
Nonoko Hagisaka

Realization of a large reduction in changeover time through the new function “inker independent drive”

We developed “inker independent drive” as a new function to reduce the time to switch from one printing job to the next. Previously, when changing colors, the rubber cylinder would be automatically cleaned and replaced after the ink roll was automatically cleaned. However, it is now possible to do these in parallel due to the newly developed inker independent drive.

Through this, we have realized a large reduction in changeover time.



Eco-Factories (Procurement and Production)

We will work to further reduce environmental impact and take measures to meet relevant legal and regulatory product requirements, through consolidation of production technologies and techniques.

Adoption of solar power generation equipment

Our environmental activities have involved installing solar power generation equipment with a capacity of approximately 500 kWh at our Tsukuba Plant in December 2016. The equipment was installed on some of the facility's rooftops across an area equivalent in size to a soccer field. The amount of electricity generation was the same as when they were first installed, and in fiscal 2018 the approximately 610,000 kWh generated were all used within the plant. We are aiming for an environmentally friendly eco-factory, and will contribute to the protection of the environment.



Upgrade of heat source equipment for energy-efficient air conditioners

In December 2018, we upgraded part of the plant's air conditioning to air-cooled heat pump chiller units, which Japan's Ministry of the Environment certifies as offering the highest level of energy efficiency.

In addition to reducing the amount of gas used in the entire Tsukuba Plant by approximately 35%, we were also able to reduce the amount of water used during summer by approximately 1/3.

As a result, we expect to be able to reduce CO2 emissions by approximately 500 tons.



Adoption of devices for water conservation

Devices for water conservation have been installed on plumbing fixtures that use domestic water (toilets, sinks, showers, etc.)

It will be possible to reduce the amount of water used without changing the feeling of use by installing them on faucets and adjusting the rate of flow using water pressure upon use.

We will strive for all employees to participate in environmental activities little by little starting from their immediate surroundings.



Improvements regarding waste materials

We reviewed the recycling process for all industrial waste and all valuable materials at the Tsukuba Plant. We have turned waste into valuable materials and strengthened separation of waste, while also persisting with our efforts to achieve zero emissions (zero waste for final disposal at a land fill). Accordingly, we have managed to generate proceeds amounting to 11 million yen per year in waste-related costs in fiscal 2018.

Furthermore, we introduced an electronic manifest in August 2018, and are striving to strengthen waste management.



▶ Voice >

Environmental Equipment Unit, Operations Department, Personnel Division of Tsukuba Plant
Seigo Furuya

Contribute to the environment by upgrading heat source equipment for air conditioners

We are making plans for upgrading deteriorating equipment, taking energy efficiency and maintainability into consideration. Regarding the adoption of air-cooled heat pump chiller units, we looked for the best method to increase energy efficiency from various designs. Furthermore, we utilized a grant from Japan's Ministry of the Environment. We are always thinking about maximizing cost effectiveness. Going forward, we will contribute to increasing our corporate value through activities geared to reducing environmental impact.

Eco-Communication (Environment-Friendly Customer Products)

The Komori Graphic Technology Center (KGC) organically integrates the three functions described below, and actively disseminates the latest information to our customers and industry players worldwide in acting as a core location for developing various Komori solutions, including those involving the natural environment.



Demonstration

KGC performs a variety of product demonstrations using actual equipment including state-of-the-art printing machinery and systems.

The demonstrations enable observers to verify top-level machine features as well as performance, productivity, operability and safety.

Printing College & Training

KGC fully supports our customers' human resources development initiatives by developing and offering various types of training curriculum involving offset printing quality and productivity improvement.

Moreover, its practical, hands-on approach to training enables participants to acquire a greater degree of practical knowledge and skills.

Printing R&D

KGC contributes to the printing industry's development and helps us generate profits through its initiatives that involve carrying out basic research on printing technologies and developing new technologies, devices and products based on printing software-related technologies.

To such ends, KGC promotes collaborative efforts in conjunction with industry and academia, as well as with manufacturers of materials and equipment.



Environment

Make Komori India Private Limited into a subsidiary

In April 2018, we purchased a distributor in India and made it a subsidiary under the name Komori India Private Limited (KND).

We expect simultaneous economic growth and expansion of the printing market in the markets of India, which has a population of 1.3 billion people.

Recently, demand has been expanding rapidly for advanced printing presses such as those for package printing.

We are aiming to expand our Indian market share while strengthening sales and service structures with KND as the core.





Material Balance

INPUT



Energy inputs

Electricity 29,753,383kWh
 Fuel (crude oil equivalent) 1,495kl



Water

133,615m³



Paper consumption

Virgin paper test print runs 536 metric tons
 Recycled copy paper 19 metric tons



Indirect printing materials

Ink 3.6 metric tons
 Plates 4.2 metric tons
 Water 0.3kl
 Solvents 0.1kl



Inputs of chemical substances on Pollutant Release and Transfer Register

Toluene 2.4kl
 Xylene 0.3kl
 Others 1.3kl

R&D

Procurement

Production



Greenhouse gases

CO₂ emissions 18,117.3t-CO₂

Point 2



Air pollutants

Nitrogen oxides 4.2 metric tons
 Sulfur oxides 2.0 metric tons



Water usage

92,616m³

Point 1



Emissions and transfers of chemical substances on Pollutant Release and Transfer Register

3,979kg

Point 3



Volume recycled

Waste testing paper and cardboard 670.6 metric tons
 Waste oil and liquid 342.0 metric tons
 Metal scrap 1,424.0 metric tons
 Waste plastics 107.8 metric tons
 Others 561.6 metric tons

OUTPUT

Point

1 Measures to Reduce Water Usage

In fiscal 2018, water usage (water discharge) of the entire Komori Group decreased by 1.2% year on year to 92,616 m³. We will continue with our efforts to reduce water usage.

Changes in water usage

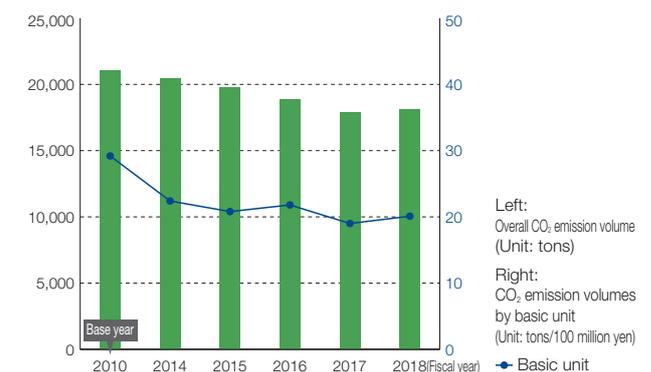


Point

2 Measures to Reduce CO₂ Emission Volume

In fiscal 2018, CO₂ emission volumes of the entire Komori Group increased by 1.5% year on year to 18,117.3 tons. We will continue with our efforts to reduce CO₂ emission volume.

Changes in CO₂ emission volume



Parts and materials

Castings and steel materials
16,867 metric tons
Others 394 metric tons

Operating manuals and parts lists

Paper 7 metric tons

Fuel

501kl

Service and repair parts

5.0 metric tons

Distribution

Collection and recycling

Number of units produced

725 units

Greenhouse gas emissions

CO₂ emissions
2,159 t-CO₂

Service and repair parts

5.0 metric tons

General waste amount

264,450kg

Point 4

Scope3

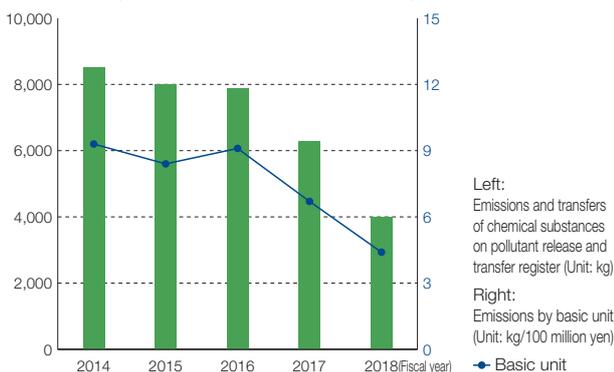
As printing presses use a large amount of resources, mainly steel, and impose a large burden on the environment during the use-phase in light of the life-cycle, we have worked for the reduction of CO₂ emission volumes mainly in terms of products and production. However, in order to further contribute to the establishment of a sustainable society, we launched Scope3 in fiscal 2016 the previous fiscal year, aiming to devote more efforts to global warming counter-measures as a responsible product manufacturer.

Category	FY2018 CO ₂ emissions (tons)	Whether to be introduced or not
1 Purchased products and services	421,478	
2 Capital goods	8,854	
3 Fuel and energy related activities	2,259	
4 Upstream transportation and distribution	23,583	
5 Waste generated from business operations	100	
6 Business trips	1,612	
7 Commute of employees	2,785	
8 Upstream lease assets	0	N/A
9 Downstream transportation and distribution	0	N/A
10 Processing of products sold	0	N/A
11 Use of products sold	689,441	
12 Disposal of products sold	2,500	
13 Downstream lease assets	0	N/A
14 Franchise	0	N/A
15 Investment	8,859	
Total	1,161,471	

Point 3 Measures to Reduce Emissions and Transfers of Chemical Substances on Pollutant Release and Transfer Register (PRTR)

In fiscal 2018, our emission and transfer volumes of substances subject to Japan's PRTR law decreased by 36.5% year on year to 3,979kg. We will persist with our efforts to reduce our use of substances that are subject to Japan's PRTR law.

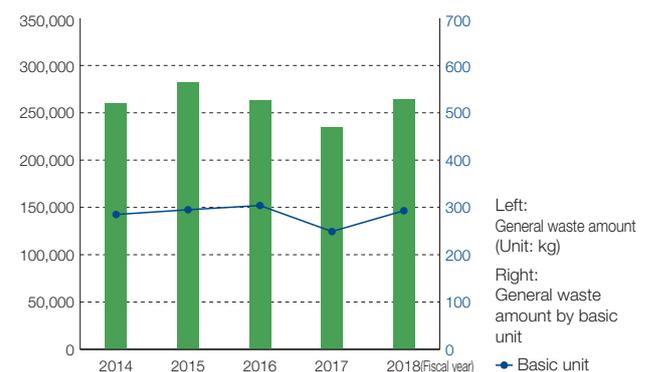
Changes in emissions and transfers of chemical substances on pollutant release and transfer register



Point 4 Measures to Reduce Amount of General Waste

In fiscal 2018, the amount of general waste of the entire Komori Group increased by 12.8% year on year to 264,450kg. We will persist with our efforts to reduce amounts of general waste.

Changes in amount of general waste





Environmental Accounting

The purpose of environmental accounting is: to confirm the investment effect and cost effect of the effort towards environmental preservation; to effectively distribute resources for environmental preservation; and to publicly inform the Komori Group's effort for environmental preservation.

(Unit: million yen)

Cost of Environmental Preservation

The amount we invested in environmental preservation in fiscal 2018 was 69.90 million yen.

This reflects the cost of introducing air conditioning equipment at the Tsukuba Plant, in addition to the cost of upgrading the air conditioning in the server room at Komori Machinery Co., Ltd. (our subsidiary).

The amount of cost was reduced by 31.40 million yen compared to the previous fiscal year to 131.60 million yen.

The amount of cost does not include depreciation expenses.

Calculation method:

- (1) The calculation period is from April 1, 2018 to March 31, 2019.
- (2) The scope of calculation of the cost of environmental preservation includes the Tsukuba Plant, Service Technology Department and Komori Machinery Co., Ltd., all of which acquired ISO certifications.
- (3) Calculation was made based on the Environmental Accounting Guidelines 2005 issued by the Ministry of the Environment.
- (4) The amount of cost does not include depreciation expenses. Management activity cost and research and development cost include personnel cost.

Classification	Details of major efforts	FY2017		FY2018		Comparison with the previous fiscal year	
		Invested amount	Cost	Invested amount	Cost	Invested amount	Cost
[1] Cost within business areas	(1) Pollution prevention cost (Reduction of waste discharge)	—	3.7	—	6.8	—	183.8%
	(2) Cost of global environmental preservation (Operation and maintenance of energy-saving equipment)	10.3	3.5	69.9	3.4	678.6%	97.1%
	(3) Resource recycling cost (Disposal of industrial/general waste)	—	16.5	—	24.1	—	146.0%
[2] Upstream/downstream cost	(1) Procurement and purchase of environmental goods	—	14.5	—	9.7	—	66.9%
	(2) Packing materials for parts required by improving the method of delivery of purchased goods	—	—	—	—	—	—
[3] Management activity cost	(1) Establishment and maintenance of the environmental management system	—	16.5	—	6.6	—	40.0%
	(2) Personnel cost for the organizations for environmental measures	—	—	—	—	—	—
[4] Research and development cost	(1) Development of environment-friendly products	—	87.9	—	60.4	—	68.7%
	(2) Development of environmental preservation equipment, etc.	—	—	—	—	—	—
[5] Social activity cost	(1) Community clean-up activities and improvement of environment such as landscape	—	20.4	—	20.6	—	101.0%
[6] Environmental restoration cost	(1) Damages in connection with environmental preservation	—	—	—	—	—	—
Total		10.3	163.0	69.9	131.6	678.6%	80.7%

Amount of capital investment for the fiscal year (consolidation basis) 1,334 million yen
 Total amount of research and development cost of the fiscal year 4,744 million yen
 Gain on sale of valuables pertaining to (3) of [1] 38.69 million yen

Effect of Environmental Preservation

Total amount of energy use and CO₂ emission volumes were both increased. This was the result of increased production.

Power coefficients were based on the coefficient for fiscal 2010 which is the base year used in KOMORI Eco Vision 2030.

Effects	Item	FY2017 (1)	FY2018 (2)	(2)-(1)	Comparison with the previous fiscal year (%)
Effects of resources input into business activities	Total amount of energy use (GJ)	353,099	358,776	5,677	101.61
	Water input (m ³)	93,721	92,616	-1,105	98.82
Effects of environmental burden and waste disposal discharged from business activities	CO ₂ emission volumes (tCO ₂)	17,857	18,117	260	101.46
	SO _x emission volumes (t)	1	2	1	200.00
	NO _x emission volumes (t)	4	4	0	100.00
	Soot and dust emission volumes (t)	0	0	0	0.00
	Emission and transfer volumes of substances on the Pollutant Release and Transfer Register (t)	7	4	-3	57.14
	Waste discharge volumes (t)	203	284	81	139.90
	Waste landfill volumes (t)	1	1	0	100.00

Water-related Risks



Using the Aqueduct tool of the World Resources Institute (WRI), we have quantified water risk and stresses in geographic areas where Komori has business operations, and in particular have identified areas prone to high risk. Through this, water-related risks at our headquarters decreased compared to last year, but water-related risks have worsened at Komori Machinery (Nantong) Co., Ltd., and measures to purify water are necessary.

C...10,000~100,000m³ B...1,000~9,999m³ A...1~999m³

Location	Country	Address	Overall water risk (Analysis using Aqueduct tool)	Water consumption at designated location (provisional settings for locations other than Tsukuba)	Overall assessment	Potential risks (high and greater risk)	Remarks
Headquarters	Japan	Sumida-ku, Tokyo	Low to medium risk (1-2)	B	1.5B	High flood risk, medium water stress	Water supply is less than demand, and susceptible to flooding and water inundation.
Tsukuba Plant	Japan	Tsukuba City, Ibaraki Pref.	Medium to high risk (2-3)	C	2.5C	Medium drought risk, medium water stress	Current appeal is deemed adequate. (Water conservation measures)
Komori Global Parts Center	Japan	Noda City, Chiba Pref.	Low to medium risk (1-2)	B	1.5B	Medium drought risk, high water stress	
Komori Machinery Co., Ltd.	Japan	Higashiookitama-gun, Yamagata Pref.	Low risk (0-1)	C	0.5C	High typhoon risk, medium water stress	Current appeal is deemed adequate.
SERIA ENGINEERING, INC.	Japan	Gujo City, Gifu Pref.	Low to medium risk (1-2)	C	1.5C	Medium flood risk	
Komori-Chambon S.A.S.	France	Orléans, Loiret	Low to medium risk (1-2)	B	2.5B		
Komori Machinery (Nantong) Co., Ltd.	China	Nantong City, Jiangsu Province	High risk (3-4)	B	3.5B	High flood risk, high risk of untreated waste water, high risk of eutrophication	Water supply is less than demand, and measures for flooding are necessary. Furthermore, since the risks of untreated waste water and eutrophication are high, water purification measures are necessary.



S o c i a l



Together with Customers

While providing safe and high quality products, technologies, and services that match the needs of customers worldwide to attain the satisfaction and trust of customers, we contribute to the promotion of art, culture, and communication.

The 29th KOMORI Club Sponsor General Meeting

On April 17, the 29th KOMORI Club Sponsor General Meeting was held at the TENKU ballroom at the Tokyo Dome Hotel.

At the gathering after the Sponsor General Meeting, Representative Director and President Satoshi Mochida showed his appreciation for the record high number of participants, and conveyed his aspirations for 2023, which will be Komori's centennial of its founding.



The KOMORI Club Sponsor General Meeting

KOMORI Calendar 2020 "GRACE IN COLOR"

The KOMORI Calendar 2020 adopts Akane Yamamoto's "Kirikane Glass," which utilizes a traditional Japanese art technique "Kirikane."

The beauty of the calendar is expressed by the colors conveyed due to the color of the glass itself and light refraction, and the delicate Kirikane inlaid onto the glass.



It was designed as the final chapter to "GRACE IN COLOR," which was chosen as the theme from the 2018 calendar.

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The 4th PRINT CHINA 2019 (the International Printing Technology Exhibition in China)

From April 9 to 13, the 4th PRINT CHINA 2019 was held at China/Dongguan's Guangdong Modern International Exhibition Center, and over 200,000 people attended.

Under the theme of "Innovate to Create," which Komori is currently promoting, we introduced various helpful solutions to customers through our products.



Demonstrated solutions that efficiently and effectively perform centralized management.

Presentation on new initiatives for bank note printing presses

The High Security Printing EMEA was held in the Republic of Malta over three days from March 25.

346 people from over 120 groups such as central banks, bank note printing offices and suppliers from Europe, Africa and the Middle East attended this event.

Komori gave a presentation on new initiatives for bank note printing presses, and set up the largest-scale booth at the event.



The High Security Printing EMEA conference



Together with Employees

We value individual abilities and experiences. To continue to be a “fulfilling company” for employees as well, various measures are in place in an effort to foster personnel development. Moving forward, we will work to respond to expectations from society.

Respect for Human Rights

We formulated the Komori Group Code of Corporate Conduct and the Komori Group Employee Conduct Standards in 2006. These standards aim to ensure that we comply with domestic and international laws and regulations and respect universal human rights, respecting the personalities and individuality of all people concerned with our business and not discriminating against them. We have translated these standards into seven languages, and are endeavoring to increase awareness of human rights at Group companies in Japan and abroad.

Labor Practices

Employees play a key role in supporting a corporation. As such, efforts to develop mechanisms for treating employees appropriately and making the most of their capabilities form the foundations of positive relationships between employees and corporations, and otherwise act as a driving force in fueling a corporation’s sustainable growth. Komori aims to become a company that provides safe and healthy work environments that are motivating and conducive to work. To such ends, we comply with labor laws and regulations, maintain and develop fair relations with our employees, and maintain workplace environments that draw on attributes of a diverse range of talent.

Labor-management cooperation toward improving health and safety standards

In collective labor agreements concluded between Komori and Komori labor unions, our stipulations cover health and safety measures, medical examinations and other such matters, and accordingly we strive to improve workplace health and safety standards through efforts that entail cooperation between labor and management. In addition, our health and safety committees, which are established on the basis of laws and regulations, engage in activities that include drawing up health and safety action plans geared to developing workplace environments where employees are able to work in a safe and healthy manner, as well as reviewing and implementing measures for preventing work-related accidents and their recurrence.

Support for Work-Family Balance

In Japan, we maintain a childcare support program that is used by nearly 100% of our employees with young children, and we offer shorter working hours to people who must devote more time to looking after their young ones. We also maintain a nursing care support program.

Living Assistance

We provide a wide range of support geared to addressing increasingly diverse employee lifestyles and needs. Accordingly, we have long been offering housing assistance particularly in the form of dormitories for single employees, company dwellings and housing allowances, while also offering employee benefit programs such as employee savings programs, employee stock ownership plans, group insurance policies, as well as congratulatory and condolence allowances. Moreover with respect to our retirement allowances and pension plans, we are addressing needs of our diverse range of employees by expanding options in terms of how and when they receive payments by introducing both defined-contribution and defined-benefit pension plans.



Occupational Health and Safety

Based on the policy that everything is founded on safety and health, we make group-wide efforts to maintain safe, secure and accident-free workplaces.

Each Group company and business site undertakes initiatives based on its specific health and safety plans. All sites endeavor to conduct health and safety patrols of workplaces geared to needs of such locations and enhance the activities of their health and safety committees. Meanwhile, each workplace engages in initiatives geared to reducing risk and improving levels of health and safety management. This includes engaging in initiatives and training to reduce “near-miss” events and other potential workplace labor risks, and also to reduce vehicle accidents during and on the way to work. In fiscal 2018, no accidents involving death or injury resulting in lost workdays occurred with respect to our operations in Japan (*2).

Frequency rate of work-related accidents

	2014 (*1)	2015 (*1)	2016 (*1)	2017 (*2)	2018 (*2)
KOMORI	0.00	0.00	1.52	0.00	1.08
All industries	1.66	1.61	1.63	1.66	1.83
Manufacturing industry	1.06	1.06	1.15	1.02	1.20

*1 One major Komori Group location; *2 Three major Komori Group locations

Initiatives to Promote Health

We maintain and promote employee health based on our policy that everything is founded on safety and health. We provide assistance for employee health maintenance, particularly to prevent the onset of mental and physical disorders by ensuring proper health management pursuant to Japan’s Industrial Safety and Health Act and by having industrial physicians conduct medical inquiries and interviews with respect to employees who work long hours. Moreover, we are working to help prevent the onset of mental health disorders by encouraging our employees to gain awareness of their own levels of stress, and by improving our workplace environments, in response to the need for stress assessment programs mandated in December 2015 in accordance with revisions to Japan’s Industrial Safety and Health Act.

Promoting Women’s Empowerment

Komori drew up an action plan in 2016 based on Japan’s Act on Promotion of Women’s Participation and Advancement in the Workplace, and has launched specific initiatives geared to further promoting empowerment of women in its workforce.

Action
Plan

- i. We will actively promote women to managerial positions, and accordingly provide training to female employees in assistant manager positions (efforts to include mid-career recruitment).
- ii. We will consider opportunities for adopting new personnel programs centered on job duties.
- iii. We will carry out job rotations of female employees in a manner that exposes them to a more extensive range of occupational areas and job duties.

In fiscal 2017, we engaged in three types of initiatives, listed as follows, on the basis of our action plan.

Initiative 1

Promoting career development opportunities for female employees

We changed occupational designations and provided career training for women (for those changing careers) and seminars with female lecturers (hosted by Tsukuba operations).

Initiative 2

Encouraging workplace awareness among supervisors and coworkers

The career training for women consisted of group projects involving supervisors and one-on-one interviews with supervisors.

Initiative 3

Developing workplace environments conducive to balancing childcare and work

We had industrial physicians conduct inquiries, established points of contact for consultations, and developed better management and support for those taking childcare leave.

Going forward, we will further promote initiatives throughout the Group while successively implementing PDCA (plan-do-check-act) practices with respect to the action plan, with the aim of extending the range of areas where our female employees take on active roles.

Together with Suppliers

We will actively fulfill our responsibilities to society by providing fair and sound business opportunities to our suppliers, in addition to complying with laws and regulations.

Procurement

Komori's printing presses require an extremely large number of components and high quality construction, particularly given their nature as precision machinery designed on the basis of many custom specifications tailored to customer demands. As such, Komori's business activities first and foremost involve forging relationships of trust with its partner companies.

With that in mind, we conclude standard purchase agreements with our partner companies, and accordingly engage in procurement in a manner whereby both parties mutually adhere to Komori's corporate philosophy. Moreover, we regularly hold scheduled meetings simultaneously at our two major plants, and accordingly endeavor to communicate more extensively by sharing details on prevailing circumstances and frequently exchanging key information.



Partner company briefing session

Green Procurement

Komori aims to ensure that all of the products that it manufactures and sells are safe and friendly to the global environment with little environmental burden. To achieve this goal, we have established the "Komori Green Procurement Standard Guidelines," and accordingly we promote initiatives that involve adhering to all applicable laws and regulations for chemical substances and working for preservation of biodiversity, eliciting the cooperation of both our suppliers and our customers.

Control of Chemical Substances

We are continuously working for the proper control and the reduction of chemical substances.

In Europe, the REACH regulations require registration of chemical substances and provision of information of substances of very high concern contained in products. In order to comply with the regulations for chemical substances including the REACH regulations, we have established the system and rules to understand and properly control chemical substances contained in products, and operate such system and rules with the cooperation from our partner companies.

As demands mount for the proper control and reduction of chemical substances, which includes increasing the types of chemical substances and expanding the scope subject to the RoHS Directive in Europe, similar laws and regulations are being developed in other countries and regions. Komori responds to those regulations systematically while assessing the scope of application of those regulations.

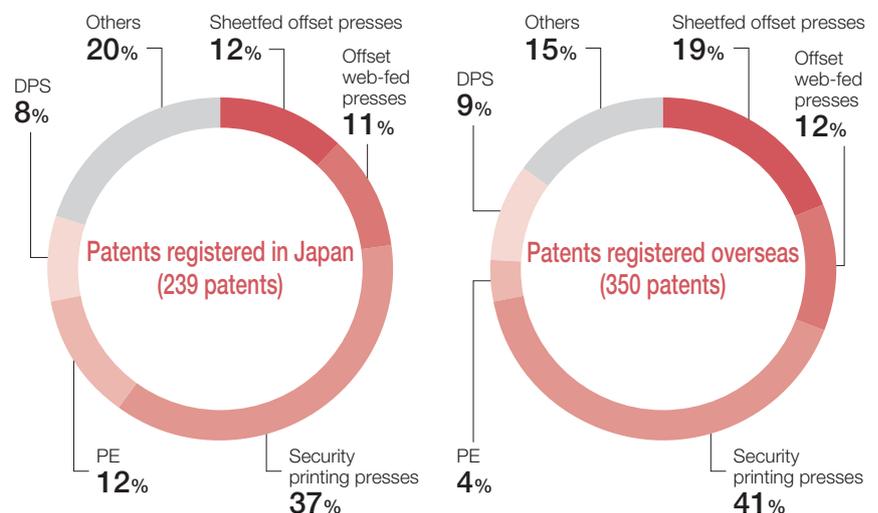
Initiatives Involving Intellectual Property

Intellectual property is an important asset of technology manufacturers such as Komori, and acts as an indispensable factor with respect to achieving greater corporate value.

The Komori Group shows respect for intellectual property of third parties and takes active steps to secure and use its own intellectual property rights, as stated under the section on protecting intellectual property rights in the Komori Group Employee Conduct Standards.

The Komori Group works to develop an in-house environment conducive to stimulating valuable inventions. Accordingly, through our invention creation activities we are enhancing the skills of our designers so that they can pinpoint the essential nature of challenges and draw on various approaches.

■ Patents held by Komori Corporation (As of December 2019)



Together with Communities

To constantly advance in step with society, Komori, which aims to be a company that delivers Kando to its customers, will actively contribute to society through various social activities, and work to communicate with people in communities.

Accept three Vietnamese youths as technical interns

We utilized the foreign trainee system and accepted three Vietnamese youths as technical interns at SERIA ENGINEERING, INC., which is a Komori member based in Gifu Prefecture, from August. They have been assigned to processing and manufacturing in the Gujo Plant. They will start by getting acclimated to Japanese life and culture, but we believe that they will learn practical technologies, skills and knowledge through actual work at SERIA ENGINEERING, and will help the economic development of their home country after returning.

Vietnamese technical interns and their supervisor, Tanahashi (second from the left)



Run! KOMORI Participate in New Year Relay Race 2020

Again this year, Komori's track and field team took part in the 64th All-Japan Men's Corporate Team Ekiden Championship, or New Year Relay Race 2020, held on January 1st. Kiprono Sitonik, who ran second, passed 15 people, which got the team into second place, and got within 8 seconds of the person in first, but in the end the team finished in 20th place with a time of 4:54:13. Komori's track and field team is celebrating its 70th anniversary in 2020. Everyone will improve individually, and they will aim to win next time by concentrating on individual strengths that will lead to victory. Going forward, they will work to achieving their goal of advancing to a higher rank, so our team looks forward to the unwavering encouragement of its supporters.



Kiprono Sitonik, who ran quickly as the second runner, and the people of the Nakayama community that neighbors the Tsukuba Plant, who passionately cheer every year

Certificate of commendation for superior implementation of a town charter

Every year Komori member Komori Machinery Co., Ltd. works with the local community and neighboring companies to maintain Takahata, Yamagata's highway (Route 13) and flower beds, and weeds, fertilizes and controls pests in order to maintain the scenic beauty of "Nukanome Cherry-tree Way," where blossoms of the cherry trees growing along the banks of the Mogami River can be seen. These efforts were recognized, and they received a certificate of commendation for superior implementation of a town charter from the town of Takahata.





Initiatives for Biodiversity

○ Basic philosophy

The KOMORI Group will contribute to the formation of a sustainable society through the development and dissemination of products and technologies that promote biodiversity, in a gesture of gratitude for the blessings of nature, the source of biodiversity.

○ Action guidelines

1. With due consideration to our impact on biodiversity, we are committed to development of products that, to the maximum possible extent, can reduce use of forestry resources (paper), water and fossil fuels (electricity).
2. We recognize the impact of our activities on biodiversity and will work to minimize such adverse effects.
3. We contribute to creating a society that fosters biodiversity, through dialogue with our customers, suppliers, regional communities and other stakeholders.
4. We shall work for better understanding among our employees of the importance of biodiversity, and for their recognition of the need of its protection.

Participation in NPO TSUKUBA KANKYOU FORUM (woodland development in Katsuragi Forest)

We began cooperative activities with grassroots environmental NPO "TSUKUBA KANKYOU FORUM" in 2016 and participated in the activities under the "Katsuragi Forest Development Initiative" organized by the Forum, contributing to maintenance and improvement of local biosystems.



Biodiversity in Tsukuba Plant

The Tsukuba Plant is not merely a printing machinery factory. It is also a production base that gives due consideration to coexistence with nature and the community. Along both sides of the road outside the plant, we have planted a total of 112 cherry trees, and carried out various dogwood tree and other afforestation projects with the help of customer contributions, enabling us to enrich the environment around the plant.



Initiatives regarding the problem of plastic waste in the ocean

In response to the global environmental issue of increasing marine pollution and drifting trash due to waste plastic, the Komori Group began this initiative to fulfill its social responsibility as a company. We have discontinued the use of plastic straws, cups and stir sticks, and have switched to using paper straws, paper cups and wooden stir sticks. Going forward, we will expand the scope of the offices subject to this initiative.



Paper cup and wooden stir stick at KIE



Paper cup, paper straw and wooden stir stick at the Tsukuba Plant

Together with Shareholders and Investors



While working to continuously provide timely, fair, and accurate corporate information to shareholders and investors to enable bidirectional communication, we will aim to establish even greater trustworthy relationships.

Holding IR Events

Twice a year, we hold explanatory meetings for analysts and institutional investors after the announcement of year-end and interim financial results. About 50 people attend each meeting, and understanding of KOMORI is further enriched through explanations of the business results and strategies, as well as questions and answers provided by corporate management.

Additionally, to respond to requests from investors both in Japan and overseas, other measures are implemented as necessary, including individual meetings, small meetings, and teleconferences.



IR website

Providing IR Information

To enable a comprehensive understanding of our corporate activities, an annual report is issued every year for analysts, investors, and shareholders in Japan and overseas.

Additionally, for shareholders, a business report is provided twice a year that reports on issues such as business results and topics. Aside from the above, to allow for an even greater number of people to deepen their understanding of KOMORI, a dedicated IR website is available on the KOMORI website, and efforts are made to provide prompt information disclosure through the posting of various IR documents such as financial statements and annual reports.



Annual report

Shareholder Return

From a long-term perspective, KOMORI places emphasis on securing internal reserves for enriching the management foundation and expanding business, and recognizes the continuous, stable return of profits to shareholders as one of the most significant management issues. Under this policy, by providing stable dividends in addition to implementing agile acquisition of treasury stock, we target a total return ratio of 40% or more.

Environmental Reporting Platform Development Pilot Project

Recently we have been participating in the "Environmental Reporting Platform Development Pilot Project," which is being advanced by Japan's Ministry of the Environment, and disclosing information as part of information disclosure of ESG ("environment," "social" and "governance"), which is being increasingly requested from institutional investors.



Compliance

We endeavor to deepen awareness and knowledge about compliance requirements and adherence to them at domestic and overseas Group companies.

○ Compliance Structure

We ensure adherence to the Komori Group Code of Corporate Conduct, formulate and monitor internal rules, and maintain an internal reporting system to swiftly identify and eliminate bad practices and thereby enhance operational health.

○ Ensuring Awareness of Komori Group Code of Corporate Conduct

We originally formulated the Komori Group Code of Corporate Conduct for domestic business sites, but have since translated it into several languages and employ it overseas. Executives in Japan and abroad submit written pledges to comply with this code.

○ Carrying out Compliance Education

Ethical corporate practices and compliance are fundamental to engaging in business and materializing our corporate philosophy goals. We accordingly educate all of our domestic Group companies' officers and employees to enhance their understanding of compliance requirements.

○ Efforts to Prevent Bribery of Public Officials in Japan and Abroad

Recognizing that global compliance will become vital in the years ahead, Komori's Board of Directors has conveyed its stance of resolutely opposing bribery.

○ Internal Reporting System

Aiming to prevent and promptly detect illegal and inappropriate conduct and improve the self-purging capabilities of the Company, we have introduced an "internal reporting system" that provides a hotline to the Head of the CSR and Environmental Countermeasure Planning & Coordination Office.

Risk Management

We identify, assess and address risk from a company-wide perspective. To such ends, the Head of CSR and Environmental Countermeasure Planning & Coordination Office acts as the person in charge of risk management in terms of developing our risk management regulations and risk management operating procedures and determining which officers are to oversee respective risks. In addition, these officers work to keep risks from materializing and reduce the effects of risk under normal conditions, and address matters with the emergency response headquarters in the event of an emergency.

○ Crisis Response and Business Continuity Planning (BCP)

We have established a framework for drawing up a manual on earthquake countermeasures stipulating actions to be taken in the event that an earthquake or other form of natural disaster strikes. We will also take steps to swiftly restore operations and ensure business continuity.

We have also prepared and distributed to our employees manuals that include one on risk management in the event that an earthquake strikes directly below the Tokyo metropolitan area. In addition, we carry out emergency response drills and stock up on emergency supplies.



Message

To be a "company that inspires customer Kando"



Operating Officer,
General Manager of Personnel
and General Affairs Division,
General Manager of Personnel
and General Affairs Department,
and Head of CSR and
Environmental Countermeasure
Planning & Coordination Office
Shoji Oyama

Corporate social responsibility (CSR) at Komori is based on the idea that in the future companies will have to fulfil responsibilities to society as they work to expand corporate value and to generate earnings. The range of CSR activities is wide. Komori categorizes them as follows: corporate governance; compliance; internal control (risk management, internal control standards and internal audit system); global environment conservation; information; putting people first; social contribution; and products, technology and services. We consider the most basic element of CSR is to ensure that customers can use quality products safely and without worry, supported by high-quality services.

At Komori, we aim to realize our management philosophy of becoming a "company that inspires customer Kando" as we promote our CSR initiatives which are based on the notions of "compliance with laws and regulations" and "health and safety."

Profile

Company name	Komori Corporation
Headquarters	11-1 Azumabashi 3-chome, Sumida-ku, Tokyo 130-8666, Japan
Tel	+81-3-5608-7811
Date of establishment	October 20, 1923
President and COO	Satoshi Mochida
Capitalization	¥37,715 million
Number of employees	2,335 (on a consolidated basis)
Main products	Commercial offset presses (sheetfed presses and web-fed presses), currency and security printing presses, web-fed offset packaging presses, digital printing systems, screen printing machines and printing equipment



Cover Design

The cover of this report shows an example of Komori's proprietary banknote printing technology which can print super minute portrait drawings and leave the ink lifted drawn with onsuper minute lines that come up to the surface, using Komori's proprietary stamping up to the surface technology. Japanese paper currencies that banknotes boast prominent forgery preventing technology are printed by Komori's printing press machine. Japanese paper

currency banknotes are known for being forged overwhelmingly less frequently compared to foreign paper currencies banknotes. This technology has been recognized and various countries' paper currencies banknotes are increasingly printed with Komori's increasing printing presses. Komori will further contribute to environment and society by these technological development capabilities.

Key Overseas Operations

●Komori Corporation offices and plants:
Headquarters, Techno Service Center, West-Japan Service,
Sagami Service, Sekiyado Techno Center,
Komori Global Parts Center,
Osaka Regional Headquarters, Nagoya Branch Office,
Shizuoka Representative Office, Kyushu Branch Office,
Hokkaido Branch Office, Tohoku Branch Office,
Hokuriku Branch Office, Chugoku Branch Office,
Shikoku Branch Office, Tsukuba Plant,
Komori Graphic Technology Center (KGC)

●Subsidiaries:
Komori Machinery Co., Ltd. (KKM)
Komori Kosan Co., Ltd.
Komori Engineering Co., Ltd. (KEG)
SERIA CORPORATION (KSC)
SERIA ENGINEERING, INC. (KSE)

Key Overseas Operations

●North America
Komori America Corporation (KAC)
Komori Leasing Incorporated (KLI)
●Europe
Komori International (Europe) B.V. (KIE)
Komori International Netherlands B.V. (KIN)
Komori U.K.Limited (KUK)
Komori Currency Technology (KCT)
Komori France S.A.S. (KFS)
Komori Italia S.r.L. (KIS)
Komori-Chambon S.A.S. (KCM)
●Asia
Komori Hong Kong Limited (KHK)
Komori Printing Machine (Shenzhen) Co., Ltd. (KSZ)
Komori Taiwan Limited (KTW)
Komori Machinery (Nantong) Co., Ltd. (KNT)
Komori Southeast Asia Pte. Ltd. (KSA)
Komori Malaysia Sdn. Bhd. (KMY)
Komori India Private Limited (KND)

Scope of Report

Komori Corporation and consolidated Group companies in Japan and overseas

Report Period

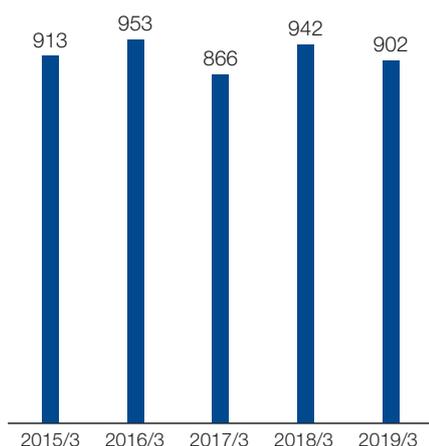
April 1, 2018 to March 31, 2019

*Komori assembled this report in line with the 2018 Environmental Reporting Guidelines of Japan's Ministry of the Environment, GRI (Global Reporting Initiative) Sustainability Reporting Guidelines 4th Edition, ISO 26000, and other guidelines.

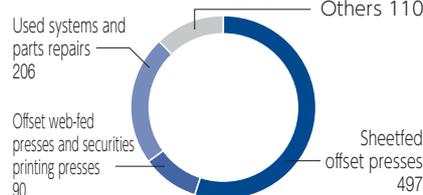
You can obtain a PDF version of this report at the following Komori website : <https://www.komori.com>

Consolidated Financial Highlights

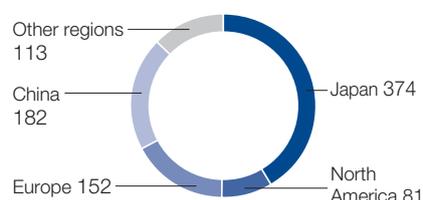
Net Sales (Unit: 100 million yen)



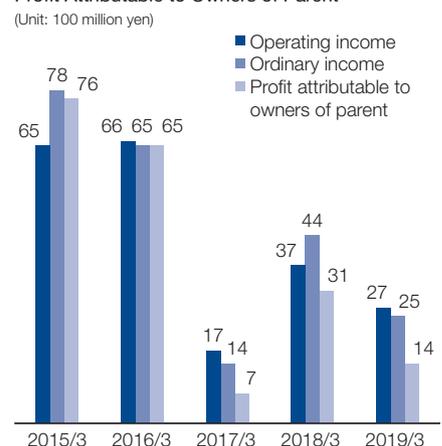
Sales by Geographic Category (Unit: 100 million yen)



Sales by Product Category (Unit: 100 million yen)



Operating Income, Ordinary Income and Profit Attributable to Owners of Parent (Unit: 100 million yen)



Komori Corporation

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The publication was printed using vegetable oil ink.

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