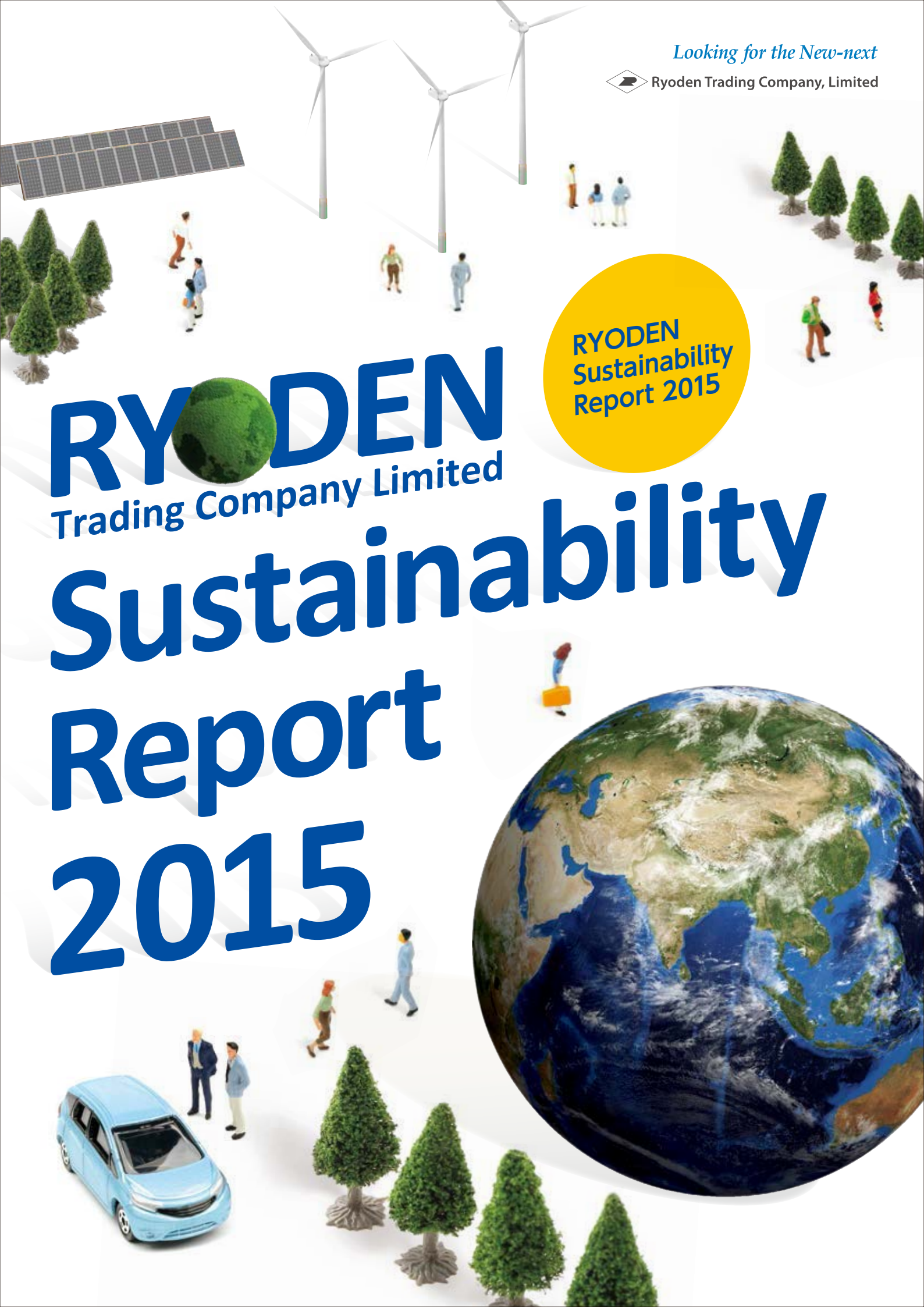


Looking for the New-next

 Ryoden Trading Company, Limited



RYODEN
Trading Company Limited

RYODEN
Sustainability
Report 2015

Sustainability Report 2015



Message from the CEO

Last fiscal year the global economy moved into a recovery phase supported by firm growth of U.S economy, but it remains uncertain due to the slowdown in the growth of emerging countries and slow recovery of recession in Europe.

Meanwhile, Japan economy settled into a mild recovery path under weaker yen and higher stock price by the continued monetary easing policy even though it has negative elements such as hike in consumption tax and higher material price due to weaker yen.

In such condition, Ryoden group had strong sales of machinery relating to semiconductor or LCD manufacturing, machine tool, and equipment for automotive in FA fields. Moreover, in electrical fields, we had steady performance of electrical devices relating to automotive, business relating to saving energy, electrical devices for office automation appliances in Asia region.

In response to major changes such as spread of globalization and diversification of customer needs, we are evolving into global solution provider through structural reform to solution business for the growth to profitable and sustainable company.

We believe that all solutions arise out of challenges in customer. And these are created through close communication with them.

As global solution provider, our Ryoden group is promoting to realize a Low Carbon Society, establish a Sound Material-Cycle Society, and deal with protect Biodiversity under the concept that we cannot stay in business with no respect to environment. The business activities such as solution proposal of HEMS, BEMS, or solar power generation system are precisely one of environmental activities and we are doing business tailored to local condition.

The global, I believe, aggregate of distinctive local being interlinked in both directions while each retaining their own character and using each diversity. In order to realize such diversity well and comprehend customer needs in each area, it is necessary to stay close to customers. That is why we are further increasing our location in Japan and overseas.

Moreover we are moving ahead with globalization of environmental activities by advance of ISO14001 certification to overseas sales to promote distinctive business which has environmental aspect. Singapore office has done two years ago and Thailand and Hong Kong has last year. Our China and Taiwan office is proceeding to acquire in this year.

Through such activities, we are moving forward toward leading global green trading company with advanced level of environment and quality.



CEO

Management Principle

- Address the changes in society, striving for stability and progress in corporate management, while contributing to the community.
- Act through sincere marketing activities and the supply of progressive technology, to win the trust and expectations of customers.
- Respect the character and individuality of each employee, nurturing human resources high in specialization, innovative spirit and creativity.

Ryoden aspires to be a winning company of the time with the above mentioned guiding spirit as the core of its philosophy.

Business Activities

1. Adhere to laws and regulations
2. Aim for growth with profit
3. Take responsibility towards the society as a global company
4. Individuals should create their own views, and together create an energetic organization.
5. Ensure respect toward the individual's personality and uniqueness, and engage in personal development to attain high goals.
6. Management and the managers should fulfill their responsibilities.

Looking for the New-next

CSR Activities in Ryoden Trading Group

The Ryoden Trading Group engages in a wide range of CSR activities: our business itself of delivering the optimum solution to each customer; conserving the environment through our business; contributing to society as a member of the community; creating a workplace where people from many different backgrounds can pursue careers; and more. We aim to continue taking action to build a sustainable society, and thus become a leading global green trading company with advanced level of environment and quality.



With Our Customers
▶ P15

With Our Shareholders
▶ P16

With Our Suppliers
▶ P17

LEADING GLOBAL GREEN TRADING COMPANY WITH ADVANCED LEVEL OF ENVIRONMENT AND QUALITY

With the Global Environment
▶ P18

With the Community
▶ P24

With Our Employees
▶ P26

■ Editorial Policy

Aware that we share the global environment with the people of the future, we must pass it on in better condition to the next generation: that is our philosophy of the environment. This report has been drawn up with the goal of informing our stakeholders about the Ryoden Trading Group's CSR activities, including our environmental programs, which may be difficult to assess from a description of our business activities alone.

In order to convey the state of the company and its action programs in straightforward terms, the report insofar as possible avoids technical jargon.

We hope this report assists our stakeholders in better understanding the Ryoden Trading Group.

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Supporting your business with wide-ranging solutions

The Ryoden Trading Group is a global solutions provider boasting a worldwide network, with locations in the United States, Europe, the Chinese-speaking region, and Southeast Asia, not to mention Japan. Through this worldwide network we offer solutions covering a broad spectrum ranging from manufacturing to research and development, medicine, and agribusiness. We do our best to help customers of all types, whether located in Japan or abroad, to solve their problems.



Ecological energy solutions

The need for renewable energy sources and energy management systems (EMSs) is growing. The Ryoden Trading Group, as a trading company committed to global environmental stewardship, offers ecological energy solutions in a broad range of fields.



► See pp. 10-11 for details.

HMI and sensor solutions

We provide an impressive array of human-machine interface (HMI) and sensor solutions, including displays, touchscreens, image processing systems, and electric vehicle simulators.



Building management solutions

We offer solutions that enable remote inspection, monitoring, control, and meter reading of commercial facilities, factories, and buildings 24 hours a day, 365 days a year from anywhere in the world.



Network solutions

We offer monitoring and asset management solutions incorporating state-of-the-art networking technology.



Smart industrial solutions

Drawing on our wealth of experience as a trading firm dealing in devices and factory automation systems, we offer production management solutions and inspection, safety, and preventive maintenance solutions tailored to your exact needs.



Automotive solutions

Capitalizing on our experience and technical expertise in components and systems, we offer manpower- and labor-saving solutions and management systems designed to optimize your facilities.



Medical solutions

We cater to the full range of medical institutions' needs, from disaster response and energy management to sale and leasing of diagnostic equipment and IT systems.



People from many different backgrounds work on our team worldwide.

Being a global solutions provider, the Ryoden Trading Group has people of many different nationalities working on the team. Here a few of them describe the work they are currently engaged in and share their favorite things about the company. The Ryoden Trading Group remains committed to creating a workplace where people of all backgrounds can enjoy a rewarding career and achieve personal growth on the job.



Japan

My job is mainly to audit production line and provide guidance about quality for new suppliers such as overseas local supplier. I think strong points of Ryoden are that there are a lot of people who have passion for work and it's able to move toward the goal as one.

Quality Planning Department,
Ryoden Trading Company, Ltd.

Germany

My job is to find partners in Europe and come up with proposals by which our customers around the world can feel added value. Our strength is the ability to share our skills and knowledge with other members of the Ryoden Trading Group worldwide as well as the teamwork in which this is shown.

Ryosho Europe GmbH



Indonesia

PT. Ryosho Techno Indonesia is a new company, and I am still inexperienced. Because I am a novice, Ryoden Trading Group always treats, considers and supports me in every way. By working hard at my daily job, I hope to contribute and to quickly become a member of the company.

PT. Ryosho Techno Indonesia



India

I joined the RTS India office, the predecessor of Ryosho Techno India Pvt. Ltd., in 2013 as a marketing Asst. Manager. I feel myself a part of a big family. I work on pursuing new leads in India, such as developing partners and promoting products.

Ryosho Techno India Pvt Ltd



Hong Kong

It's been about twelve years since I joined Ryosho Hong Kong Company, Limited. In that time I've had all kinds of experiences, supported by senior colleagues, coworkers, and many other people. I now hope to do my part for the company by passing on the knowledge and experience that I've acquired to my juniors.

Ryosho Hong Kong Co., Ltd.



Korea

Ryosho Korea Co., Ltd., markets Mitsubishi Electric's factory automation equipment in Korea and looks for Korean products and partners combining technical excellence with value for money. The great thing about the Ryoden Trading Group is easily being able to swap information with and get advice from people at locations in Japan and worldwide.

Ryosho Korea Co., Ltd.



Hong Kong

I develop business with clients as sales manager of the supply chain management (SCM) team. The Ryoden Trading Group has a full HR development program and personnel system for employees outside Japan, so that makes me eager to contribute to the company.

Ryosho Hong Kong Co., Ltd.



China

I'm responsible for sales of circuit boards and device components in the Chinese market. The Ryoden Trading Group doesn't simply sell products, it does business with the customer's future in mind. I find it really rewarding when clients praise us for being a "company with a personality."

Ryosho Electronics (Shanghai) Co., Ltd.



China

I'm responsible for working with business partners on prototypes of new products, adjusting mass production schedules, and checking quality and making improvements. The Ryoden Trading Group listens carefully to individual employees' wishes about their future and training, and provides guidance so they can take a positive approach to the job.

Ryosho Electronics Shenzhen Co., Ltd.



China

I'm responsible for working with business partners on prototypes of new products, adjusting mass production schedules, and checking quality and making improvements. The Ryoden Trading Group listens carefully to individual employees' wishes about their future and training, and provides guidance so they can take a positive approach to the job.

Ryosho Electronics Shenzhen Co., Ltd.



Singapore

I've worked at Ryosho Techno Singapore Pte. Ltd. for nine years. Since I first joined Ryosho most of my customers have been audio-related. The Ryoden Trading Group's overseas network foundation is strong, so we can build up experience by learning about other cultures and business practices.

Ryosho Techno Singapore Pte Ltd

Singapore

I'm in charge of supply chain management (SCM) business—quality issues and delivery. I feel excited having a chance to be a part of new business such as solutions that the Ryoden Trading Group is currently engaged in.

Ryosho Techno Singapore Pte Ltd



China

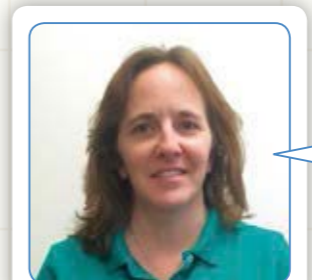
I conduct sales in the area of factory automation, primarily to Japanese-affiliated clients. The Ryoden Trading Group treasures its people and puts a good deal effort into developing its employees and providing them with specialized training; thus you can acquire extensive knowledge on the job.

Ryosho Electronics (Shanghai) Co., Ltd.

Vietnam

I'm responsible for calculating salaries and insurance, HR and hiring, general administration, translating and interpreting, accounting, and the like. The professional workplace environment offered by the Ryoden Trading Group gives you many opportunities to challenge yourself.

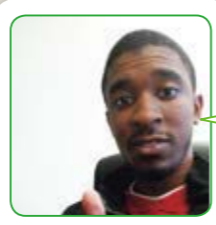
The Representative Office of Ryoden Trading Company, Limited in Ho Chi Minh City



USA

I am responsible for handling customer and supplier orders. I also ensure that orders are processed timely. I enjoy working with customers and helping to fulfill their needs. I look forward to seeing the Ryoden Trading Group's U.S. business continue to grow.

Ryosho USA Inc. Atlanta Branch



USA

I focus on the sale and technical support of existing and new products. With the expansion of the Ryoden Trading Group's global network, I enjoy the flexibility to travel to different countries and regions to support them with their business.

Ryosho USA Inc. Atlanta Branch



Taiwan

I recommend solutions, cultivate new business partners, and develop new products in Taiwan. The good thing about the Ryoden Trading Group is being able to operate as part of a team. I think it's wonderful being able to set up a team play with colleagues in other locations.

Ryosho Taiwan Co., Ltd.



Thailand

I handle technical support in the automobile industry and other sectors, technical support with developing new clientele, and follow-up with existing clientele. The Ryoden Trading Group possesses a wealth of experience, knowledge, and technology, learning which allows you to improve yourself.

Ryosho (Thailand) Company, Limited



Thailand

My job includes arranging components for semiconductor devices, inventory management, and quality control. The best things about the Ryoden Trading Group are its corporate policy and its caring people. I really feel blessed to work in an accommodating workplace with such wonderful colleagues.

Ryosho (Thailand) Company, Limited

Germany

I'm with REU's sales and technical support arm. As project leader at the April 2015 Hannover Messe I was responsible for ensuring our success at the fair and acquiring new partners. The Ryoden Trading Group offers a cosmopolitan workplace where you can develop your abilities as a sales and technical support professional.

Ryosho Europe GmbH



Helping protect the global environment with EMS solutions

Protecting the global environment is one challenge that must be tackled on a worldwide scale in order to build a sustainable society. The Ryoden Trading Group delivers a host of EMS solutions ranging from energy monitoring and control systems to energy management and renewable energy technologies. Depending on your requirements and the challenges you face, we can draw up a comprehensive proposal embracing all stages from planning and design through installation, operation, and management, and thus help reduce your environmental footprint.

Renewable energy solutions

Demand for renewable energy is expected to climb steadily in the future owing to the need to conserve the environment and the desire to ensure self-sufficiency in case of a natural disaster. The Ryoden Trading Group generates electricity at the three photovoltaic plants it has built in Japan—in Kurihara (Miyagi Prefecture), Maebashi (Gunma Prefecture), and Hamamatsu (Shizuoka Prefecture). It has also installed a system enabling the power produced there to be remotely monitored in real time at each office and on every employee's smartphone. The know-how and advanced technical expertise acquired in the course of our power generation business have been distilled in the form of our renewable energy solutions. We are the one-stop destination for the whole gamut of services relating to photovoltaic power generation, from planning and revenue forecasting to plant design, construction, operation, and remote monitoring.

The Ryoden Trading Group's photovoltaic power generation capacity

Power plant	Output
Kurihara (Miyagi Prefecture)	1,000kw
Maebashi (Gunma Prefecture)	37kw
Hamamatsu (Shizuoka Prefecture)	50kw



BEMS, HEMS, and FEMS solutions



The Ryoden Trading Group delivers optimized energy monitoring and control systems for offices, smart homes, and factories incorporating a wide array of network technology. Our building energy management systems (BEMS) in particular are tested in a purpose-built showroom to determine how much energy and money they save, and the results are used to further enhance our solutions.

Power management solutions

Highly reliable power management systems are essential to safely and efficiently reducing power consumption. The Ryoden Trading Group offers high-performance, highly cost-effective power management systems utilizing semiconductors designed for embedded control systems.

BCP solutions

The importance of a business continuity plan (BCP)—a plan minimizing the impact of a disaster or accident on a company's operations so that it can resume business immediately—has come to be widely recognized in recent years. The Ryoden Trading Group recommends the BCP solution best for the client after performing an in-depth assessment and analysis of their business.

CSR Policy

The Ryoden Trading Group places a high priority on helping global environmental preservation through business activities. For this purpose, our business activities are founded on our Environmental Basic Philosophy and Environmental Policy. The Ryoden Trading Group will remain dedicated to passing on a healthier global environment to future generations.



Environmental Basic Philosophy

Ryoden Trading Group understands that we own global environment with future people, so the succession of better global environment to next generation is our great subject, and also positive concern to global environment is our important mission in operation. Ryoden, as a technical business firm, develops our business to numbers of fields by providing components (parts, individual equipment), solutions (proposal-based systems) and so on. While implementing our management philosophy

that is including "Operation for social contribution and customer reliability", we carry out action for environment as one of most important issue. Ryoden positively promote deals of parts, products, system, solution, and service that are considered for environment. Also we make much effort toward reducing the environmental load by our operation, managing chemical substances, and concerning to biological diversity.

Environmental Policy

Ryoden Trading Group makes an effort for continuous improvement of environment management system that is constructed and managed based on basic philosophy about global environment maintenance. We will implement our operation according to the following policy.

- 1 We observe environmental laws and respond to social or customer request on environmental maintenance.**
 - 1) Reducing of environmental load by adopting environment management system
 - 2) Appropriate reporting managed on chemical substances management system
 - 3) Enhancement of contribution to society with considering biological diversity
- 2 We perform the following items as important environmental themes and review them regularly.**
 - 1) Positive dealing of parts, products, system (energy management system built around the solar power generations etc.), solutions (environmental solutions, etc.), and service that are effective in environmental maintenance
 - 2) Thoroughgoing environmental management of offices and cars, restraint / proper control / proper disposal of wastes, implementing effective action for saving energy / saving resources / prevention of environmental pollution
 - 3) Preliminarily planed investment to reduce environmental load in all-round equipments required on job
- 3 We thoroughly inform Environmental Basic Philosophy and Environmental Policy to all employees and all people mainly engaged to Ryoden. And we carry out education and enlightenment for all employees to recognize and implement this.**

Environmental Policy will be reviewed regularly and revised in case of need.
- 4 We inform our policy and related information to our supplier / subcontractor / subsidiary, and then we get their understanding and cooperation.**
- 5 Ordinary people can show our Environmental Basic Philosophy and Environmental Policy by publication or Internet.**

April 1, 2014
President
Satoshi Yamashita

Corporate Governance

Effective implementation of corporate governance is crucial to continuously boosting enterprise value. In accordance with the Group's Business Activities, we take a wide range of measures in an effort to ensure the transparency, ethicality, and accountability of our business and disclose information.

Corporate governance

The Group's Business Activities prescribe that the company will "Promote the development of corporate governance which is beneficial and adequate for business management." We take a wide range of measures in an effort to ensure the transparency, ethicality, and accountability of our business and disclose information.

Ryoden Trading's Board of Directors, which consists of sixteen directors (one an outside director) and meets regularly once a month, decides on important business matters and oversees the conduct of company operations. Directors serve for a term of one year. To clearly define management accountability, and to ensure that Board meetings can be conducted flexibly, resolutions of the Board are made in writing. The outside director provides advice on the conduct of operations from an independent standpoint and acts as a check on the others. The Executive Committee, of which the President, directors with titles, directors in charge of compliance, and directors

in charge of risk management are members, acts as an advisory body to the Board of Directors. Convened to ensure transparency of management and enable rapid decision-making, the Executive Committee deliberates on key matters. Its meetings are attended also by the standing corporate auditors to ensure that discussions are in order.

Ryoden Trading's Audit & Supervisory Board consists of two standing Members and two external Members. They attend the meetings of the Board of Directors as well as other key meetings. The Audit & Supervisory Board Members conduct business audits of each company division and branch office as well as audit subsidiaries, then report their findings to the Audit & Supervisory Board and the Board of Directors. To ensure proper conduct of auditing, they also regularly exchange information and views with the company's internal auditing arm and financial auditor.

System of internal controls

To guarantee that operations comply with the law and the articles of incorporation, Ryoden Trading's internal auditing arm implements business and accounting audits of the company itself and the Ryoden Trading Group, checking that all corporate activities are conducted appropriately. The auditors and the financial auditor regularly exchange

information and views so as to ensure that auditing is carried out effectively and efficiently. There is also an Internal Control Supervisory Committee chaired by the President and made up of the directors with titles, which discusses basic policy on internal controls and verifies their state of implementation.

Compliance regime

Ryoden Trading considers ensuring full compliance a key management aim. Guidelines on compliance have been established, and employees are thoroughly educated on its importance. An Ethics and Legal Compliance Committee chaired by the responsible director has been set up with the goal of achieving compliance in all corporate activities; this regularly

mandates and implements measures relating to compliance. The internal auditing arm for its part audits state of compliance. In addition, the Group's Business Activities call for a firm stand against "anti-social" (i.e. criminal) organizations. Ryoden Trading is uncompromising in this regard and has put appropriate structures in place.

Risk management

Ryoden Trading has compiled a set of basic guidelines on risk management. A Risk Management Committee chaired by the responsible director identifies risks and designs measures based on the likelihood of the event occurring

and the extent of its impact. Key risk-related matters are discussed by the Executive Committee and the Board of Directors. Risk management is thus multifaceted and conducted group-wide.

Information security measures

The Ryoden Trading Group takes ongoing measures to guard against unauthorized access to internal information systems and prevent leakage of confidential corporate information and personal data. Employees are thoroughly trained in the importance of information security.

- Steps are taken to beef up security. Office security guidelines have been established, each business location is zone-controlled, and smart cards are used for access control.
- A system has been installed for centrally managing business computers and servers, and banned software is removed from clients.

Overview of Our Business

Since our founding in 1947, the Ryoden Trading Group has always strived to improve customer satisfaction by providing cutting-edge technologies and adhering to honest business practices. Since FY 2013 we have been implementing a new medium-term business plan with the goal of transforming ourselves into a global solutions provider that offers value added worldwide.

Outline of Company

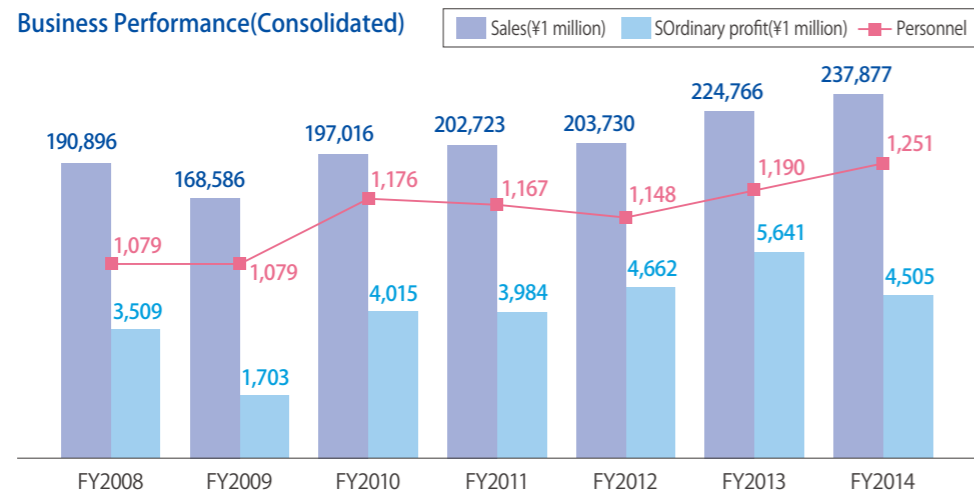
Firm name : Ryoden Trading Company, Limited
 Head office : 3-15-15 Higashi Ikebukuro, Toshima-ku, Tokyo 170-0013
 Representative : President Satoshi Yamashita
 Establishment : April 22, 1947
 Capital : ¥10.334 billion (as of March 31, 2015)
 Sales (consolidated) : ¥237,877billion (FY2014)
 Main products : Sale of electronics and electronic equipment, data communications equipment, industrial equipment, construction and environmental equipment, etc.
 Employees : 983 (as of March 31, 2015)
 Group employees : 1,251 (as of March 31, 2015)

Outline of Business

The global economy enjoyed a modest rebound underpinned by robust growth in the United States, although the slowdown in the developing countries and the tardy recovery in Europe acted as a damper, and the outlook remained uncertain. The domestic Japanese economy, meanwhile, continued to recover moderately as corporate profits improved and capital investment picked up thanks to the low yen and rising share prices, although last-minute spending before the consumption tax hike was followed by a falloff in demand. As for the sectors where the Ryoden Trading Group does business, digital consumer electronics remained sluggish, whereas the industrial equipment, automotive, and energy sectors were by and large vigorous.

On this backdrop the Ryoden Trading Group implemented a series of measures under the Growth Strategy Plan 2015 (GSP 15) with the aim of transforming ourselves into a global solutions provider that offers value added to customers worldwide. During FY 2014, the middle year of the plan, several organizational reforms were implemented as we advanced further into the solutions sector: separate business divisions were combined into a single headquarters with the goal of accelerating our solutions business, and a system of solutions specialists was established. In addition, we expanded our network of locations in Japan, the United States, and Southeast Asia in order to serve our customers' needs more closely. These moves translated into the following business results.

Business Performance(Consolidated)



With Our Customers

Our goal: to be an indispensable partner to customers

As a global solutions provider, the Ryoden Trading Group aims to become an indispensable partner to clients by delivering the best solutions for addressing their needs and challenges.

Creating new solutions business by mobilizing the whole Ryoden Trading team

In April 2014 the Ryoden Trading Group, aiming to further boost customer satisfaction, launched the new System Solution Division alongside our existing core businesses: factory automation systems, industrial cooling and heating systems, building and information communications, and electronic devices. The goal of this move was to share client needs and challenges across separate business arms by aggregating them within the System Solution Division; thus now each client is served by the whole Ryoden Trading team. Instead of having isolated points of contact with clients as heretofore, we can now establish a broad-based relationship with them, allowing us to understand and analyze their needs and challenges more deeply and to quickly come up with the best solution. Further, the System Solution Division aims to create new solutions business while accommodating customers' requirements. The division currently has eleven departments (as of April 2015), including Building Management, Automotive Systems, OA Living Systems, and Industrial Instrumental Systems. Now we plan to design and offer even more solutions to address a full range of customer needs, thus becoming an indispensable partner.



Designing solutions that get at the essence of your needs

Our goal here at the Ryoden Trading Group is to design solutions that get at the essence of your needs. Say a customer tells us they want to bring in a solar power system. Our sales rep will carefully analyze the client's requirements by applying his or her technical knowledge. In the process it may be determined that what the client really wants is not just to install a solar power system but to establish a business continuity plan (BCP) for the contingency of a disaster. Having thus identified the essence of the client's needs, we then focus on designing the best solution. We will continue delivering solutions that address the true nature of customers' needs, so that whenever they are in a bind, the Ryoden Trading Group is where they turn for advice.



Supporting your business with BCP solutions

BCP solutions are designed to minimize the impact of a disaster or accident on your business and enable you to quickly resume operations. The Ryoden Trading Group supports your business by offering a full spectrum of BCP solutions, whether a means of supplying power in the event of a disaster or a way to protect equipment in case of a blackout or momentary voltage drop.

CSR & I

The Ryoden Trading Group will keep changing

As General Manager of the System Solution Division I work mainly on drawing up business plans and divisional strategy. Creating new solutions business while accommodating customers' needs and challenges is an unprecedented venture for the Ryoden Trading Group, so blazing the trail is an arduous task, but that makes the job all the more rewarding. A year has passed since the System Solution Division was launched, and it delights me whenever customers say Ryoden Trading has changed or things have gotten interesting. The Ryoden Trading Group will continue its transformation, and we look forward to hearing what you think.



Masatoshi Nakamura
 General Manager,
 System Solution Division
 Solution Business Headquarters
 Ryoden Trading Company, Ltd.

Strengthening shareholder trust through steady dividends and active disclosure

The Ryoden Trading Group makes every effort to maintain steady dividends and share profits with shareholders; we are also committed to accurate disclosure of information. In addition, we listen carefully to your views and endeavor to reflect them in the conduct of our business.

Paying steady dividends to shareholders

The Ryoden Trading Group makes every effort to maintain steady dividends, for we consider sharing profits with shareholders a key aspect of our business. For the year ending in March 2015 an annual dividend of 24 yen per share is to be paid as announced in May 2014, even though operating income, ordinary income, and net income were all down despite increased revenues.

Information disclosure and business reports to shareholders

The Ryoden Trading Group sends out the Ryoden Business Report to shareholders every June and December. The Ryoden Business Report is designed to enable shareholders who support our business to better understand the Ryoden Trading Group. Besides a message from President Satoshi Yamashita and basic information like Ryoden's business strategy and a description of solutions we offer, the report also provides topical news about recent developments such as the launch of our photovoltaic generation project, the refurbishing of head office in the Ikebukuro district of Tokyo, and the expansion of our network of locations in Southeast Asia.



Disseminating information through various media

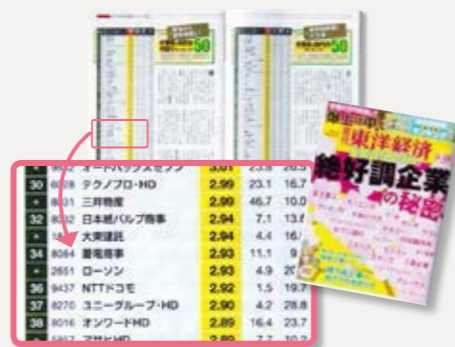
To acquaint stakeholders with our management principles, policy, and business strategy, the Ryoden Trading Group actively disseminates information through various media. For example, the magazine Nikkei Business, in its June 9, 2014 issue, showcased what the Ryoden Trading Group was doing to achieve profitable, sustainable growth in an article entitled "A trading firm evolving from a wholesaler to a provider of solutions." The March 28, 2015 issue of Weekly Toyo Keizai, in an article titled "The Global Solutions Provider (GSP) manifesto: the trading firm that's more than a trading firm," described how we aimed to become more than a trading company by thinking and growing with our customers. The Ryoden Trading Group will continue actively disseminating information through various media with the goal of enhancing our stakeholders' understanding of and trust in us.



In the media

Weekly Toyo Keizai (March 28, 2015)
Ryoden makes the rankings of the 100 most promising stocks for shareholder returns and ROE, as well as the top 50 for strong business results and high dividend yields!

The March 28, 2015 issue of *Weekly Toyo Keizai* carried a special entitled "The Top 300 Stocks to Watch." The Ryoden Trading Group ranked 35th among the 100 most promising stocks for shareholder returns and ROE. It also placed 34th among the top 50 for strong business results and high dividend yields.



Building a win-win relationship with worldwide suppliers

The Ryoden Trading Group partners with some 2,000 suppliers of products and technologies in Japan and across the globe. We remain committed to doing business honestly and fairly with them at all times and strengthening mutual trust.

Delivering quality that is universally recognized

The Ryoden Trading Group has always supplied products suited to the customer's needs. Now we also focus on providing a quality-matching service that involves the transfer of quality assurance expertise developed by Japanese manufacturers. In the Chinese-speaking region, Southeast Asia, Europe, and North America, not to mention Japan, there are many local manufacturers and suppliers that possess superlative technology or offer unique solutions. The Ryoden Trading Group identifies such outstanding suppliers by conducting exhaustive research via our global network, then, after providing extensive guidance on quality assurance, matches them with clients. As an example, one supplier in China was matched with a major Japanese automaker after a year-long period of guidance and preparation; it performed excellently as a result, with zero defective products shipped over the course of a year, and received a commendation as an outstanding new supplier. The Ryoden Trading Group will continue to strengthen ties with suppliers in each country in the quest for new solutions and business opportunities.



Acting as a link between suppliers

The Ryoden Trading Group also takes steps to bolster suppliers' market competitiveness by linking them together into a single team. Different suppliers have different fortes: some excel at design, for instance, whereas others boast technological prowess. We seek to generate new business opportunities by identifying and analyzing what makes each supplier unique and matching those that are most compatible.

Expanding our network of suppliers to Europe

The world's largest trade fair devoted to industrial automation, the Hannover Messe, took place in Hanover, Germany, April 13-17, 2015. The Ryoden Trading Group exhibited there for the first time, showcasing our impressive array of solutions for industrial systems and other applications. The primary objective of having a booth at the Hannover Messe was to identify potential new suppliers and solutions. Eventually we hope to collaborate with European suppliers in crafting new solutions and bringing them to the Japanese and Asian markets.



CSR & I

Promoting our quality-matching service on a group-wide basis

In 2009 the Quality Planning Department was established and our quality-matching service, which brings clients and suppliers together, was launched. Ever since then I have been in charge of planning, design, and operation of the service. This was a first for us, and everything initially had to be done by trial and error; today, though, the task of identifying suppliers and matching them with clients is performed on a group-wide basis, with the Quality Planning Department, sales staff, and overseas quality control personnel all involved. The Ryoden Trading Group intends to continue working hard on generating new business opportunities and creating new solutions, so if you're a supplier and you're interested, please don't hesitate to contact us.



Yoshiaki Ogawa
Director, General Manager,
Quality Planning Department
Ryoden Trading Company, Ltd.

With Our Customers
With Our Shareholders
With Our Suppliers
With the Global Environment
With the Community
With Our Employees

Results of Environmental Activities in FY 2014

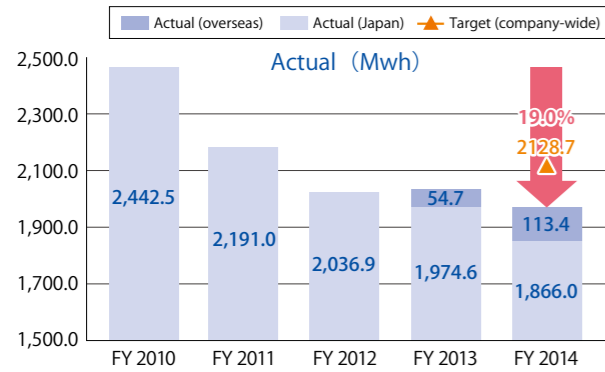
All our environmentally friendly office targets for FY 2014 were met: reducing electricity consumption, reducing percentage of waste disposed of as landfill, improving the fuel economy of commercial vehicles, and using sustainable forest paper. In the area of environmentally friendly products, too, we met the goal set for sales of prioritized eco-solutions (energy-saving devices and alternative energy equipment).

Environmentally Friendly Offices

Environmentally Friendly Office

Target met

Target: 18.3% reduction from FY 2010 level = 1,995.5kwh
Actual: 19.0% reduction from FY 2010 level = 1,979.4kwh



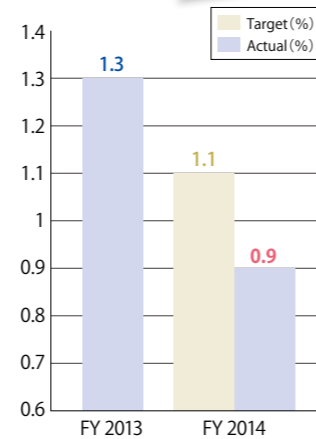
Reduce percentage of waste disposed of as landfill

Target met

Target: Dispose of less than 1.1% as landfill

Disposal channels traced and revised

Actual: 0.9% disposed of as landfill



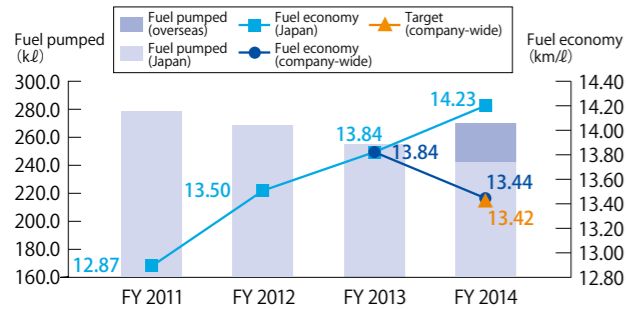
Improve the fuel economy of commercial vehicles

Target met

Target: Improve by 8.6% over FY 2011 level

- Switched to hybrid and fuel-efficient vehicles
- Promoted eco-friendly driving (fewer abrupt starts, less rapid acceleration)

Results
Company-wide: 8.8% improvement (13.44km/ℓ)
In Japan: 10.5% improvement (14.23km/ℓ)



Purchase and use paper products from properly managed forests

Target met

All business offices purchased and used only paper produced from certified forests

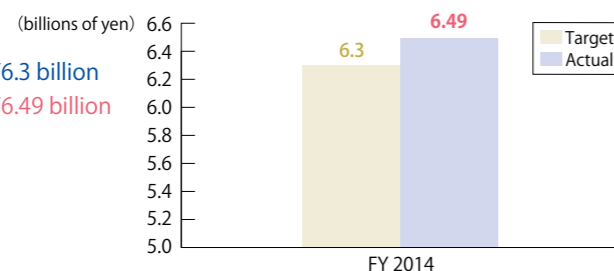


Environmentally Friendly Products

Sales of prioritized eco-solutions

Target met

Target for FY2014: ¥6.3 billion
Actual sales: ¥6.49 billion



CMS Group Activities

Initiatives in the realm of chemical substances management have been escalating worldwide, and meeting chemical substance management regulations in different countries is a key issue for corporations. Recognizing this situation, Ryoden Trading set up the CMS Group to manage information about chemical substances contained in our products. The CMS Group focuses on the proper management of chemical substance information and the smooth communication of this information.

Properly Managing Chemical Substance Information and Addressing Global Demands

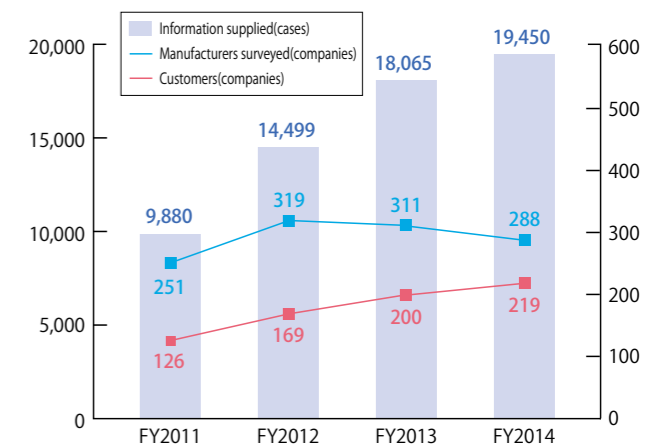
The 2002 World Summit on Sustainable Development (WSSD) in Johannesburg set the goal "to use and produce chemicals in ways that minimize significant adverse effects on human health and the environment by 2020." In the wake of this declaration, many countries either amended or enacted legislation on chemical substance management, forcing corporations to comply with chemical substance management regulations in different countries.

For example, the EU enacted the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation, which required many industries to manage chemical substances, from chemical manufacturers at the top of the supply chain all the way down to end-product manufacturers. REACH required notifications and registrations from companies producing or importing chemical substances in the EU region, and it obliged end-product manufacturers meeting certain conditions to report or register the chemical substances in their products and to provide information about the chemical substances to consumers.

In light of these movements, we established the Chemical Substances Management System (CMS) Group to manage information about chemical substances contained in our products. The CMS Group focuses on the proper management of chemical substance information and

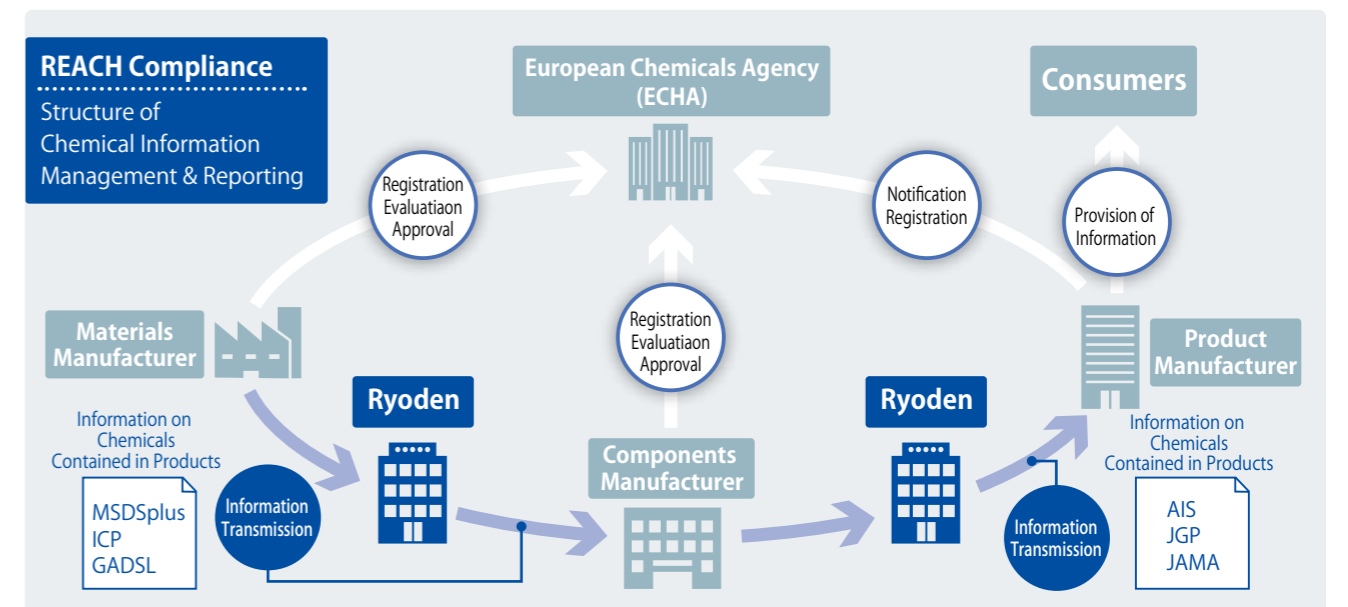
the smooth communication of this information in order to meet our customers' green procurement guidelines and SVHC (substances of very high concern) requests, which are rising every year. Currently, we can comply with JAMP-GP (electric industry) and IMDS (automotive industry) to meet our customers' diverse needs.

CMS Group Customer Initiatives



Conflict minerals

Customers supplied with information: 56 / Items of information supplied: 114



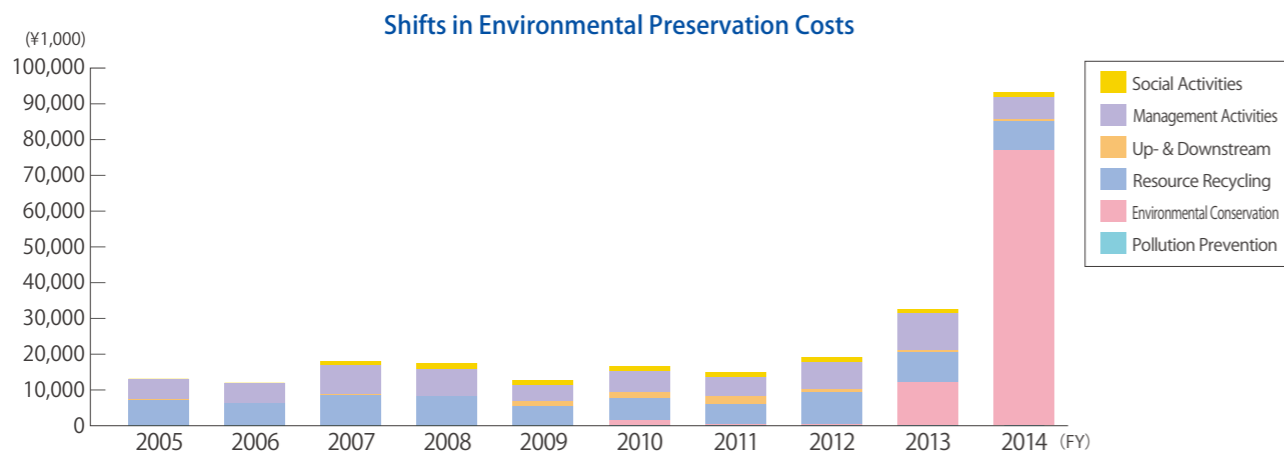
FY 2014 Environmental Accounting Report

To promote environmentally conscious management, the Ryoden Trading Group performs an environmental accounting audit, which calculates and analyzes the costs and benefits of environmental conservation and preservation and reflects these in management decisions. Through this and similar activities, the Group is helping to establish a Low Carbon Society and a Sound Material-Cycle Society now and in the future.

Note: Our environmental accounting audit prioritizes physical units (t-CO₂).

1. Environmental Conservation Costs Totals include all domestic offices and affiliates in Japan

Category		Scope	Cost (¥1,000)		
Business Area Costs	Pollution Prevention Costs	Water Pollution Prevention Costs, etc.	34		
	Environmental Conservation Costs	Energy Conservation Measures, Global Warming Prevention Costs, etc.	9,501		
		Depreciation expenses of photovoltaic power plant	66,758		
	Resource Recycling Costs	Industrial Waste Transportation & Disposal Consignment Costs	8,137	8,137	
		Industrial Waste Storage Area Maintenance Costs	0		
Up- and Downstream Costs	Green Procurement Support, etc.	407			
Management Activity Costs	ISO 14001 Certification Maintenance Costs	1,804	94,688		
	Internal Audit Costs	789			
	Creation of Environmental Reports & Other	4,010			
	Environmental activities underpinning costs of overseas subsidiaries	2,110			
Social Activity Costs	Environmental Conservation Costs Associated with Social Activities (Donations to Environmental Conservation Groups, Aid Costs, etc.)	1,138			
Environmental Damage Countermeasure Costs	Environmental Damage-Related Costs	0			
Internal Expenses	Management Costs	Labor Costs for Environmental Activity Promotion	37,606		
Total			132,294		

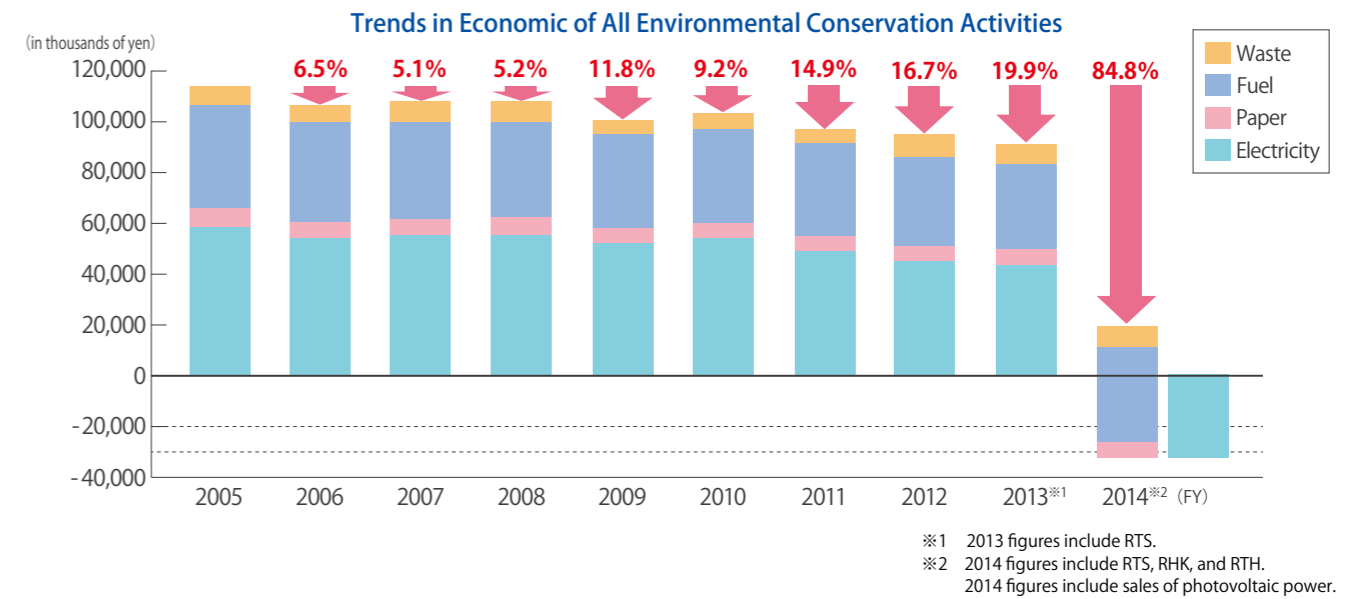


2. Economic Effect of Environmental Conservation Totals include all domestic offices and affiliates in Japan.

Category	Scope	Costs Reduced (¥1,000)			
		Results (Before Revision)		Results (After Revision)	
Business Area Effect	Environmental Conservation Costs	Electricity Usage Reduction Effect	5,057	17,222	97,264
		Sales of photovoltaic power	73,997	73,997	
		Copy Paper Usage Reduction Effect	584	584	
	Resource Recycling Costs	Vehicle Fuel Reduction Effect	-696	5,461	
		Industrial Waste Generation and Disposal Reduction Effect	-717	-717	
Up- & Downstream Effects	Effect of Sale of Recycled Components	47	47	-670	
Up- & Downstream Effects	Green Procurement Effect	0		0	
Management Activities Effects	Effect of Optimizing Management Activities	0		0	
Total		78,272		96,594	

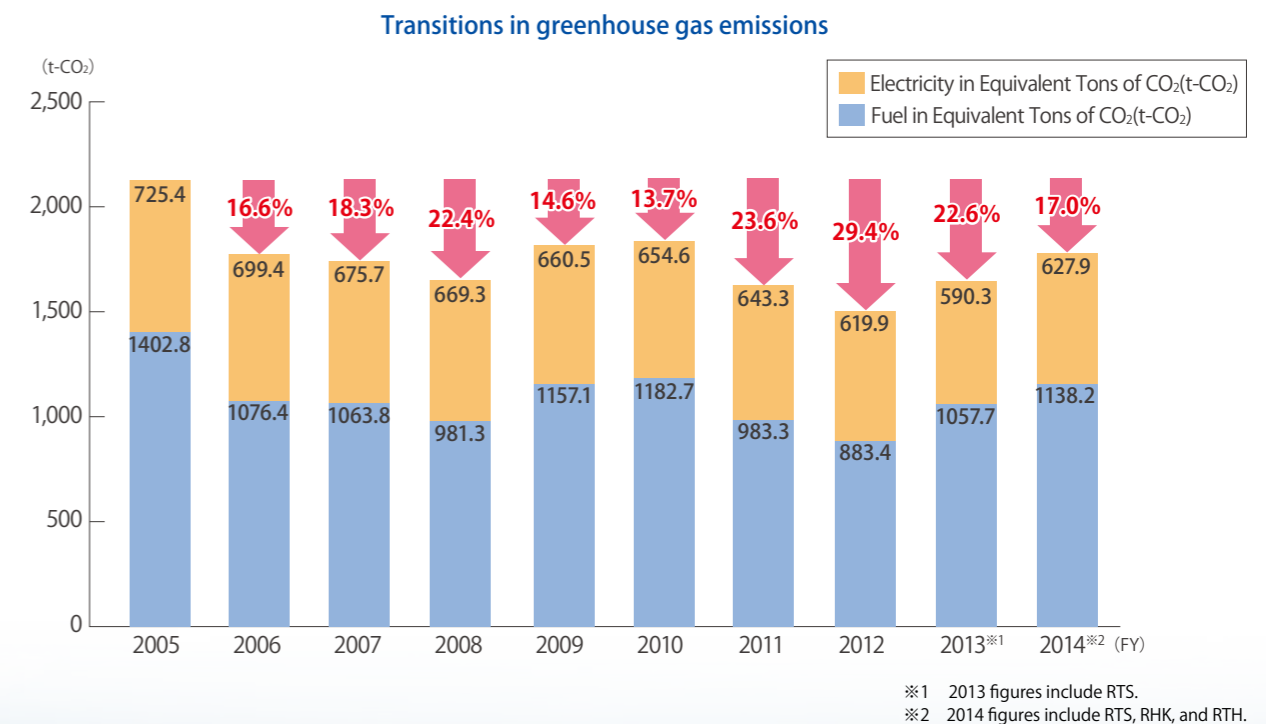
※Economic impact figures are in comparison to 2005 results (impact of environmental conservation = 2005 figures – 2014 figures).
 ※Contribution of sales from expansion of sale of environmentally friendly products not calculated.
 ※Figures after revision represent amount of fuel and electricity used in FY2014 as converted to FY2005 prices.

In order to verify the transitions in economic benefits resulting from our environmental activities, we created a transition table that is adjusted for external mitigating factors (gasoline prices and electricity rates).



3. Global Warming(CO₂ Emissions)Reduction Effects due to Environmental Conservation Activities

Emissions	Unit	t-CO ₂	
	CO ₂ emissions from electricity consumption	1,138.2	1,766.1
CO ₂ emissions from gasoline consumption	627.9		



※1 2013 figures include RTS.
 ※2 2014 figures include RTS, RHK, and RTH.

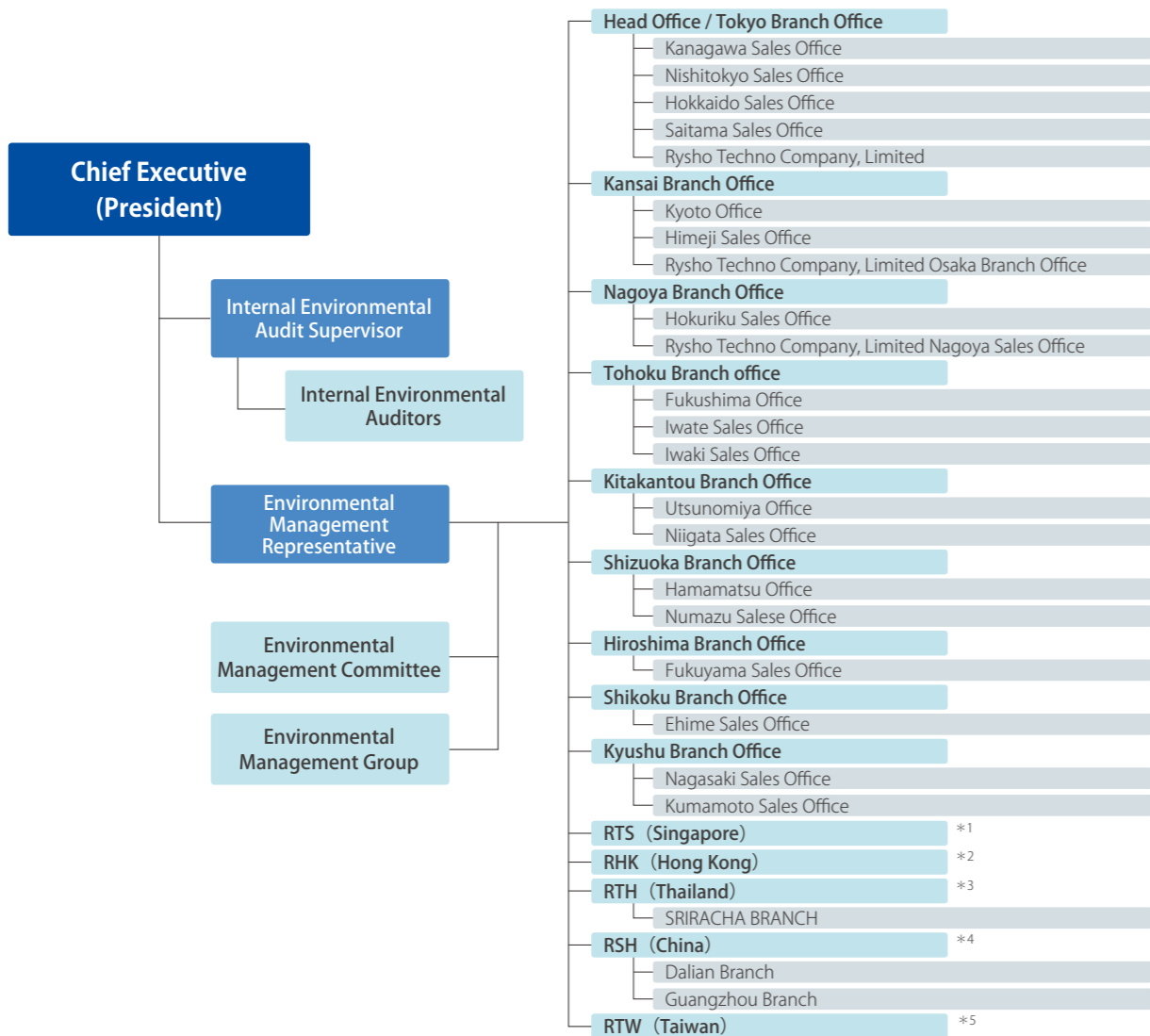


With Our Customers
 With Our Shareholders
 With Our Suppliers
 With the Global Environment
 With the Community
 With Our Employees

Environmental Management Organization and History of Environmental Activities

The Ryoden Trading Group has established a cross-divisional environmental management organization to promote environmentally responsible management on a group-wide basis. With the President himself acting as the chief executive, the organization operates at 38 sites in Japan and around the world promoting environmental measures.

Environmental Management Organization



History of Environmental Activities

- Dec. 2001** Acquisition of ISO 14001 certification by Head Office, Tokyo Branch Office, Kansai Branch Office, Nagoya Branch Office, Ryoko
- Dec. 2002** Acquisition of ISO 14001 certification (registration no.: EC01J0212) by all domestic Japanese offices (23 locations)
- Jun. 2003** Publication of first Environmental Report (now the Sustainability Report)
- Dec. 2004** Acquisition by Ryosho Techno site (acquisition of certification by all domestic subsidiaries)
- Aug. 2005** Implementation of Environmental Activity Awareness Survey
- Apr. 2006** Consolidation of implementation teams
- Sep. 2006** Establishment of Senior Auditor Qualification System
- Oct. 2006** Initial meeting of the Auditor Leader Conference
- May. 2007** Commencement of company-wide social contribution activities
- Jan. 2012** Ranked 11th in the trading company category of the 15th Nikkei Environmental Management Survey
- Sep. 2012** Publication of Sustainability Report (English / Chinese version)
- Sep. 2013** Launch global environment preservation activities in Singapore

- Dec. 2013** The Ryoden Trading Group's ISO 14001 certification is extended to Singaporean subsidiary RTS*1
- Jan. 2014** Ranked 10th in the trading company category of 17th Nikkei Environmental Management Survey
- Mar. 2014** Solar power generation begins at sites in Kurihara, Miyagi Prefecture, at the North Kanto Branch Office, and at the Hamamatsu Sales Office
- Mar. 2014** Ryoden participates in the Fukushima Sakura Project
- Dec. 2014** The Ryoden Trading Group's ISO 14001 certification is extended to Hong Kong subsidiary RHK*2 and Thai subsidiary RTH*3
- Jan. 2015** Ranked 10th in the trading company category of the Nikkei Environmental Management Survey
- Apr. 2015** Chinese subsidiary RSH*4 and Taiwanese subsidiary RTW*5 launch new environmental action programs

*1 Stands for Ryosho Techno Singapore Private Limited.
 *2 Stands for Ryosho Hong Kong Company, Limited.
 *3 Stands for Ryosho (Thailand) Company, Limited.
 *4 Stands for Ryosho Electronics (Shanghai) Company, Limited.
 *5 Stands for Ryosho Taiwan Company, Limited.

Environmental Activities in FY 2015

Our environmental activities in FY 2015 will revolve around the three pillars below. The Ryoden Trading Group will continue as last year to boost steps to build a low-carbon, recycling-based society, as well as maintain our ongoing social contribution programs. Environmental targets have been set for business operations instead of environmentally friendly products as heretofore, and business processes have been integrated with environmental activities. And in April our Chinese subsidiary RSH and our Taiwanese subsidiary RTW launched new environmental action programs.

Three Pillars of Environmental Activities in FY 2015

1

Environmentally Friendly Offices

- Reduce electricity use
FY 2015 target: Reduce electricity use by 18.4% from FY 2010 levels
- Use of paper
FY 2015 target: Purchase and use paper products from properly managed forests
- Reduce percentage of waste disposed of as landfill
FY 2015 target: Dispose of less than 0.9% as landfill
- Improve fuel economy of company vehicles
FY 2015 target: Improve fuel economy by 5.0% from FY 2011

2

Integrating business processes with environmental activities

Because our business activities benefit the global environment, business plans at all locations have been rated beneficial in an environmental impact assessment, and environmental targets have been set for a total of 55 business activities.

Sample targets:
 Business Headquarters—Sales of system solutions
 General Affairs Department, Head Office—Strengthening environmentally responsible management (e.g., investment in eco-facilities)

3

Social Contribution Projects

- Global environment preservation activities : community-oriented environmental activities (preserving biodiversity)
- Participate in the Fukushima Sakura Project



CSR & I

Further promoting environmental excellence at the Ryoden Trading Group

As Branch Office coordinator of the Ryoden Trading Group's environmental activities, I'm responsible for formulating targets, preparing documentation, and calculating outcomes, as well as fostering awareness within the Branch Office and conducting administration. Setting targets can be an arduous task, since you have to factor in the effect of things like eco-related capital investment (this year conversion of lighting to LED) and replacement of vehicles, so the calculations get quite complex. But you get a real sense of accomplishment when you total up the figures each month and the results meet the targets. After we've fallen short of a target and thought up all kinds of ways to reach it, I find it especially gratifying when we finally hit it. As coordinator I intend to increase my knowledge of administrative matters and the law in an effort to further promote environmental excellence at the Ryoden Trading Group.



General Affairs Section,
 General Affairs Department,
 Kitakantou Branch Office
 Ryoden Trading Company, Ltd.

Biodiversity Preservation Projects

This was the Group's eighth year of undertaking social contribution programs. In FY 2014, a total of 669 employees and family members participated in the various programs.

Head Office/Tokyo Branch Office **Participation in the Tokyo Greenship Action program**



Organized by
Bureau of Environment,
Tokyo Metropolitan Government


Held in
May, October

Total participants
132

Description A project to protect the natural environment in the Kiyose Matsuyama green space conservation zone in cooperation with the Tokyo Metropolitan Government, NPOs, and other corporations.

Comment from Branch Office We cleared away fallen branches, removed invasive plants, and repaired wooden fencing. With the cooperation of an NPO, we also got to learn what nonnative plant species grow in the area. We did our part to help clean up the area.

Kansai Branch Office **Participation in the Adopt-a-River program**



Organized by
Osaka Prefectural Government


Held in
April, July, October, February

Total participants
170

Description The Adopt-a-River program is a river beautification project. We clean up a 2.5-km stretch of the Kanzaki River from Juhachijo Bridge to Mikuni Bridge.

Comment from Branch Office The Adopt-a-River beautification program is conducted regularly, and several dozen people take part each time. Thus awareness of the project appears to have taken root. We do our best to keep the Kanzaki River beautiful by cleaning up the riverside and removing illegally dumped items.

Ryosho Techno Osaka Branch Office **Cleanup of a park near the office**



Organized by
Independent project

Held in
June, November, February

Total participants
28

Description A project to clean up the park near the office

Comment from Branch Office This is an ongoing program to keep the children's park near the office clean, with about ten of us taking part each time.

Nagoya Branch Office **Participation in the Nagoya Higashiyama Forest**




Organized by
Nagoya Higashiyama Forest
Conservation Group
with the cooperation of
the City of Nagoya

Held in **Total participants**
July, November 140

Description A project involving thinning the forest and preparing ground for terraced fields

Comment from Branch Office In order to let in more sunlight to allow the forest of Higashiyama Park to develop, in July we cleared trees and weeds and removed illegally dumped garbage. In November we then thinned the forest and picked up dead leaves. Once we were finished, the forest floor was exposed to the warm rays of the sun in readiness for next spring, and saplings started to sprout. Our efforts thus made a noticeable difference in preserving the rural hillside landscape.

Tohoku Branch Office **Participation in the Tsuruga Castle Projection Mapping project**



Organized by
Sakura Project

Held in
March

Participants
12

Description A project to clean up Tsuruga Castle Park.

Comment from Branch Office We cleaned up the area around Tsuruga Castle in Aizu-Wakamatsu. Though the grounds were clean, we did pick up discarded pamphlets and empty cans and sorted them for disposal. We also got to see the projection mapping show, so it was a fulfilling day.

Kitakantou Branch Office **Cutting bamboo grass around the Kakumanbuchi Wetland on Mount Akagi**



Organized by
Committee for Preserving the Natural
Environment of Mount Akagi

Held in
November

Participants
29

Description A project involving cutting bamboo grass to protect Nikko day lilies, Japanese azaleas, and other plants

Comment from Branch Office Mount Akagi has a special place in the hearts of Gunma's people. This is the third time we've taken part in this environmental conservation project in cooperation with the government of Gunma Prefecture, the city of Maebashi, and a long list of organizations. Through our ongoing participation in the project we hope to do our part as a branch office that is part of the local community.

Utsunomiya Office **Maintaining the grounds of Shimotsuke Sanrakuen children's home**



Organized by
Kitakantou Branch Office
Shimotsuke Sanrakuen


Held in
May

Participants
15

Description A project to maintain the Shimotsuke Sanrakuen grounds

Comment from Branch Office Shimotsuke Sanrakuen children's home is located in verdant surroundings with a baseball field and other amenities for the kids to use, but the facility has too few staff to maintain the grounds. This activity, which involved among other things cutting weeds, was a keen reminder of the importance of serving the local community.

Shizuoka Branch Office **Participation in the Shizuoka Adopt-a-River program**



Organized by
Shizuoka City


Held in
May

Participants
24

Description We participate in the city of Shizuoka's Adopt-a-River program. Participants take the garbage they collect home and throw it out with their household trash.

Comment from Branch Office Previously we always cleaned up the same river, but the number of participating organizations had steadily risen each year, resulting in a dramatic decrease in the yield of garbage. So, concluding that this ongoing program had made the entire community somewhat more aware of the need to create a more attractive environment, we decided to switch to a different cleanup area from last year, one where fewer organizations were registered. Our people have developed a strong commitment to this activity, and the participation level remains steady every year.

Hamamatsu Office **Participation in the Sea Turtle Nesting Beach Cleanup**



Organized by
City of Hamamatsu and
Shizuoka Prefecture


Held in
May

Participants
22

Description A project to clean up the Enshu beach where sea turtles come to lay their eggs

Comment from Branch Office The shores of the Enshu Sea serve as nesting grounds for the loggerhead turtle, and this activity involved cleaning up the beach in readiness for the turtles' arrival. We divided into teams and collected rubbish that had washed ashore; 5.25 tons of flotsam and jetsam were accumulated over the course of the project as a whole.

Hiroshima Branch Office **Participation in the Tree Restoration Volunteer program at Hiroshima Peace Memorial Park**




Organized by
Hiroshima Environment and Health
Association and Beautification Promotion
Department, City Maintenance Bureau,
City of Hiroshima

Held in **Participants**
December 25

Description A project to restore atom-bombed trees in Peace Memorial Park to good health

Comment from Branch Office This volunteer program organized by the Hiroshima City Maintenance Bureau has the primary aim of restoring the health of trees in Hiroshima Peace Memorial Park near the Atomic Bomb Dome, a World Heritage site. This project is a way for citizens to nurture their awareness of the flowers and vegetation around them and the importance of peace, and we were pleased to participate.

Shikoku Branch Office **Cleanup in the vicinity of the office**



Organized by
Independent project

Held in
March

Participants
32

Description A project to clean up the neighborhood of the office

Comment from Branch Office It looked at one point as if the event would have to be canceled, since the rain that started the previous evening lasted until after nine in the morning, but fortunately the weather then brightened up somewhat. Despite slippery conditions no one got hurt, and we managed to finish the job without mishap. The area around the water channel was overgrown with weeds as it is every year, and garbage had been illegally dumped there, but as always, we managed to clean things up.

Kyushu Branch Office **Participation in the Rhinoceros Beetle Forest conservation campaign**



Organized by
Independent project

Held in
March

Participants
21

Description Our own forest conservation activity conducted with the cooperation of a volunteer group

Comment from Branch Office We divided into three groups, one raking up leaves, one mowing the grass, and one removing unwanted trees. Too many fallen leaves on the ground, not to mention unwanted trees, are bad for tree growth, and we raked up a large quantity of leaves. The weather was good, and we had fun as we went about the task.

RTS **Participation in the East Coast Park cleanup 2014**



Organized by
Green Bird

Held in
November

Participants
19

Description A beach-cleaning program at East Coast Park

Comment from Branch Office East Coast Park, where the cleanup took place, is a large recreational park on Singapore's east shore where many people come on the weekend to play sports, take a walk, or enjoy a meal. It was teeming with visitors on the day of the event, and we volunteers weaved our way among them picking up discarded plastic, cigarette butts, and lots of other garbage. We thus succeeded in cleaning up the extensive park with its beaches.



Fukushima Sakura Project, a Prayer for Reconstruction

The Fukushima Sakura Project is an initiative to distribute a new species of cherry tree, called Haruka, from Fukushima throughout the country as a symbol of the reconstruction from the earthquake. We are a proud sponsor of this project, as one of our social contribution programs. The Great East Japan Earthquake caused enormous damage that was unprecedented in scale, but over time, people have slowly lost interest. And yet in the affected regions, there are a great number of people still living in evacuation shelters and suffering from the memory of missing family members. For us, the healthy growth and proliferation of the Haruka cherry tree is a reminder of the earthquake disaster and our commitment to continue to assist the victims. It takes several years to nurture a cherry sapling and even more years after the sapling is planted for it to start blossoming. Just as the Haruka grows slowly but surely, we will provide long-term aid to the reconstruction.

The Fukushima Sakura Project website ▶ <http://www.fukushimasakura.jp/>

With Our Customers
With Our Shareholders
With Our Suppliers
With the Global Environment
With the Community
With Our Employees

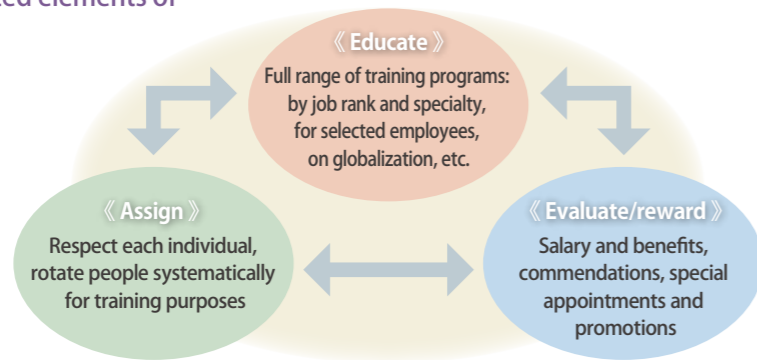
Our Responsibility to Employees and Their Families

To provide a pleasant working environment where all employees feel at home, and to ensure that each finds their job rewarding, continues to grow through their work, and develops the skills to pursue their career on the world stage: those are the basic goals of Ryoden Trading's human resources policy. To that end we respect the diversity of the people who work here, and make every effort to bring them and their families a greater sense of security.

Creating a rewarding workplace

Human resources management at Ryoden Trading is underpinned by one basic principle: pursuing the maximum results for both employee and company. We seek to enable our people to produce results and, through their work, to increase their own worth in their quest for individual self-fulfillment.

The three integrated elements of HR management



A system of rewards based on each person's skill level, function, and performance

We value not just quantitative outcomes but also accomplishment of qualitative behavioral process objectives, thereby nurturing a culture that enables employees to set their sights high. We also draw up a separate training and assignment sheet on each employee to facilitate their personal development.

A multifaceted approach to education and training

We have a full range of off-the-job training programs based on education in the workplace through doing the job. These start with training for new hires and also include seminars, graded by job rank, designed to improve personal and business skills, seminars that impart the expert knowledge and skills required for executive posts and specialized positions, and technical training in promoting the solutions business. Nurturing people with the ability to work on the world stage is an especial priority, and we are accelerating efforts to develop global talent by sending employees abroad on training programs.



The Discovery Workshop

A program all management-track employees go on in their third year on the job. They themselves decide which country to visit and draw up their own two-week action plan, which they then must follow without an interpreter or guide, booking all their appointments themselves. The workshop aims to foster independent action and lay the foundations of a global skill set.



Team-building program for new employees

In a training facility deep in the mountains, new employees learn firsthand the indispensability of teamwork by tackling difficult assignments together while preparing their own meals. They also develop communication skills that will help them understand each other better.

Creating a workplace conducive to a healthy work-life balance

We are committed to creating a quality workplace where people at all stages of life, whether they are bringing up children, have a family member to care for, or are seniors, can fulfill their potential.

Flexible holidays so employees feel secure

Ryoden Trading allows employees to save up a certain number of days from their annual paid holidays. The paid holidays so saved can be used if, say, a mother's childcare leave has ended and she wishes to enroll her child in daycare but is unable to do so, an employee falls sick or is injured off the job, or a family member requires care. We are taking steps to make the system even more flexible so employees enjoy peace of mind on the job, by for example making paid holidays available by the half day and the hour.

Support programs for employees with children or family requiring care

To assist employees with children or family members requiring care, various support programs are offered in accordance with Japan's Child and Family Care Leave Act. In addition, we go beyond what the law requires in the following ways:

- (1) Maternity leave is offered as paid vacation time.
- (2) Shorter working hours for parents with small children are available up to when the child is to enter elementary school.

Educational programs tailored to the employee's stage of life

Seminars for different age groups are offered to assist in life planning. Advice and support are provided to those thirty and over on sound financial planning and career development, and to employees in their fifties on meaningful life after retirement, life planning, improving fitness, and household finances.



Life-planning seminar for 50-somethings

A seminar on retirement pay and the pension system, living a meaningful life after retirement, post-retirement life planning and financial planning, and improving fitness. Employees, many of whom bring their spouses, find it an enjoyable and fulfilling experience. The photo shows participants having fun doing callisthenics and working up a sweat.

CSR & I

Working hard to improve hiring and training of our people, a critical asset

I'm responsible for hiring fresh university graduates and experienced people with various skills, as well as planning and implementing off-the-job training once they join the company. When recruiting it can be tough to identify people whom the Ryoden Trading Group needs and assess an applicant's traits just from a brief interview and the rest of the vetting process, but I find the job rewarding when I see people I've hired enjoyably working away applying their skills. It also delights me when employees have an insight during training and their behavior and thinking change noticeably on the job. I will continue working hard to improve hiring and training of our people, one of the Ryoden Trading Group's most critical assets.

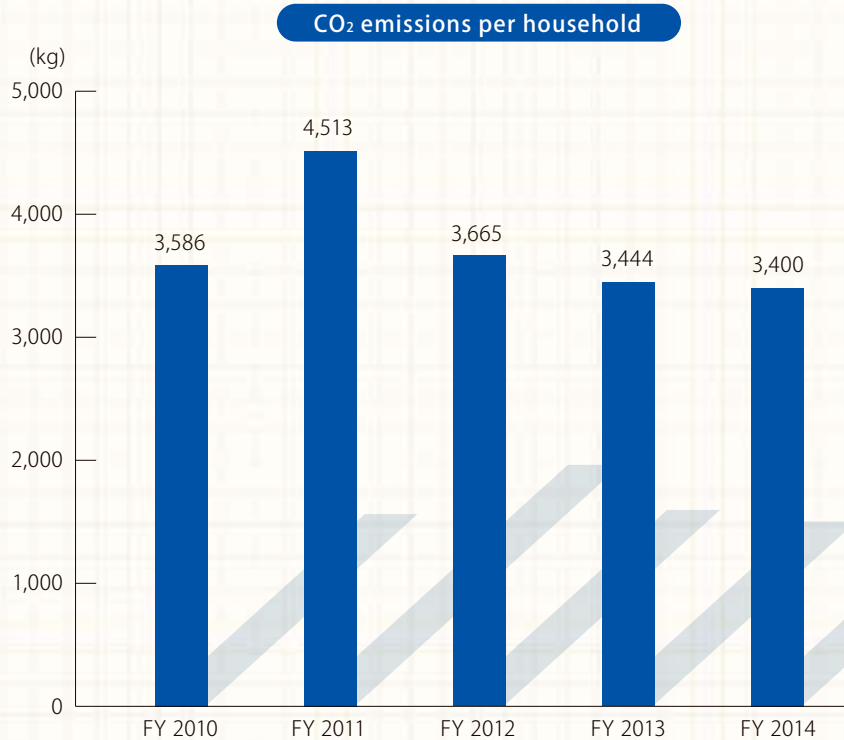


Toshitake Itagaki
Recruiting & Training Section,
Human Resources Department
Ryoden Trading Company, Ltd.

Household Environmental Accounting

Household environmental accounting means keeping track of the total amount of electricity, gas, water, kerosene, and gasoline your family uses and converting it into carbon dioxide emissions. The Ryoden Trading Group has promoted household environmental accounting since FY 2006.

This graph shows CO₂ emissions per household since 2010. While there was a jump in FY 2011, the result of increased electric power emissions owing to the shutdown of Japan's nuclear power stations, emissions have declined since FY 2012 as people have become more conscious of energy conservation.



No. 10 among trading firms
in the 18th Nikkei Environmental Management Survey



Ryoden Trading Company, Limited

3-15-15, Higashi Ikebukuro, Toshima-ku, Tokyo 170-8448
TEL: +81-3-5396-6111 FAX: +81-3-5396-6448

<http://www.ryoden.co.jp>



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