

KOKUYO Group Paper and Timber Procurement Standards

KOKUYO's businesses rely significantly on paper products, timber, and other blessings of nature. As paper and timber are renewable raw materials, KOKUYO's businesses can be sustainable by using properly managed paper and timber. However, if the natural environment that supplies such resources is not properly conserved, it will also be impossible to sustain KOKUYO's businesses.

Keeping this point firmly in mind, we will undertake sustainable procurement while properly conserving or strengthening biodiversity and ecosystems that are the foundation of our businesses as well as considering the safety and human rights of everyone in our supply chain.

1. For both paper and timber, in principle, we will prioritize the use of certified raw materials* that are trusted internationally.
2. If there are unavoidable circumstances such that certified raw materials cannot be used, we will use legal paper products and timber for which the following items can be confirmed.
 - (1) The raw material can be properly traced back to its most upstream place of production.
 - (2) Documents can be obtained certifying that the raw material complies with the laws and regulations of the country in which it was produced.
 - (3) The raw material does not come from a species that is under threat of extinction.
 - (4) The raw material does not have an adverse impact on natural ecosystems.
 - (5) The raw material does not have an adverse impact on local environments and communities.
3. For recycled raw materials, we will only use legal paper and timber recycled from raw materials on the market.
4. We will always monitor the proportion of raw materials falling under the above conditions. We aim to make the proportion of raw materials falling under the above conditions reach 100% by 2030.
5. Even if a raw material is certified, if there are doubts about its sustainability, we may suspend procurement temporarily until we can confirm that it meets the standards.

Although the above procurement standards apply to paper and timber, we will also undertake the procurement of other raw materials in accordance with the standards and develop separate procurement standards in the future.

* Currently, systems for such certified raw materials include the Forest Stewardship Council® (FSC®) and the Programme for the Endorsement of Forest Certification (PEFC).

Effective Date: April 1, 2024

KOKUYO Co., Ltd.

Director,
Representative Corporate Officer,
President and CEO

Hidekuni Kuroda

A handwritten signature in black ink, appearing to read "Hidekuni Kuroda". The signature is written in a cursive style with a large, prominent initial 'H' and a long, sweeping underline.