

Modern Slavery Statement

Reporting Period of 1 January 2023 to 31 December 2023

1. About this Statement

This Modern Slavery Statement is made pursuant to section 13 of the *Modern Slavery Act 2018* (Cth) (the **Act**) by Kokuyo Co., Ltd (ARBN 670 526 271) (**Kokuyo**, the **Company**) and relates to the reporting period of 1 January 2023 to 31 December 2023 (**Reporting Period**).

Modern slavery encompasses slavery, servitude, forced labour, human trafficking, forced marriage, child labour, and debt bondage. Kokuyo makes efforts to identify and address the risks of modern slavery within our supply chain, while monitoring key supplier compliance with our ethical standards and preventing these practices from entering our business operations and supply chains. We are dedicated to conducting business ethically, transparently, and with integrity.

This statement reflects our ongoing commitment to ethical operations and accountability in all areas of business.

2. Our Structure, Operations and Supply Chain

Structure

Kokuyo is a foreign company incorporated in Japan with its branch office operating in Australia, and it is a listed company on the Tokyo Stock Exchange. The Company registration number in Japan is 1200-01-012282. The headquarters is in Osaka, Japan. The corporate group is collectively referred to as the Kokuyo Group.

The Company was registered with ASIC on 23 November 2023; however, no revenue was generated in Australia during the Reporting Period.

Kokuyo wholly owns or controls the following entities (collectively referred to as the “**Group**”) across the world, with their respective locations indicated in brackets:

- KOKUYO Supply Logistics Co., Ltd. (Osaka, Japan)
- KOKUYO Logitem Co., Ltd. (Osaka, Japan)
- KOKUYO Finance Co., Ltd. (Osaka, Japan)
- KOKUYO K Heart Co., Ltd. (Osaka, Japan)
- Heartland Co., Ltd. (Osaka, Japan)
- Kaunet Co., Ltd. (Tokyo, Japan)
- KOKUYO Marketing Co., Ltd. (Tokyo, Japan)
- Wilkhahn Japan Co., Ltd. (Tokyo, Japan)
- Actus Co., Ltd. (Tokyo, Japan)

KOKUYO CO., LTD

- CLEARNOTE Inc. (Tokyo, Japan)
- CW Facility Solution Inc. (Tokyo, Japan)
- KOKUYO & Partners Co., Ltd. (Tokyo, Japan)
- KOKUYO Product Shiga Co., Ltd. (Shiga, Japan)
- KOKUYO MVP Co., Ltd. (Tottori, Japan)
- IWAMI Paper Industry Co., Ltd. (Shimane, Japan)
- ORIGIN Co., Ltd. (Tokushima, Japan)
- ESTIC Co., Ltd. (Tokushima, Japan)
- KOKUYO Design Consultants (Shanghai) Co., Ltd. (Shanghai, China)
- KOKUYO Commerce (Shanghai) Co., Ltd (Shanghai, China)
- KOKUYO (Shanghai) Management Co., Ltd. (Shanghai, China)
- S&T Logistics (Shanghai) Co., Ltd. (Shanghai, China)
- KOKUYO Furniture (China) Co., Ltd (Shanghai, China)
- Vertex Co.,Ltd (Shanghai, China)
- KOKUYO Hong Kong Ltd.(Hong Kong, China)
- KOKUYO INTERNATIONAL ASIA CO., LTD. (Hong Kong, China)
- Global Known Ltd. (Hong Kong, China)
- Lamex Trading Co. Ltd. (Hong Kong, China)
- Lamex China Investment Ltd. (Hong Kong, China)
- Dongguan Lamex Furniture Co., Ltd. (Dongguan, China)
- KOKUYO CAMLIN Ltd. (Mumbai, India)
- KOKUYO RIDDHI PAPER PRODUCTS Pvt., Ltd. (Mumbai, India)
- KOKUYO International (THAILAND) Co., Ltd. (Bangkok, Thailand)
- KOKUYO-IK(THAILAND) Co., Ltd. (Samutprakarn, Thailand)
- KOKUYO VIETNAM Trading Co., Ltd. (Hanoi City, Vietnam)
- KOKUYO VIETNAM Co., Ltd. (Hai Phong City, Vietnam)
- KOKUYO International (MALAYSIA) Sdn. Bhd (Kuala Lumpur, Malaysia)
- KOKUYO (MALAYSIA) Sdn.Bhd. (Seremban, Malaysia)
- PT. KOKUYO FURNITURE INDONESIA (Jakarta, Indonesia)
- Lamex(S) Sales Pte Ltd (Pasir Panjang, Singapore)
- LmD INTERNATIONAL Co., Ltd.

Associated trading names and brand names of Kokuyo include:

- ACTUS
- Kokuyo & Partners
- Campus
- Kokuyo MVP
- Kokuyo

The Group employs over 6,100 workers in Japan and more than 3,500 workers globally. Kokuyo's registered office in Australia is located at Barangaroo, New South Wales, while the headquarters office is situated in Higashinari-ku, Osaka, Japan.

Operations

The Group is committed to redefining its role as a "WORK & LIFE STYLE Company" by fostering a richer way of life that extends beyond stationery and furniture. As part of this commitment, the Group has restructured its business into two key areas: "Workstyle" and "Lifestyle", covering four main business segments, as outlined below:

- I. **Furniture Business Segment:** We aim to increase turnover for all Kokuyo companies by capitalising on the demand for office renovations due to changing work styles and expanding business areas such as digital services and interior design.
- II. **Business Supplies Segment:** Building on the growth of the online shopping market spurred by the global pandemic, we will focus on strengthening e-commerce marketing to expand our customer base.
- III. **Stationery Business Segment:** The premium and specialised stationery market is expanding due to the growing trend of self-expression through social media platforms. We are committed to enhancing existing Japanese operations while strengthening global digital marketing efforts.
- IV. **Interior Retail Segment:** To meet new demands regarding living spaces we will adopt a marketing strategy that integrates physical stores and e-commerce (OMO, Online Merges with Offline).

In Australia, we aim to establish a strong presence in both the lifestyle and workspace markets, with a focus on lifestyle-oriented retail. The sale of office furniture, backed by a well-defined brand strategy, will serve as a catalyst for growth in both sectors.

Supply Chains

Our supply chain consists of various domestic and international sources to ensure stable and efficient operations. The procurement and production of key products are as follows:

- **Notebooks:** Primarily sourced from our own factories and domestic suppliers. The main raw material, paper, is mainly procured from domestic suppliers in Japan.

- **Binders & Files:** Materials used in paper files (e.g. “*Flat Files*”) are primarily sourced from our own factories. Materials used in PP Files (e.g. “*Clear Books*”) are sourced from suppliers in China, Thailand, and Japan.
- **Office Chairs:** Mainly produced at partner factories in Japan, with some products manufactured in partner factories in China. Aluminium components are sourced from China, while plastic components are procured from Taiwan.
- **Household Paper Products:** Sourced from partner factories in Japan and China. Pulp is procured from Northern Europe, Canada, and Asia, while recycled raw materials are obtained through domestic collection within the production regions.
- **Office Desks:** Produced mainly at our domestic factory in Mie Prefecture, Japan. The materials and components for office desks are largely procured from Japanese suppliers.
- **Partitions and Lockers:** Manufactured at our domestic factory in Shibayama (Chiba Prefecture), Japan. Notably, key components of lockers — specifically the base that supports the unit’s stability and the internal shelving — are sourced from our overseas facility in Malaysia.

In addition to our key products, we are also engaged in offering items for the Business Supplies (retail) business.

3. The Risks of Modern Slavery Practices

We have identified minimal direct risk of modern slavery in our supply chains, particularly regarding our primary raw materials. These materials are procured from domestic and international first-tier suppliers, who undergo rigorous evaluation to ensure compliance with our ethical sourcing standards.

However, there are some areas of concern where the risks of modern slavery practices may exist:

- **Paper and Wood Products:** The Group established its “Basic Policy on Wood Procurement” in 2011, committing to the use of sustainable forest resources as raw materials. We continuously assess and correct any issues related to forced labour or other forms of exploitation in the supply chain of these materials.
- **Upstream Supply Chain:** For some of our products, components are sourced from third-party suppliers who may engage subcontractors in the manufacturing process. In these cases, there is a potential risk that forced labour or child labour may be involved in the production of materials or parts.

- **Acceptance of Foreign Technical Intern Trainees:** In line with the Technical Intern Training Program, we host foreign technical intern trainees at certain business locations. Recognising the potential risks associated with this program, we are taking proactive steps to mitigate the risks, including conducting regular onsite inspections.

Kokuyo remains committed to improving supply chain transparency and mitigating any risks associated with modern slavery, ensuring our suppliers uphold the highest standards of ethical conduct.

4. Assessing and Addressing Potential Risks

Survey conducted across by suppliers:

Each year, the Group conducts a supplier survey to assess compliance with human rights standards, fair working conditions—including the proper and lawful payment of wages—and ethical business practices. In this Reporting Period, 482 companies participated in the survey. This survey serves as a key tool in identifying and mitigating modern slavery risks within our supply chain.

Procurement Policy & Guidelines:

Kokuyo has established and published a comprehensive procurement policy and guidelines that reflect our strong commitment to human rights, fair labour practices, and sustainability. We categorically reject forced labour, child labour, discrimination, and harassment, and ensure that we do not engage with entities involved in such practices.

The Group is equally dedicated to environmental protection, workplace safety, and the ongoing improvement of our business practices. Through these commitments, Kokuyo strives to uphold ethical procurement and safeguard human rights in all our business relationships, actively working to prevent modern slavery.

Code of Conduct

The Kokuyo Group Code of Conduct establishes fundamental standards for managers and employees, emphasising compliance with laws, regulations, and ethical principles in all corporate activities. It comprises 11 key components, which are:

- I. Compliance with laws and internal rules, and acting with integrity
- II. Respect for human rights and individual dignity
- III. Preservation of the global environment
- IV. Free competition and fair trading

- V. Provision of safe and reliable goods and services
- VI. Proper handling of company assets and protection of intellectual property
- VII. Proper information management and financial reporting
- VIII. Prohibition of acts involving conflicts of interest
- IX. Prohibition of insider trading
- X. Proper management of entertainment and gifts
- XI. Handling of unreasonable external demands

Recruitment Process

We verify candidates' ages during recruitment and ensure compliance with legal working age requirements. Recruitment is based on voluntary consent and labour conditions, including wages, are provided in writing.

Whistleblowing System

The Group has established the "Kokuyo Group Hotline" as a point of contact for issues related to compliance and corporate ethics that are difficult to address within the workplace. This service is available not only to employees in Japan but also to those at overseas locations.

5. Measuring Effectiveness of Actions Taken

We employ various methods to assess the effectiveness of our initiatives in ensuring corporate accountability and ethical business practices. These include governance oversight, supplier survey analysis, and whistleblowing system evaluations.

Corporate Governance

As a company with a board of auditors, our governance structure consists of a Board of Directors that oversees business execution and independent auditors who monitor and audit directors' duties. The majority of the members of the Board of Directors are independent directors.

We recognise that we can only command trust among our stakeholders with a robust system of oversight, clearly delineated roles and responsibilities among the layers of management, efficient business operations, and transparent and impartial processes.

Survey Statistics

Survey responses from our suppliers are aggregated and presented as statistics, some of which are publicly available on our website. These statistics highlight how suppliers have responded and scored in key categories, including their adherence to human rights standards.

Whistleblower Reports

In 2023, the total number of reports was 20, a figure that has remained stable in recent years, including reports from overseas.

6. Process of Consultation

Kokuyo maintains ongoing communication with the companies we own or control to ensure alignment with our human rights and modern slavery commitments. This includes regular engagement through supplier surveys, where we assess and discuss human rights issues, including risks related to modern slavery.

Statement Endorsement

This statement was approved by the Board of Directors for Kokuyo Co., Ltd (ARBN 670 526 271) on 30 May 2025.

Signature: 

Name: Hidekuni Kuroda

Position: Director,
Representative Corporate Officer,
President and CEO

Kokuyo Co., Ltd