

We identified in 2022 issues where our business activities are highly relevant to social issues from the perspective of ESG (environment, society, governance). We then designated those issues as materiality (priority issues) and selected important themes to associate with them.

We contribute to achieving the SDGs via initiatives for resolving the materiality.

For details, please visit our corporate website.

► Materiality (priority issues)



Selection Process

Step 1

Identifying Social Issues

We selected the social issues to consider based on international sustainability frameworks such as the GRI standards, SDGs, ISO 26000, SASB, and the evaluation items of ESG ratings agencies.

Step 2

Evaluating the Importance of Social Issues

We identified the issues with the highest priority for the King Jim Group based on A) level of demand/expectations from society and stakeholders and B) level of business impact.

Step 3

Deciding Materiality (Priority Issues)

We identified the final materiality (priority issues) upon an investigation by external experts, and received approval by the board of directors.

Step 4

Planning Action

We will periodically review the materiality in the future and aim to continuously improve corporate value via further integration with management strategy.

King Jim's materiality (priority issues) and related initiatives

Materiality (Priority issues)	Important themes	Relevant SDGs
Social contribution via the development of original products	<ul style="list-style-type: none"> Providing new value not found in the world Developing sustainable products Ensuring quality management Obtaining and protecting intellectual property Implementing and disseminating our management philosophy 	
Environmental consideration	<ul style="list-style-type: none"> Reducing CO₂ emissions Promoting the 3Rs Managing waste 	
Promotion of diverse human resources	<ul style="list-style-type: none"> Ensuring labor health and safety Promoting diversity Cultivating human resources Promoting work-life balance 	
Enhancement of governance	<ul style="list-style-type: none"> Ensuring compliance Performing risk management 	

Metrics, targets and results

Metrics	Targets	FY6/24 Actual
Percentage of net sales of eco-friendly products	Achieve 80% in the FY6/30	74%
Recycling and reuse rate	Maintained 76% recycling and reuse rate of collected used TEPRA PRO tape cartridges	76%
Reduction of CO ₂ emissions (Scope 1+2)	Reduction of 32% in the FY6/30 compared to FY6/21	Decrease of 30.9% compared to FY6/21
Percentage of female managers	Achieve 30% in the FY6/30	10%
Number of days of paid leave taken	An average of 13.5 days was acquired in the FY6/30	13.1 days

As a supplier of products, the King Jim Group views environmental considerations as an important management issue, and actively makes effective use of resources. As a responsible member of society, we aim to live harmoniously with nature and strive to conserve the global environment in all aspects of our corporate activities.

For details, please visit our corporate website.
▶ Environment



Eco-friendly products

King Jim has defined our standards for environmental consideration categories at each stage of production, use, and disposal of the products. Our comprehensive catalog uses an Environmental Mark to designate products and make it easy to understand a product's environmental information.

Additionally, we have internally defined "eco-friendly products" as products that comply with certifications from third-party organizations, such as the "Environmental Mark" and the Eco Mark, as well as the Act on Promoting Green Procurement. In the fiscal year ended June 20, 2024 eco-friendly products made up 74% of net sales. We will continue to maintain this high net sales ratio of eco-friendly products.

Environmental Mark



Act on Promoting Green Procurement compliant product



Eco Mark



Managing Waste

We are working to reduce and recycle waste by promoting the effective use of resources such as plastics.

Converting waste to RPF

We turn part of the waste emitted from Matsudo Office into RPF.*

* Refuse-derived paper and plastics densified fuel (RPF) is a high-grade, low-cost, safe, and easy-to-handle solid fuel alternative to fossil fuels, made mainly from used paper and waste plastics, which are difficult to recycle as materials. RPF can help the reduction of CO₂ emissions and effective use of waste plastics.

Reuse of plastic scraps

At King Jim Group's overseas factories, we are reusing plastic scraps generated during file production by dissolving these scraps and turning them into raw materials once again.

Promoting the 3Rs

We are working to create products that further reduce the burden on the environment in terms of the product lifecycle, 3Rs [Reduce, Reuse, and Recycle].

Reduce: "Reduce" waste

We work to decrease waste by planning, developing, and designing products that can be used for a long time and can be refilled, with reducing, minimizing, and lessening waste as our priority.

Reuse: "Reuse" products

Our product development and design are focused on creating products that are not single-use but can be used repeatedly. We make products that allow customers to easily replace individual components and continue to use the product repeatedly.

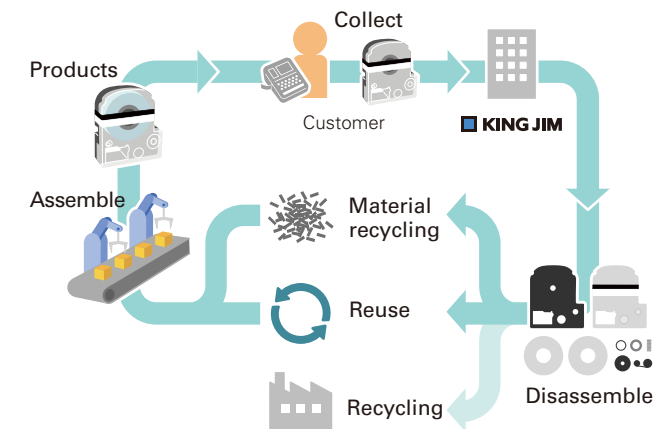
Recycle: "Recycle" to use once more as source material

We promote recycling by developing products that use recycled materials or can be easily separated for appropriate disposal after use.

Collecting used products

We collect used TEPPA PRO tape cartridges and recycle or reuse them to use resources effectively and reduce waste.

* In Japan only



Environmental Conservation Activities

We actively support organizations that strive for nature conservation activities, including through our corporate memberships in WWF Japan since 1993 and the Wild Bird Society of Japan since 2001. We also engage in environmental conservation activities as a member of society.

The King Jim Group regards addressing climate change, which is an environmental issue, as one of the critical issues to be addressed by management. Climate change caused by global warming is a risk that threatens the sustainability of our Group and our planet's environment and affects our business, customers, and supply chain.

For details, please visit our corporate website.

► Responding to Climate Change



Endorsement of TCFD Recommendations and Disclosure of Information

In June 2023, we announced our endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and based on the TCFD framework, we disclose the information regarding our response to climate change as follows.



Governance

The important matters considered and decided by the Sustainability Committee are discussed and reported to the Board of Directors after prior deliberation by the management conferences as appropriate. Thereby we have put into place a system for appropriate management decision-making and supervision over the status of initiatives.

Strategy

We conducted a scenario analysis for our stationery and office supplies business, which accounts for a high percentage of our net sales. The scenario analysis revealed that transition risks and physical risks significantly impact business and finances while simultaneously indicating that business expansion opportunities also exist. By implementing measures, we will reduce the risks associated with climate change and proactively take advantage of growth opportunities.

Risk Management

Various countermeasures are deployed to each department and group companies, and the Sustainability Committee monitors the status of risks. Should an event that could have a significant impact on management occur, it is immediately reported to the Risk Management Committee, chaired by the President & CEO, through the executive in charge of sustainability. Upon receipt of the report, the Risk Management Committee will consider the response.

Metrics and Targets

To address climate change, we are working to execute "Reducing of CO₂ emissions," an important theme in materiality "Environmental Consideration" we identified, by setting metrics and targets.

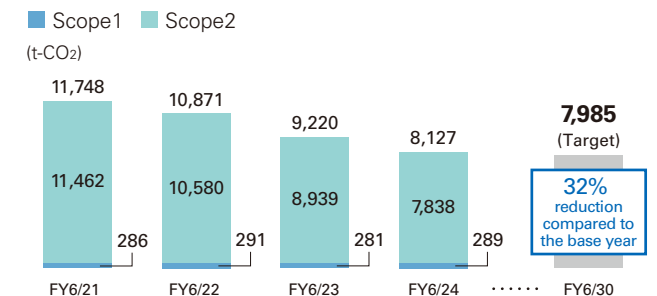
Business Risks and Opportunities in Climate Change, Assessment of Business/Financial Impact and Its Countermeasures

Category	Type	Factor	Content of Impact	Business/Financial Impact		Countermeasures
				2°C	4°C	
Risks	Transition risks	Policy and legal	Product cost increases due to compliance with the Act on Promotion of Resource Circulation for Plastics	high	middle	<ul style="list-style-type: none"> Switching to alternative raw materials Study of the resource cycle system
			Increase in various costs due to introducing the carbon tax, etc.	middle	low	<ul style="list-style-type: none"> Establishment of CO₂ emission reduction targets and implementation of measures to reduce CO₂ emissions
		Technology	Increased cost of raw materials for environmentally friendly products	high	low	<ul style="list-style-type: none"> Review of suppliers and raw materials Strengthening relationships with raw material manufacturers
		Market	Decline in sales of files due to paperless operations and digitalization	high	middle	<ul style="list-style-type: none"> Expand product lineups that are not affected by paperless operations and digitalization
		Reputation	Decrease in sales of PP products due to the growing shift to plastic-free products	high	middle	<ul style="list-style-type: none"> Consider the development of products using recycled plastics Proposal of alternative products
			Decline in reputation among consumers, investors, and suppliers due to delays in addressing climate change and loss of opportunities to attract personnel	high	low	<ul style="list-style-type: none"> Planning, announcement, and implementation of climate change countermeasures Participation in climate change initiatives
	Physical risks	Acute	Loss of sales opportunities due to production and logistics delays and disruptions	middle	high	<ul style="list-style-type: none"> Monitoring of disaster risk at each operating site Strengthening relationships with partner factories Decentralization of production and distribution bases
			Reduction in the labor force due to the damage caused by disasters to employees	middle	high	
		Chronic	Increased raw material costs due to difficulty in procuring fossil fuels	middle	high	<ul style="list-style-type: none"> Monitoring of raw material market trends Consideration of alternative raw materials Diversification of suppliers
			Decreased productivity due to increased heat stress and infectious diseases	middle	high	<ul style="list-style-type: none"> Implementation of disease prevention measures Improvement of a workplace environment in response to temperature changes
Opportunities	Products/Services		Increased sales opportunities for environmentally friendly products, etc.	high	middle	<ul style="list-style-type: none"> Maintain sales ratio of environmentally friendly products at 80% or higher
			Increased sales opportunities for disaster preparedness goods, hygiene and health products, etc.	middle	high	<ul style="list-style-type: none"> Strengthen sales structure
	Market		Generate sales in new markets and businesses in the fight against climate change	high	high	<ul style="list-style-type: none"> Continue new business creation activities Strengthen development and sales structure

Metric	CO ₂ emissions (Scope 1+2)
Scope	The King Jim Group
Base year	Fiscal year ended June 20, 2021
Target in 2030	7,985 t-CO ₂ (32% reduction compared to the base year)
Results for fiscal year ended June 20, 2024	8,127 t-CO ₂

* We began calculating Scope 3 CO₂ emissions from the fiscal year ended June 20, 2024. The result was 40,863t-CO₂ (King Jim non-consolidated).

Transition of CO₂ emissions (Scope 1+2)



We provide work environments that accommodate employees of differing backgrounds, diverse in gender, age, working styles, presence of disabilities, and other aspects. We believe that incorporating the ideas of these employees will lead to the Company's growth. We will introduce timely programs and systems and provide support to employees so that they can each exert their abilities to the maximum and be active just the way they are.

For details, please visit our corporate website.

► Social



We regard employees as our most valuable asset and a driving force for growth and therefore formulated the Policy for Human Resource Development and Enhancing the Internal Work Environment. In our medium-term management plan, we also set the themes of human resource development, promotion of diversity, equity and inclusion (DE&I), and improved engagement, seeking to be an organization where King Jim and its employees can grow together and continue to take on new challenges.

In order to draw out individuals' knowledge and capabilities as well as develop innovative human resources who take on the challenge of creating new value, we provide access to various learning opportunities, such as training, according to employment grade, and also focus on promoting DE&I to create an environment where everyone can work comfortably. From the fiscal year ending June 20, 2025, we will begin conducting an engagement survey and concentrate on improving organizational issues.

Takahiro Suzuki

General Manager,
Human Resources
Department



Human Resource Development

We believe that promoting the development of our employees' abilities and motivating them to take on new challenges leads to a sense of fulfillment in life, work, and self-fulfillment. Going forward, we will continue to develop our human resources, as each employee's self-fulfillment and growth are essential to improving our performance as a company.

Providing access to learning opportunities

We provide employees with easily accessible e-learning, external group training, and distance learning in a wide range of areas, including business skills, languages, management, and labor. In addition, we provide partial financial support for employees to learn subjects outside of the company that are related to their current or future roles as part of our self-development support program, including course-related fees (e.g., admission and tuition).

Training programs

We conduct management training aimed at improving leadership and communication skills for employees who

have been promoted to section manager positions up to their third year. In 2024, the training focused on group work, with 35 people participating. We also provide learning opportunities for management-level employees, including distributing a new Section Manager Work Manual offering practical support for newly appointed section managers.

Additionally, our annual overseas training program aims to develop a global workforce by sending selected young employees to overseas affiliated companies as trainees for one year.



Left: Management training Right: Overseas training program

Promotion of DE&I

King Jim develops original products and continues to take on the challenge of creating new culture. For this reason, it is essential to promote DE&I, in order to foster human resources who will drive innovation. In addition to making this belief known, we also conduct e-learning on the topics of DE&I and unconscious bias for all employees.

Next Leader Meeting

We held the Next Leader Meeting for candidates for next-generation leaders to discuss promoting DE&I in the workplace and career development toward managerial positions. A total of 90 employees participated online, while a director from another company was invited to give a presentation and lead group work.

Employment of persons with disabilities

We have established satellite offices in Kawagoe City, Saitama Prefecture, and Yokohama City Kanagawa Prefecture, which provides full support for employees with disabilities. The employment rate of people with disabilities at King Jim in the fiscal year ended June 20,

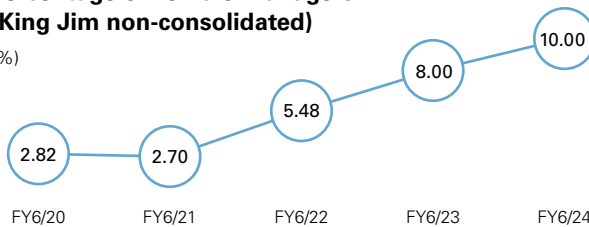
2024 was 2.69%, above the statutory employment rate of 2.5%.

Promotion of active participation by women

We have set a goal of increasing the percentage of female managers to 30% by 2030, and, as of the fiscal year ended June 20, 2024, the percentage of female managers stood at 10.0%. The ratio of women among independent outside directors is 71.4%, and the ratio of women hired among new graduates over the past five years is 48.8%.

Percentage of Female Managers (King Jim non-consolidated)

(%)



Encouraging male employees to take childcare leave

We target a 70% rate of male employees taking childcare leave by 2027. In the fiscal year ended June 20, 2024, this rate hit 50% (100% for female employees). We encourage employees to take childcare leave by making five days of the leave paid.

Work-Life Balance

We aim to be an organization that maximizes the work motivation of each employee by offering the option to choose a flexible working style that suits the individual and makes their life more fulfilling.

Number of days of annual paid leave taken

To encourage our employees to take annual paid leave, our target for the fiscal year ending June 20, 2025 is for every employee to take at least eight days of leave. The average number of days of annual paid leave taken in the fiscal year ended June 20, 2024 was 13.1 days for a usage rate of 69.8%.

Reducing overtime work

In order to reduce overtime work, employees must leave the office by 8:05 p.m. at the latest and overtime work is not allowed on Wednesday every week. The average monthly hours of overtime worked per employee in the fiscal year ended June 20, 2024 was 5.0 hours.

Systems to Support for Work-Life Balance

We have introduced staggered working shifts and teleworking to enable flexible work styles for employees. In addition, we have enhanced our systems to support diverse work styles, such as shortened working hours for child or family care reasons, and a transferred spouse accompaniment system and transferred spouse accompaniment leave system that allow employees to transfer or take leave to accompany their spouse upon a job transfer.

Ensuring Labor Health and Safety

We consider employee safety paramount and work hard to improve labor health and safety. At the King Jim head office and Matsudo Office, a Health and Safety Committee has been established, which meets once a month. Additionally, we hold walking events to maintain and improve the health of our employees, and we regularly conduct evacuation drills at our head office and Matsudo Office.



Human Rights

In June 2024, we established the King Jim Group Human Rights Policy in order to fulfill our responsibility to respect the human rights of all people involved in our business activities. For details, please visit our corporate website.

► King Jim Group Human Rights Policy

Voice

Taking long-term childcare leave

Through the one-month childcare leave, I was able to be there with my newborn child and see the child grow up day by day. In addition, I think it was good that I could devote more time to my family, such as caring for my wife before and after childbirth, taking my older child to and from kindergarten, and making packed lunch.

Mr. Watanabe Accounting Department



Number of days of childcare leave: 35 days

Efforts for interactive fan engagement with customers

We will combine our strengths in social media and e-commerce to promote customer-centric branding and product development.

We will utilize test marketing of original products and events to directly obtain the voice of customers and utilize it in product development.

Deepening engagement with HITOTOKI



The brand HITOTOKI was launched with the desire to provide stationery that creates special moments making everyday life more enjoyable. All of the products in the HITOTOKI lineup have been developed based on the concept of stationery that helps people craft better days simply adding a little something special.

Connecting with customers through social media and events

In the six years since we launched the HITOTOKI brand in 2017, we have made many connections with customers, artists, and others. With the desire to expand these circles even further, in April 2024 we held our first pop-up event for the brand called the HITOTOKI Exhibition under the theme of “connections.” We were delighted to see the many people in attendance, which far exceeded our expectations.

The event featured original product design drawings and works by over 20 artists, a hands-on corner where visitors could try out HITOTOKI products, including the new clear stamp KORJIRUSHI, and a workshop for visitors to make their own original KITTA products. It was impressive to see everyone excitedly enjoying the event in their own way.

Ms. Fukuda
Stationery Section,
Stationery Development Department



Until now, through the HITOTOKI brand we have had direct contact with customers on social media. When the brand was first launched, we started using Instagram for the first time, and have built our presence on the platform to approximately 140,000 followers.* This has resulted in two-way communication that has included presenting fun ways to use HITOTOKI products, introducing employee recommendations, and sharing the latest information on new product prototypes, not to mention customer feedback. This event marked the start of the Connecting Platform.

*As of October 2024.

Utilizing the voice of customers in future products

At the event, I had the chance to speak directly



The pop-up event venue featured a circular space design for improved engagement that also symbolized “connections.”

with customers I don’t usually get to see. This made me again realize how much customers love the HITOTOKI brand and are looking forward to new products. I would like to continue growing communication on Instagram and further expand the range of items that satisfy our customers.

Enhancement of Governance

The Company's basic approach to corporate governance is to conduct sound management that is highly fair and transparent, with a view to continuously increasing corporate value. To that end, the Company is working to enhance corporate governance.

For details, please visit our corporate website.
▶ Addressing the Corporate Governance Code



Basic Approach to Corporate Governance

The Company's management philosophy and Guidelines for Action set forth how the Company should act toward its stakeholders (customers, employees, shareholders, and society) and have been clearly defined as guidelines for officers and employees.

Outline of the King Jim's Governance Structure

Institutional design	Company with a Board of Auditors
Directors (of which, External Directors)	10 (5)
Auditors (of which, External Auditors)	3 (2)
Terms of Directors	1 year
Adoption of Executive Officer system	Yes
Number of Board of Directors meetings (Fiscal year ended June 2024)	13
Number of Board of Auditors meetings (Fiscal year ended June 2024)	11
Advisory body to the Board of Directors (of which External Directors) *Voluntary committee	Nomination and Compensation Committee 6 (3) Chair: External Director
Remuneration structure for Directors and Auditors	1. Basic remuneration (Fixed remuneration) 2. Performance-linked remuneration 3. Non-monetary remuneration
Accounting Auditor	KPMG AZSA LLC

Board of Directors

The Board of Directors meets once a month, as a rule. Guided by the Company's management philosophy of "DEVELOPING ORIGINAL PRODUCTS AND CREATING A NEW CULTURE TO CONTRIBUTE TO SOCIETY," Directors deliberate on various matters at the Board of Directors meetings. They discuss the

vision and feasibility, as well as risk avoidance and other aspects of various measures to improve shareholder value, such as management policies, business plans, organization, financial condition, and investment projects, along with agenda items based on the Board of Directors' Regulations. In order to improve Board of Directors meetings, the Management Conference, which consists of Internal Directors and additional members, is held once a month, as a rule, as a body that conducts deliberations prior to the Board of Directors meetings. The Board of Directors currently consists of ten Directors and three Auditors, of which five are External Directors and two are External Auditors. In addition, female representation among Directors and Auditors stands at 46.2% (six out of 13 positions). The Company appoints Internal Directors who are familiar with the Company's business and management, and External Directors who have a high level of insight and a wealth of experience, such as attorneys, fund managers, Certified Financial Planners (CFPs), corporate managers, academics, patent attorneys, and tax accountants. This ensures the balance and diversity of knowledge, experience, and ability of the Board of Directors as a whole. The Company also ensures that the Board of Directors maintains an appropriate size.

Board of Auditors

The Board of Auditors meets once a month, as a rule. To monitor significant decision-making processes based on the Audit Plan, the Full-Time Auditor audits the status of execution of Directors' duties through activities such as surveying the business execution status of internal departments and subsidiaries, viewing important documents, and attending important meetings, and reports the details to the Board of Auditors. In addition, the Auditors attend the Board of Directors meetings and state their opinions, and also audit the methods of operation, resolutions, and deliberations of the Board of Directors, among other things.

Nomination and Compensation Committee

The Nomination and Compensation Committee, delegated by the Board of Directors, decides on the details of compensation paid to individual Directors (base remuneration and performance-linked remuneration) and other matters. The Nomination and Compensation Committee also considers matters such as the selection and dismissal of candidates for Director, Auditor and Executive Officer positions, the creation of a skills matrix for Directors, and the formulation of succession plans, including from the perspective of diversity such as skills and gender, for which it provides appropriate involvement and advice.

Remuneration for Directors and Auditors

The remuneration of Directors comprises base remuneration, which is fixed remuneration; bonuses, which are performance-linked remuneration; and stock remuneration. In light of their roles, External Directors and Auditors receive only base remuneration (fixed remuneration).

Base remuneration (fixed remuneration) is determined within the range set for each post of the Directors, considering the business environment and social trends. The amount of performance-linked remuneration for each Director is determined by reflecting an amount calculated by multiplying the base remuneration by a coefficient set according to ROE in each relevant year, while taking into consideration the results of Directors' mutual evaluation. The amount of bonus for each Director is then ultimately determined based on the President & CEO's evaluation. Stock remuneration, which is a type of non-monetary remuneration, is paid as restricted stock to Directors at a certain time every year, in order to raise their awareness of the importance of increasing corporate value over the medium and long terms.

Individual remuneration fluctuates based on future business performance. It is composed of around 70% base remuneration, 20% performance-linked remuneration, and 10% non-monetary remuneration.

Evaluation of the Effectiveness of the Board of Directors

The Company conducts a questionnaire on the effectiveness of the Board of Directors covering all participating members of the Board of Directors, to enhance the functions of the Board of Directors as a whole. The questionnaire is conducted annually in June. Based on the results, the Company implements improvement measures as appropriate.

Training Policy

To ensure that Directors and Auditors can fully exercise their management supervision and auditing functions, the Company provides opportunities for Directors and Auditors through such means as attending lectures by external experts on management and compliance. Furthermore, the Company holds in-house study sessions taught by Directors, Auditors or Executive Officers with specialized knowledge. When appointed, External Directors and External Auditors attend an orientation covering management strategy, business activities, and medium-term management plan, among other matters, to expand their understanding of the Company. The Company also provides opportunities for Directors and Auditors to learn about a broad range of business operations, such as by attending internal meetings and visiting Group companies.

Cross-Shareholdings

The Company acquires and maintains cross-shareholdings only

when they are judged to contribute to increasing its corporate value over the medium to long term, considering a comprehensive range of factors such as the need to maintain and strengthen relationships with business partners, the necessity from a business management standpoint, and the economic rationality. In terms of the review methods, the Company has reviewed the economic rationality of cross-shareholdings by comparing the holding benefits (dividend income and profit from business transactions) and the Company's cost of capital for each individual stock issue. Concurrently, every year the Board of Directors judges the suitability of holding each individual stock issue by considering a comprehensive range of factors, such as the need to maintain and strengthen business relationships and the necessity from a business management standpoint. The Company determines how it will exercise the voting rights attached to cross-shareholdings on a proposal-by-proposal basis, considering a comprehensive range of factors such as whether or not it can expect the corporate value of the Company and the investee company to increase in the medium to long term. The Company will not approve any proposal that will hurt shareholder value.

Ensuring Compliance

At the King Jim Group, based on the management philosophy, Guidelines for Action, and the King Jim Group Compliance Program, which is positioned as the Group's highest regulations, officers and employees exercise self-discipline to abide by laws, regulations, and the Articles of Incorporation, as well as put corporate ethics into practice. The Company has established the Compliance Committee as a body to provide surveys, advice, and decisions on any compliance problems of the Group. The Chief Compliance Officer, as the person in charge of all aspects of the Group's compliance, manages the

King Jim Group Compliance Program and monitors and supervises the status of compliance. In addition, the Company has established the Speak Out System as a contact point for internal whistleblowing. If a person witnesses a questionable act in terms of compliance or an attempt to commit such an act, the Speak Out System enables the person to report it to the Speak Out System Lawyer. The whistleblower's anonymity is guaranteed. The whistleblower's legitimate actions are protected by the Work Regulations for Employees and Speak Out System Operation Regulations, and the whistleblower will not be treated unfavorably for reporting. The Auditors audit the status of the Group's compliance as well as audit the management of the system by receiving notices from the Speak Out System Lawyer and reports from the Compliance Committee.

Risk Management

The Company constantly manages risks by identifying risk factors that may affect the King Jim Group's business activities and assigning relevant departments to each risk factor. Each relevant department monitors the threat level of its assigned risks, and in cases where events deemed significant to management could occur, each relevant department immediately reports the matter to the Risk Management Committee via the officer in charge, while the Risk Management Committee discusses and approves response measures. Once a year, each relevant department reports to the Board of Directors on risk avoidance, countermeasures, management status and other matters. In addition, risk factors are revised in response to changes in the environment surrounding the King Jim Group's business activities, as well as the magnitude of their impact, and the frequency of occurrence.

For details, please visit our corporate website.

► Directors and Auditors



Directors



Akira Miyamoto
Chairman & Director



Miyoko Kimura
Representative Director,
President & CEO & General
Manager, R&D Division



Naomichi Hagita
Director and Senior Managing
Executive Officer
In Charge of Sales Division,
Domestic Subsidiaries
Coordination Department



Shinichi Harada
Director and Senior Managing
Executive Officer
General Manager, Administration
Division & CFO & General
Manager, Overseas Division &
In Charge of Overseas Sales
Subsidiaries



Takano Kameda
Director and Managing
Executive Officer
In Charge of Public Relations &
Advertising Section,
E-commerce Department,
Quality Management,
Manager, Public Relations &
Advertising Section



Keiko Kakiuchi
External Director



Katsuya Hirokawa
External Director



Mizuho Iwaki
External Director



Takako Suzuki
External Director



Ikumi Hiraki
External Director

Auditors



Kazuto Shimizu
Standing Auditor



Katsuhiko Imabori
External Auditor



Yoko Hayashi
External Auditor

Skills Matrix

Name	Position	Skills, Experience, Knowledge, etc.							
		Management Experience	Industry Insight	International Experience	Sales & Marketing	Product Development and Production	Finance and Accounting	Legal	Sustainability
Akira Miyamoto	Chairman & Director								
Miyoko Kimura	Representative Director, President								
Naomichi Hagita	Director and Senior Managing Executive Officer								
Shinichi Harada	Director and Senior Managing Executive Officer								
Takano Kameda	Director and Managing Executive Officer								
Keiko Kakiuchi	External Director								
Katsuya Hirokawa	External Director								
Mizuho Iwaki	External Director								
Takako Suzuki	External Director								
Ikumi Hiraki	External Director								
Kazuto Shimizu	Standing Auditor								
Katsuhiko Imabori	External Auditor								
Yoko Hayashi	External Auditor								

Note: Up to four of the main skills, experience, knowledge, etc., possessed by each Director and Auditor are listed.

Looking toward King Jim's future through the lens of the new management team

President Miyoko Kimura and External Director Takako Suzuki sat down to discuss the Company's vision for the near future, succession plan, and efforts to improve governance, in order for King Jim to achieve sustainable business growth moving forward.

Miyoko Kimura

Representative Director, President



Takako Suzuki

External Director

Aiming to be a corporate group that can better "organize" the lives of customers

Kimura: The 11th Medium-Term Management Plan, announced in August 2024, was formulated with a strong determination to turn a challenging situation into an opportunity based on reflections on the previous medium-term management plan, including the failure to achieve the numerical targets. Ms. Suzuki also participated in the discussions as a member of the team responsible for drafting the new plan. Given the recent changes in the business environment, can you share your views as an External Director on the direction King Jim should aim for?

Suzuki: During discussions to formulate the new medium-term management plan, we reconsidered King Jim's raison d'être. From Jinmeibo (name directory), developed by our founder to cut out the name and address portions of postcards and organize them as an address book, to our mainstay KING FILE and TEPRA products, we realized that King Jim is not just a stationery manufacturer; we are an "office life organizer" that makes



workplaces more efficient.

On the other hand, due to the COVID-19 pandemic over the past few years, many people have realized that they can work just as well at home or even after relocating. The less time spent commuting means people are using this time at home or with family and friends more than before. This experience of working from home has also brought about major changes in people's consumption behavior. Many people have begun to think that there is more to life than just work. While work is important, it is equally important to live a quality life at home and spend time with family and friends. In recent years, King Jim Group has acquired companies in the lifestyle field. The reason behind the strong sales of kitchen appliances, interior goods, storage furniture, and other products offered by these companies during the COVID-19 pandemic was the shift from simple "consumption of things" to "consumption of experiences." Even if we return to the



Profile Takako Suzuki

Takako Suzuki joined Nissan Motor Co., Ltd. in 1984. In 2010, she joined S.T. Corporation, which was founded by her father, and became Director and President & CEO in 2013 and Chairperson in 2023. She has served as an External Director of King Jim since 2022.

office, this trend is unlikely to stop. By organically linking our existing stationery and office supplies business with our new lifestyle products business, we should be able to evolve into a corporate group that can help make our customers' overall lives more comfortable and organized. This new medium-term management plan shows us the way to achieve this.

Kimura: Thank you for the very encouraging words. As we move forward with this new medium-term management plan, whenever I find myself in a quandary or hit a wall, I always make sure to return to King Jim's management philosophy. This is because the phrase "Developing original products and creating a new culture to contribute to society" accurately describes the reason for our existence.

Suzuki: What do you think is needed for management and employees to share this philosophy and achieve the targets set out in the medium-term management plan?

Kimura: In this medium-term management plan, we seek to create a business model that adapts to changes in modern society. In addition, we need to significantly transform our corporate culture, the way we communicate information, and the way we co-create both inside and outside the company, in order to increase our organizational capabilities. As part of this, we launched a transformation project called King Jim Transformation (KJX). For example, we are vigorously working on such initiatives as immediately releasing the summary of weekly management meetings to employees and holding study sessions on digital technologies based on the premise of co-creation with other companies.

Suzuki: I have long believed that King Jim should improve its organizational capabilities. Going forward, it will be important for each employee to gain more diverse experiences and improve their skills, which will lead to a higher level of organizational capabilities. It is also important to increase personal exchanges between Group

companies and deepen organic collaboration.

Kimura: To that end, we will launch the Group Management Committee in January 2025, where top management and key personnel from Group companies will meet monthly to discuss measures to expand into new business domains. In addition to sharing knowledge and success stories, we are also considering launching joint projects through the committee.

Suzuki: Once this committee gets going, it will form a core strength for the Group. It will empower us to move closer to becoming a corporate group that can enrich and better "organize" the lifestyles of our customers in every aspect. I really look forward to this.

Kicked off development of products that support both the office domain and essential workers

Suzuki: On the other hand, while the previous medium-term management plan ended with disappointing results in terms of business performance, from a strategic perspective, I think the plan can be praised as having laid the groundwork for new avenues of growth.

Kimura: Certainly, the intention to move away from a profit structure dependent on files and expand strategic investments, including M&A, has formed a basis for growth. Furthermore, the new medium-term management plan also carries over some of the strategies from the previous plan, using the expression cultivating "neighboring areas."

Suzuki: Even from an outside perspective, it seems like the speed at which King Jim completed M&A deals was quite fast. As a result, the Group's structure for expanding business domains has been put in place over the past three years. Nevertheless, the direction of King Jim's existing business has yet to be crystallized.

Kimura: That's right. We are just getting started. For example, there is a lot of potential demand not only for

general office products, but also those used in places that employ essential workers, such as medical facilities, factories, logistics warehouses, and other places. We are focusing on developing products for these markets and expanding our business domain.

Suzuki: To achieve this, partnering with different industries is key. Since you joined King Jim in 2022, the company's network with outside companies has expanded. This is why I have high expectations for the future.

Incorporating stakeholder concerns and expectations into decision-making

Kimura: Ms. Suzuki, what are your thoughts on the recent discussions at the Board of Directors meetings?

Suzuki: Rather than focusing on short-term performance, the Board of Directors should focus its agenda on important medium- to long-term issues.

Kimura: Certainly, that is something that needs to change. It is very encouraging to have our External Directors, and their objective standpoint, participate in discussions at the Board of Directors meetings. We will continue to conduct meetings in a way that allows us to receive their honest opinions and will take these opinions seriously and use them to take action.

Suzuki: For some time now, experts have pointed out the problem of information asymmetry between internal and external directors at Japanese listed companies. I think King Jim could also take a more proactive approach to eliminating this asymmetry. I voluntarily participate in the Management Conference, which has given me a deep understanding of both the good and bad.

Kimura: In order to eliminate this asymmetry, we are thinking of having our External Directors visit our various business locations and overseas Group companies, rather than simply participating in tabletop study sessions. I believe that the truth can be gleaned from frontline

operations, and I have long valued the 3Gs of “genchi, genbutsu, genba-ryoku (real locations, real things, frontline capabilities).” By providing an opportunity to speak directly with employees in action, we should be able to convey our company's strengths and challenges in a more realistic way.

Fulfilling our accountability for King Jim's future

Suzuki: A company that has been led by the founding family for many years should have access to a number of important opportunities. Therefore, I would like President Kimura to use her experience to continue to push forward with reforms. The more this transformation progress, the better King Jim's business performance and the higher employee engagement. In fact, I do not sense any resistance to having a new president from outside the company, and everyone seems incredibly positive.

Kimura: Yes, employees have fully accepted management's commitment to transform the company.

Suzuki: What are your thoughts on nurturing the next generation of talent?

Kimura: I'm always thinking about this. In order to produce the next generation of management talent vital to King Jim's long-term growth, we are boosting learning opportunities that lead to growth and behavioral change as leaders. There are two challenges ahead. The first is to develop talent that can learn not just about the industry, but also eagerly absorb business concepts and planning methods from other industries and arrange them in the King Jim style. The second is to promote diversity. This is not only aimed at promoting the participation of women, but also at selecting the next generation of leaders and creating innovation beyond the barriers of age and nationality. We will position diversity as one of the important pillars of our corporate strategy and promote it from the top down.



Suzuki: What are the expectations of External Directors in terms of strengthening King Jim's governance structure?

Kimura: Over the past 10 years, King Jim has been working to improve its governance structure, including strengthening the structure of the Board of Directors and establishing the Nomination and Compensation Committee. We will continue to consistently promote these efforts going forward. We expect our External Directors to not only play a supervision role to increase management transparency, but also to provide constructive advice that utilizes their diverse perspectives and expertise. Through these efforts, we hope to achieve sustainable growth and further strengthen our governance structure.

Suzuki: King Jim's new management structure is attracting attention from a wider range of stakeholders.

Kimura: Yes, my role is to provide thorough explanations and fulfill my responsibilities to shareholders and investors, as well as to students looking for jobs and partner companies. At the same time as presenting key performance indicators, I will put into place various measures that will lead to the achievement of the numerical targets set out in the new medium-term management plan and strive to improve corporate value by keeping my word.