

Kyodo Printing Group

ESG Report

2024

ESG REPORT

CONTENTS

P1	Contents
P2	Sustainability
P5	Environment
	• Environmental Management P5
	• Climate Change P6
	• Recycling-oriented Society P11
	• Pollution Prevention P14
	• Biodiversity P16
	• Water Resources P17
P18	Society
	• Human Resource Strategy P18
	• Diversity & Inclusion P19
	• Human Resources Development and Training P22
	• Improving Engagement P24
	• Health and Safety P25
	• Human Rights P28
	• Consumer Safety and Product Quality P29
	• Community Involvement and Development P30

P31	Corporate Governance
	• Corporate Governance P31
	• Compliance P35
	• Communication P37
	• Information Security P38
	• Responsible Procurement P39
	• Risk Management P41
P43	ESG Data
	• Environmental Data P43
	• Social Data P45
	• Governance Data P47
P50	Corporate Information

Editorial Policy

Based on knowledge gained through dialogue with institutional investors and other stakeholders, this report presents Kyodo Printing's activities and growth strategies from an integrated perspective that includes not only financial information but also non-financial information such as environmental, social, and governance (ESG) matters.

We hope this report facilitates an understanding of Kyodo Printing, which aims to solve social issues through corporate activities.

For more detailed information on financial status, please refer to the Annual Securities Report.

Scope of Reporting

Kyodo Printing Co., Ltd. and major subsidiary companies

- Environmental data covers ISO14001-certified business sites in Japan, including consolidated subsidiary companies, as well as Kyodo FTECH and Kyodo Kureha Blow Bottle. Calculations for TOMOWEL Payment Service are combined into those of Kyodo Printing.

- Personnel data is for Kyodo Printing only.

Period of Reporting

April 2023 - March 2024 (including some information outside the period covered above)

Month of Publication

August 2024 (published once a year)
(Previous report was published in March 2024. Next report is scheduled to be published in August 2025.)

Referenced Frameworks

In editing this report, we have referred to "Guidance on Integrated Disclosure and Dialogue for Value Co-creation" issued by the Ministry of Economy, Trade and Industry (METI) and the "International Integrated Reporting Framework" issued by the Value Reporting Foundation (VRF).

We have also referred to the Global Reporting Initiative (GRI) Standards for the disclosure of non-financial information.

Disclaimer Regarding Forward-Looking Statements, etc.

This report contains some future forecasts and plans. These are based on currently available information and may subsequently be affected by various factors.

Sustainability

Basic Philosophy

Regarding social, environmental, and other sustainability issues, our Group recognizes these as important management issues connected to revenue opportunities and growth potential, and are promoting sustainability management that aims for the realization of a sustainable society and the Group's sustainable growth and enhancement of medium- to long-term corporate value.

While undertaking new value creation through the solving of

social issues, in our initiatives directed at the human capital that is the source of value creation, we are taking action based on a foundation of securing diversity and developing working environments. We are also steadily executing ESG initiatives aimed at environmental and human rights issues, and are extending these throughout the supply chain.

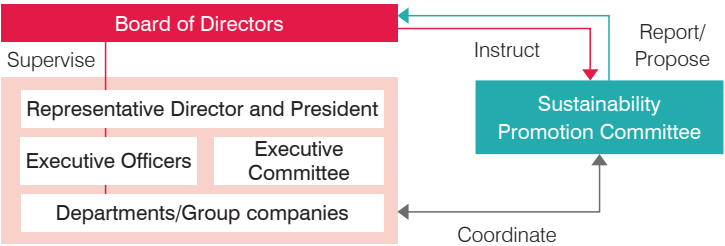
Sustainability Governance

We have established the Sustainability Promotion Committee, a committee which, under the instruction of the Board of Directors, deliberates on necessary matters and reports on the content of deliberations to the Board of Directors and makes recommendations. Twice a year, the Board of Directors deliberates and oversees sustainability issues, including climate change and human capital initiatives, and receives reports from the Sustainability Promotion Committee on the content of policies, targets, and plans and on the progress of measures, makes decisions, and conducts management reviews. In addition, we are strengthening the awareness of Executive Officers at the forefront of sustainability management initiatives and increasing their driving force by incorporating Executive Officers' motivation and actions with respect to

sustainability management promotion into individual evaluations for Executive Officer remuneration.

The Sustainability Promotion Committee consists of Managing Executive Officers and higher-level management with the President serving as Chair, and invites outside experts as necessary. The Committee engages in identifying and evaluating externally imposed effects on management and deliberates on important policies and materialities (priority issues) related to the sustainability of the Group overall and the planning of comprehensive measures. Through regular reporting and recommendations to the Board of Directors, its sustainability initiatives are reflected throughout the Group.

Sustainability Framework



Board of Directors	Sustainability Promotion Committee
Constituent personnel: Directors	Constituent personnel: Managing Executive Officers and higher-level management with the Representative Director and President serving as Chair (with outside experts invited as necessary)
Frequency of convening: Two or more times a year	Frequency of convening: Two or more times a year (FY2023: 8 times)
Main roles: <ul style="list-style-type: none">● Promotion of sustainability management aimed at sustainable growth and enhancement of corporate value● Deliberation on and making decisions based on the content of reports and recommendations from the Sustainability Promotion Committee, and supervision and instruction on business execution	Main roles: <ul style="list-style-type: none">● Preparation of sustainability-related policies and plans, including climate change action, and deliberation on materialities● Deliberation on the Company's long-term value creation story and materialities

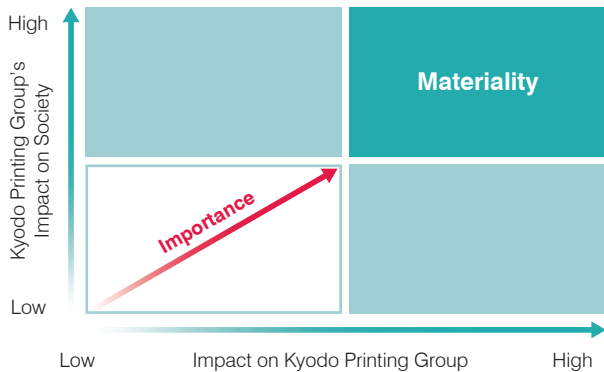
Risk Management

In the identification and evaluation of risks, we examine risks and opportunities on the basis of externally imposed impacts on management and impacts identified through normal work. The Sustainability Promotion Committee evaluates the impacts of the identified risks, examines and deliberates on countermeasures according to their degree of importance, and reports to the Board of Directors.

The Board of Directors engages in deliberation and decision-making concerning risks that have significant impacts on the group in terms of sustainability, and instructs relevant departments and Group companies regarding actions and target-setting. The Board of Directors also receives reports on the status of and responses to risk management and supervises these.

Materiality Identification Process

A Sustainability Promotion Team was established as an office for identifying materialities, and a list of issues was compiled based on various guidelines and frameworks, while accessing the knowledge of external advisors. Narrowing down the list, we prioritized those items that would have an important impact on our ability to create value over the medium- to long-term future, while taking into account their impact on society. In the meantime, a draft was prepared through repeated discussions at the Conference of Executive Officers consisting of Managing Executive Officers and above, as well as at the Board of Directors, while also considering input from each business and corporate division. Based on the draft, the Board of Directors also verified the appropriateness of the proposal from an objective, outside perspective through exchanges of opinions with experts and management, and passed a resolution on the proposal.



● Materiality Identification Steps



Indicators and Targets

Aiming for sustainable growth and the enhancement of our medium- to long-term corporate value, and taking into consideration the impacts we have on social issues, we have identified as materialities those issues that have a significant impact on our ability to create value over the medium to long term.

In the identification of materialities, we first evaluated the importance of issues on the basis of future megatrends, the SDGs as opportunities for business growth, the external environment including ESG issues that have significant impacts on our business, the Company's competitive advantages, market analyses, and

our management policies, among other factors. Following deliberations by the management team in Executive Committee and Board of Directors meetings and verification of appropriateness from the objective perspective of outside experts, the identification of materialities was resolved by the Board of Directors.

In fiscal 2023, the Board of Directors resolved themes of priority initiatives for materialities and KPIs. The Board of Directors will monitor and evaluate the status of these initiatives on a regular basis to strengthen future initiatives.

● Value Creation Areas

Materiality	Themes of priority initiatives	KPIs (to be achieved by FY2030)	FY2023 results
Diverse Lifestyles Creating a life of prosperity and happiness through information communication	Provision of an environment in which all can engage in rewarding work	Provision of smart work support solutions to at least 300 companies	Developed related services, performed test marketing, and established a sales structure
	Provision of opportunities for all to continue lifelong learning in preferred form	Provision of solutions for lifelong learning to at least 250 companies	Acquired know-how and performed market research through external alliances
	Creation of experience values tailored to diverse lifestyles	At least 400 content items for experience value creation solutions	Established a planning system to expand the Company's content business
Smart Society Creating a safe and convenient society for everyone through information security	Provision of environment enabling easy handling of procedures and payments anytime, anywhere	A lineup of at least five next-generation financial solution services	Two next-generation financial solution services
	Provision of environment enabling easy handling of administrative procedures anytime, anywhere	Adoption of solutions for smart municipalities by at least 20 local government bodies	Three organizations
	Contribution to a society in which all people can live in good health	A lineup of at least 10 health care solution services	Three health care solution services
Recycling-oriented society Creating a sustainable future through innovative packaging and services	Provision of environmentally friendly products	100% sales ratio of environmentally friendly packaging materials and containers	38.7%
	Contribution to resource recycling systems	Construction of plastic resource recycling system (establishment of PIR* and start of full-scale use of recycled materials)	Participated in a used plastics recycling project
	Contribution to reduction of food loss	20% or higher sales ratio of food loss solution packaging for food packaging materials and containers	9.9%

* Post-industrial recycling (PIR): Recycling and reuse of wastes generated in product manufacturing processes before being sent to the market

● Management Foundation Area

Materiality	Themes of priority initiatives	KPIs (to be achieved by FY2030)	FY2023 results
Coexistence with the global environment	Mitigation of and adaptation to climate change	GHG emissions reduction rate of 42% or higher than fiscal 2022 levels	14.7%
	Conservation of biodiversity	FSC certified paper procurement ratio of 30% or higher (weight basis)	22.1%
		Procurement rate of 100% for paper made from verified legal wood (purchase amount basis)	76.2%
Activity by value-creating human resources	• Utilization of diverse values • Securing and strengthening of value-creating human resources • Creation of an environment enabling maximum demonstration of capabilities	Female managers ratio 10% or higher by FY2025	9.0%
		"Human resources able to leverage digital technologies" 15% or higher; "Human resources able to create digital technologies" 15% or higher*	Developed educational content, formulated of skill map, and promoted the creation of a system to grasp achievement status
		Usage rate of childcare leave by male employees 80% or higher Average rate of use of annual paid leave 70% or higher	94.6% 68.5%
Responsible corporate behavior	Corporate ethics and fair operating practices	Compliance education attendance rate 100% every year	100%
	Respect for human rights	Human rights education attendance rate 100% every year	100%
		Promotion of human rights due diligence Establishment of a due diligence system by fiscal 2024 and continued implementation of human rights due diligence from that point forth	• Established the Human Rights Subcommittee as part of the implementation framework • Formulated the Kyodo Printing Group Sustainable Procurement Standards, further expanding the number of human rights issues to be addressed
	Information security and privacy	Information security education attendance rate 100% every year Implementation of cyber security training 1 time/year	100% Implemented 1 time
	Integrated risk management	Supplier coverage rate of 90% or higher in sustainable procurement assessment (transaction amount basis)	54.3%
		Enhancement of risk management activities (Enhancement of effectiveness of the Group's major risk response and expansion of risk management areas/Enhancement of risk sensitivity in all employees)	• Restructured enterprise risk management (ERM) framework • Based on discussions by the management team and other factors, nine major risks were selected and countermeasures were formulated and disclosed

The scope of KPI in the management foundation areas is Kyodo Printing Co., Ltd. and consolidated subsidiary companies in Japan. However, overseas consolidated subsidiary companies are included in information concerning "GHG emissions reduction rate," "Promotion of human rights due diligence," "Supplier coverage rate in sustainable procurement assessment," and "Enhancement of risk management activities." Information concerning "FSC certified paper procurement ratio," "Procurement rate for paper made from verified legal wood," and "Female managers ratio" is for Kyodo Printing Co., Ltd. alone.

* Definition of digital human resources in the Group

- Human resources able to leverage digital technologies: Human resources who lead transformation in business models and business processes
- Human resources able to create digital technologies: Citizen developers, department analysts (in divisions), system developers, data scientists (in IT-related divisions), etc.

Environment

Basic Approach to Environmental Management

Economic activities have supported human living and provided prosperous lifestyles. At the same time, however, the dramatic expansion of economic activities has brought about climate change, loss of biodiversity, depletion of resources, increased waste, and pollution. Economic activities are based on the use of natural resources and the bounty of the ecosystem. We have a responsibility to pass on to future generations a society in which people and the Earth can live together in harmony.

However, environmental issues including the spread of ethical consumption due to growing environmental awareness among consumers, procurement screening from client companies on environmental aspects, ESG ratings from rating agencies, and investment decisions made by investors are having a significant impact on management in terms of both opportunities and risks. Under

these circumstances, we are pursuing an environmental growth strategy aimed at realizing a sustainable society and economic growth through the provision of products and services that leverage our strengths while accelerating the expansion of the Group's overall business domain. The Medium-term Management Plan therefore calls for the expansion of our scope of business in the environmental fields of climate change, recycling-oriented society, and healthy society. In addition, we have identified important management issues for a long-term environmental strategy for 2030, which are a recycling-oriented society as a growth strategy, and co-living with global environment with themes of "climate change mitigation and adaptation" and "biodiversity conservation" as countermeasures for environmental risks. We also have begun formulating a new long-term environmental vision for the year 2050.

Environmental Vision 2025

Category	Purpose	Target	FY2023 results and progress	In-house assessment
Climate Change	Decarbonization	Reduce the CO ₂ emissions from the business activities of the entire Group by 10% by fiscal 2025 compared to fiscal 2019 levels (CO ₂ emissions of the entire Group)	CO ₂ emissions were reduced by 21.2% from 42,782 t (FY2019) to 33,732 t (FY2023)	☆☆
	Energy Conservation	Improve energy consumption basic unit for Group production sites by 5% by fiscal 2025 compared to fiscal 2019 levels (Energy usage / Equivalent production amount)	As of fiscal 2023, the consumption basic unit for Group production sites was improved by 4.7% and we are moving toward achieving the target	☆
Recycling-oriented society	Resource Recycling	Improve waste disposal basic unit for Group production sites by 5% by fiscal 2025 compared to fiscal 2019 levels (Main material waste weight / Main material procurement weight)	Waste disposal basic unit for Group production sites was improved by 7.2% from 0.1901 (FY2019) to 0.1765 (FY2023)	☆☆
	Plastic Resource Recycling	Improve plastic waste disposal basic unit for Kyodo Printing (non-consolidated) by 6% by fiscal 2025 compared to fiscal 2019 levels (Weight of waste plastic disposed / Weight of plastic main material input)	Waste disposal basic unit for Group production sites was improved by 20.2% from 0.3336 (FY2019) to 0.2662 (FY2023)	☆☆
	Paperless	Decrease amount of copy paper used by our offices by 20% by fiscal 2025 compared to fiscal 2019 levels (Number of copy paper sheets procured)	Amount of copy paper used was decreased by 49.0%, from 10,318,000 sheets used in fiscal 2019 to 5,262,000 sheets used in fiscal 2023	☆☆
Pollution Prevention	Atmospheric Pollution Reduction	Reduce VOC emissions of the entire Group by 7% by fiscal 2025 compared to fiscal 2019 levels (Emissions of hazardous air pollutants, etc. indicated in the Air Pollution Control Act)	VOC emissions were reduced by 14.7% from 47,703 kg (FY2019) to 40,679 kg (FY2023)	☆☆
Ensure Sustainable Consumption and Production Patterns	Environmentally Friendly Products	Increase sales of environmentally friendly products by 200% by fiscal 2025 compared to fiscal 2019 levels (Green Products + Environmentally friendly printing products)	Sales of products developed for living and industrial materials and printing products using environmentally friendly paper and inks grew by 249.0% compared to fiscal 2019	☆☆

Evaluation Criteria ☆☆☆: Target achieved ☆☆: Progressing toward achieving the target ★: Target not achieved

Environmental Management System (EMS)

We operate an environmental management system promoted across the Group based on ISO14001:2015. The major Group

companies and all our sites are integrated and certified for promotion of group-wide environmental efforts.

Climate Change

Response to Climate Change

Against a backdrop of lifestyle changes and expanded consumption associated with economic development, global warming caused by emission of greenhouse gases (GHG) is exerting profound impacts on the global environment. Frameworks for climate change countermeasures have been formed within the international community, and companies face demands to work toward constraining atmospheric temperature rise to 1.5°C. Investors and other stakeholders have also come to hold expectations for companies' initiatives, including Task Force on Climate-related Financial Disclosure (TCFD) and other disclosure of climate-related information affecting finances, and the provision of products that reduce CO₂ in society against a backdrop of ethical consumption.

Taking the response to climate change as an important management issue that we must address, our Group has declared our aim to be carbon neutral by 2050. To make this a reality, we are advancing our analyses of climate change-related risks and opportunities for profit along with environmental strategies based on these. We will build a robust business structure enabling us to respond to climate change risks including risks of disaster induced by climate change, raw material procurement risks, the introduction of carbon pricing, and legal and regulatory compliance. We will strive to reduce CO₂ emissions throughout the product life cycle, from raw materials to product disposal, while advancing development that contributes to CO₂ reduction through products and services and connecting this to growth opportunities.

Declaration of Carbon Neutrality in 2050

The Kyodo Printing Group declares that we will reduce our greenhouse gas (GHG) emissions to effectively zero by 2050 in our aim to achieve a decarbonized society. To achieve carbon neutrality, we will aim for effectively zero emissions from activities at our sites and will strive to reduce burdens in the supply chain.

Specific Initiatives

- **Reduction of environmental burdens at our sites (Scope 1+2)**
We will reduce GHG emissions at our sites to effectively zero by 2050.
- **Reduction of environmental burdens in the supply chain (Scope 3)**
We will collaborate with stakeholders to reduce GHG emissions in processes spanning materials procurement to disposal.
- **Reduction of environmental burdens through the development of environmentally friendly products and services**
Through the development and provision of products and services that reduce environmental burdens, we will contribute to the reduction of GHG emissions from society overall.

Endorsement of the TCFD Recommendations

Viewing climate change and other environmental issues as important management issues and aiming to achieve a decarbonized society, we announced our Declaration of Carbon Neutrality in 2050. In May 2023, we expressed our endorsement of the TCFD recommendations and joined the TCFD Consortium. By identifying climate change-related risks and opportunities, evaluating business and financial impacts through scenario analysis, and enacting countermeasures, we will work toward the achievement of a sustainable society and the growth of the Company.



Governance

On topics related to climate change, the Board of Directors deliberates and supervises the content of initiative policies, targets, and plans examined and deliberated by the Sustainability Promotion Committee, as well as the progress of measures.

The Sustainability Promotion Committee consists of Managing Executive Officers and higher-level management with the Representative Director and President serving as Chair. It examines specific targets, policies, and measures concerning sustainability-related issues. Through regular reports and recommendations

Strategy

Our Group conducted a climate change scenario analysis based on TCFD recommendations, targeting business divisions under two scenarios (1.5°C/2°C and 4°C). After identifying a wide range of envisioned potential risks and opportunities and engaging in deliberation and examination centered on the management

to the Board of Directors, the Committee incorporates the opinions and instructions of the Board of Directors into initiatives.

In collaboration with specialized committees including the Executive Committee, the Environmental Committee, and the Global Warming Action Department, the Sustainability Promotion Committee oversees information communication to divisions and Group companies and its dissemination throughout the Company, and otherwise advances initiatives throughout the Group.

team and each business segment, we ultimately evaluated events with a high likelihood of affecting the Group’s business and their degree of impact, and examined and formulated countermeasures based on that evaluation.



Scenario	Envisioned event	Main reference scenarios
1.5°C/2°C Scenario	<div><div>The introduction of carbon pricing advances worldwide, including in Japan, and carbon taxes rise globally</div><div>Demand for low-carbon and decarbonized products and services expands under changes in consumer preferences</div><div>Stakeholder demands for decarbonization increase and companies that fail to adapt are eliminated.</div><div>Operating and manufacturing costs increase under the acceleration of decarbonization throughout the supply chain</div></div>	<div>IEA World Energy Outlook 2021 (SDS, NZE2050)</div> <div>IEA World Energy Outlook 2018 (SDS)</div> <div>IPCC (SSP1-1.9, SSP1-2.6)</div>
4°C scenario	<div><div>The introduction of carbon pricing fails to advance worldwide, including in Japan</div><div>Sanitation needs and other new consumer needs associated with atmospheric temperature rise are born</div><div>Natural disasters intensify and risks of shutdown due to damage to production sites increase</div></div>	<div>IEA World Energy Outlook 2021 (STEPS)</div> <div>IEA World Energy Outlook 2018 (NPS)</div> <div>IPCC (SSP5-8.5)</div>

Through scenario analysis, we confirmed that under the 1.5°C/2°C scenario, major impacts on operating costs occur due to the introduction of carbon taxes and on raw material costs due to fluctuations in energy prices. In conjunction with this, we will work toward the reduction of greenhouse gas (GHG) emissions and enhancement of the efficiency of our business activities. We also confirmed that changes can be connected to business growth by capturing new customer demand that will contribute to the reduction of environmental burdens, including expanding sales of environmentally friendly products and services.

Under the 4°C scenario, physical risks associated with the intensification of natural disasters become an impediment to business continuity. However, analysis confirmed that risks to

individual production sites are relatively modest. We will continue to refine our risk analyses and carry out advance measures against disasters in order to minimize impacts.

From the next fiscal year onward, we will enhance the precision of scenario analyses by conducting them on a regular and continuous basis and will construct a resilient management structure able to withstand any scenario in an uncertain future while flexibly accommodating envisioned risks. With regard to opportunities, while placing emphasis on climate change conditions, market trends, and dialogue with customers, we will flexibly examine and develop strategies that we can connect to sustainable enhancement of our corporate value.

Risks and opportunities

	Type	Driver	Overview	Time frame	Impact under 1.5°C scenario	Impact under 4°C scenario	Countermeasures
Physical risks	Acute risks	Intensification of cyclones, floods, and other abnormal weather	Increase in risks affecting the operation of production sites due to flooding and inundation	Medium- to long-term	Low	Medium	<div><div>Promotion of risk management through the enhancement of BCP and implementation of disaster countermeasures at key sites</div><div>Construction of a cooperative production structure through strengthening of relationships with suppliers</div><div>Stabilization of manufacturing through inventory management, distributed procurement, and examination and preparation of alternatives</div></div>
	Chronic risks	Changes in rainfall patterns, extreme variability in weather patterns	Increases in costs of disaster countermeasures due to changes in precipitation and weather patterns	Medium- to long-term	Low	Low	
Transitional risks	Policies, laws, and regulations	Progress in the pricing of GHG emissions (carbon pricing)	Increases in costs due to the introduction of carbon taxes and emissions trading schemes	Short term	High	Low	<div><div>Avoidance of carbon taxes and reduction of energy costs through the reduction of GHGs and adoption of energy-saving equipment</div><div>Examination of implementation of transport streamlining in collaboration with logistics subsidiary companies and suppliers</div><div>Examination of adoption of ICP and investigation of credit trends</div></div>
		Strengthening of GHG emissions reporting obligations	Increase in capital investment through strengthening of energy-saving policies	Short term	Medium	Medium	<div><div>Early planning of investments in energy-saving-related equipment (shift to LED in drying devices and lighting, upgrading of air conditioning, etc.)</div></div>
		Mandating/regulation of existing products/services	Increase in costs due to switch to low-environmental-burden plastics	Short term	Medium	Medium	<div><div>Promotion of wastefulness-free design including plastic usage reduction, recycling, and waste reduction</div><div>Investigation and examination of alternative materials that can reduce costs; Development of low-cost new materials in cooperation with suppliers</div></div>
	Technology	Replacement of existing products/services with low-carbon options	Loss of market and decrease in revenue due to delayed approach to shift to low carbon	Short term	Low	-	<div><div>Acceleration of replacement of existing products through the development of low-carbon products</div><div>Through dialogue with customers, etc., promotion of efficient development through selection of product groups and timing that require a shift to low carbon</div></div>
	Market	Soaring costs of raw materials	Acceleration of decarbonization throughout the supply chain	Short term	High	Low	<div><div>Reduction of energy costs through the installation of new and additional solar power generation facilities</div><div>Appropriate passing on of manufacturing costs to prices through strengthening of collaboration in the supply chain</div></div>
		Changes in customer behavior	Decrease in existing paper media associated with CO ₂ emissions	Short term	Medium	Medium	<div><div>Expansion of digital media in line with changes in customer behavior and promotion of support for customers' DX shifts</div><div>Shift away from the business of manufacturing printed materials toward services with BPO and content themselves as the provided value</div></div>
	Reputation	Increase in anxiety or negative feedback on the part of stakeholders	Fall in stock price, difficulty in securing financing, exclusion from targets of investment	Medium- to long-term	Medium	-	<div><div>Strengthening of communication on climate change with shareholders and promotion of timely and appropriate information disclosure</div><div>Consideration of SBT^{*1} certification acquisition</div></div>
Opportunities	Resource efficiency	Use of efficient production and distribution processes	Reduction of energy usage and of manufacturing costs	Short term	High	Low	<div><div>Adoption of printing machinery capable of lower-carbon manufacturing and of other low-carbon production equipment, and promotion of production process efficiency</div><div>Enhancement of utilization rate and construction of an efficient production structure through review of production lines and adoption of automated facilities</div></div>
	Products and services	Development and expansion of low-emission products and services	Securing of market competitive advantage through compliance with environmental requirements and calculation of CO ₂ emissions in the product life cycle	Short term	Medium	-	<div><div>Promotion of visualization of product LCA^{*2} and development and utilization of low-carbon products</div><div>Promotion of initiatives using an enhanced primary data ratio in calculating the carbon footprint of publications and commercially printed materials</div></div>
			Expansion of sustainability-oriented purchasing behavior by consumers	Short term	High	Low	<div><div>Promotion of information collection concerning reduced-environmental-burden raw materials and the development of environmentally friendly products</div></div>
		Changes in consumer preferences	Expansion of digital media demand	Short term	Medium	Medium	<div><div>Growth of the streaming business overall through expansion of in-house content, and examination of commercialization of IP</div></div>
	Market	Access to new markets	Changes in consumer needs due to atmospheric temperature rise	Short term	Medium	Medium	<div><div>Development of films and bottles with functions including oxygen adsorption and forms that aid in preserving foodstuff freshness</div><div>Research and development of sanitary materials meeting needs including contagion prevention</div></div>
			Promotion of low-carbon business model development	Short term	Medium	Medium	<div><div>Examination of service development and commercialization adapted to low-carbon lifestyles</div></div>

^{*1} SBT: Medium- to long-term corporate GHG emission reduction targets that conform to levels required by the Paris Agreement
^{*2} LCA: A method of environmental impact evaluation that spans the entire life cycle from resource extraction to disposal and recycling

Time frame	Short term: From 2023 to around 2030/Medium to long term: From 2030 to around 2050
Degree of impact	Risks: Standards = Operating income impact of over 500 million yen (high)/over 200 million yen (medium)/200 million yen or lower (low) Opportunities: Standards = Sales impact of over 1 billion yen (high)/over 300 million yen (medium)/less than 300 million yen or lower (low)

Risk Management

In addressing climate change risks, the Sustainability Promotion Office of the Management Supervisory Headquarters, which serves as the Secretariat of the Sustainability Promotion Committee, takes the lead in organizing and evaluating climate change-related risks confirmed by departments, from the perspectives of degree of impact and probability of occurrence. Findings of examinations are reported to the Sustainability Promotion Council and, as necessary, to the Board of Directors, after which

appropriate management and supervision are implemented. We are incorporating our risk management associated with climate change into our company-wide risk management processes. We have identified the “risks of transitioning to a decarbonized society due to climate change” as major risks for the Group, and are working to build a resilient management system that can flexibly respond to multiple scenarios.

Indicators and Targets

To achieve carbon neutrality in 2050, we have set a target of reducing GHG emissions (Scope 1+2) associated with our business activities in 2030 by 42% from the FY2022 level. In addition to working toward thorough energy-saving and enhanced efficiency in facilities, we will reduce our in-house emissions through the use of renewable energy, including the adoption and expansion of solar power generation equipment.

In calculations for FY2023, we confirmed a high proportion of Scope 3 emissions among the total, particularly in category 1**

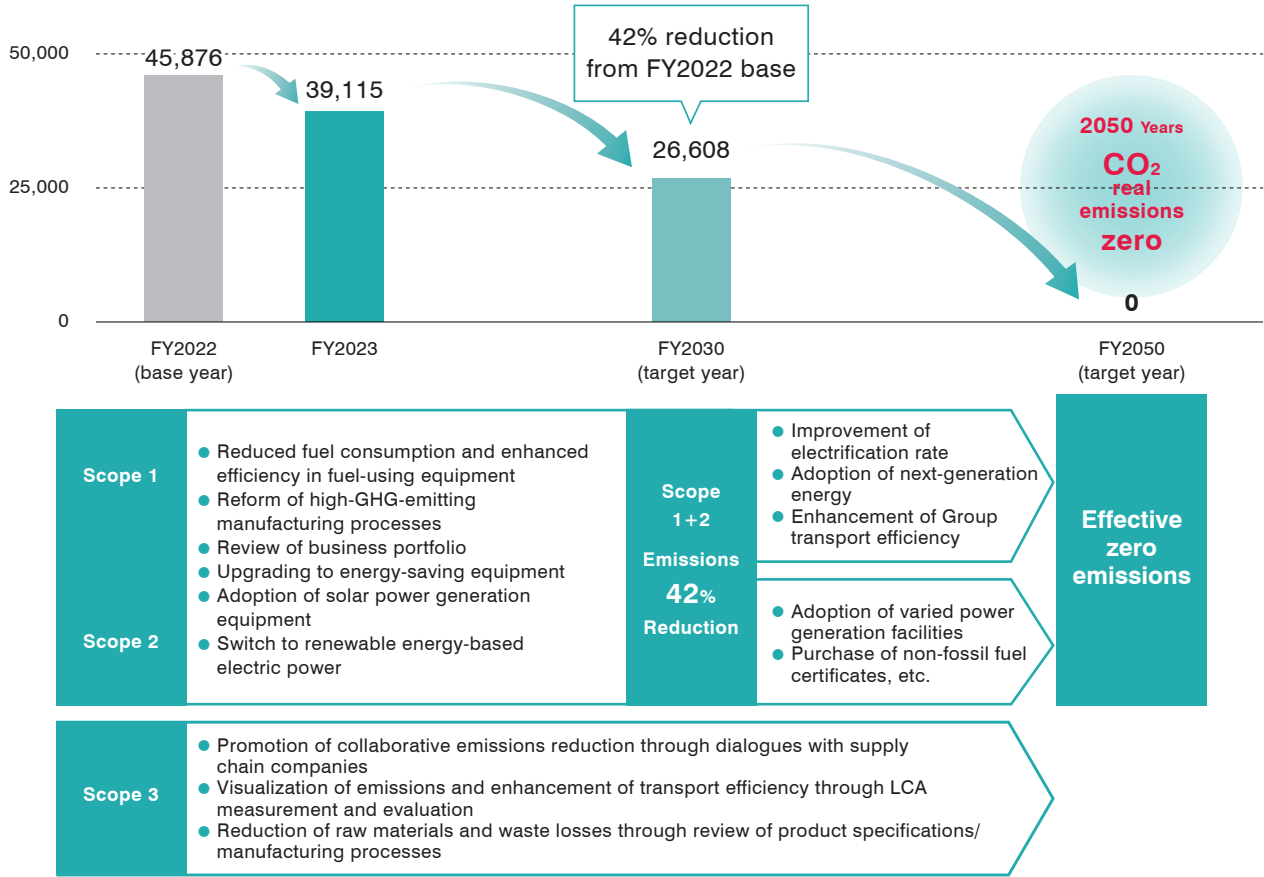
(66%) and category 12** (15%). While engaging in activities including collaboration with companies in the supply chain through dialogue, development of products and services that reduce environmental burdens, and improvement of manufacturing processes, we will demonstrate the appeal of our products and carry out Scope 3 emissions reductions.

For Scope 3 emissions, we considered setting targets in accordance with SBT as we have for Scope 1+2 emissions, and submitted a commitment letter to obtain certification in June 2023.

*1 Category 1: CO₂ emissions from activities through the manufacture of purchased products and services
*2 Category 12: CO₂ emissions when products sold by a company are discarded by buyers and consumers

Indicators and targets

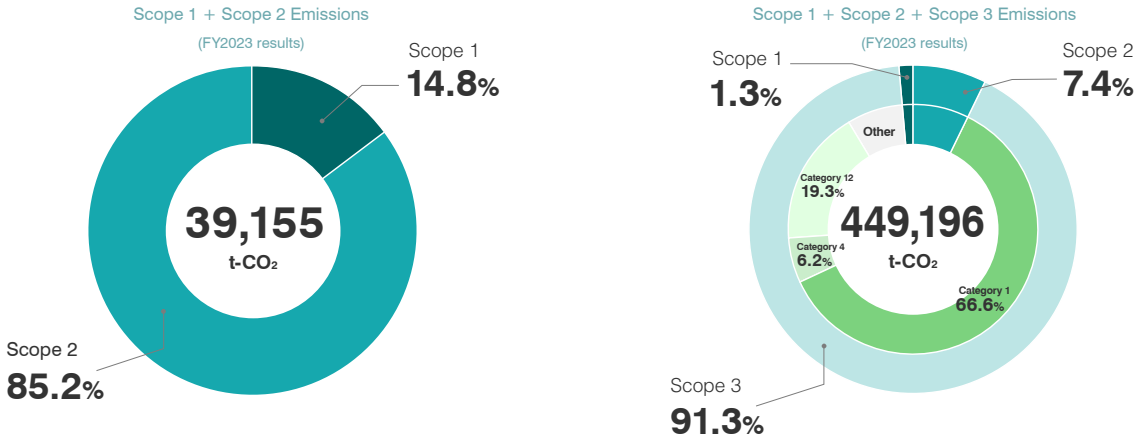
GHG emissions (Scope 1+2) (t-CO₂)



Results

In fiscal 2023, the GHG emissions of the entire Group were 449,196 t-CO₂. Of this total, Scope 1 emissions amounted to 5,798 t-CO₂, or about 1.3% of total emissions, Scope 2 emissions

amounted to 33,357 t-CO₂, or about 7.4% of total emissions, and Scope 3 emissions amounted to 410,041 t-CO₂, or about 91.3% of total emissions.



Initiatives for Reducing Scope 1 Emissions

Direct CO₂ emissions (Scope 1) account for approximately 15% of our own emissions (Scope 1+2). As the main source of emissions is the fuel used in company vehicles and production facilities, future initiatives for reducing Scope 1 emissions will include reducing the amount of fuel used, switchover to EVs, and promoting an optimal energy mix that takes into account environmental friendliness, economic efficiency, supply stability, and disaster contingency planning.

Initiatives for Reducing Scope 2 Emissions

Indirect CO₂ emissions (Scope 2) account for approximately 85% of our own emissions (Scope 1+2). As the main source of emissions is the electricity used at manufacturing sites, future initiatives for reducing Scope 2 emissions will be strengthening our efforts to promote energy conservation at each plant as well as considering and implementing improvements in the efficiency and review of our production system in order to reduce power consumption.

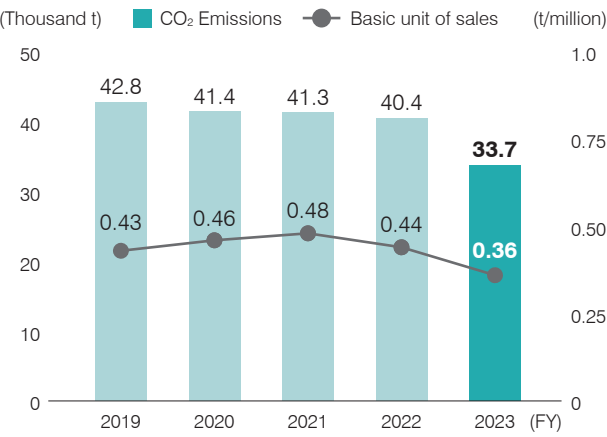
In addition, we will promote the introduction of renewable energy equipment, such as solar power generation equipment, and increase the percentage of renewable energy-based power used.

Initiatives for Reducing Scope 3 Emissions

In fiscal 2023, Scope 3 emissions of the entire Group were 410,041 t-CO₂. Category 1 (Purchased goods and services) Scope 3 emissions accounted for about 66.6% of the total Scope 3 emissions.

In terms of reducing raw materials, we will reduce the material loss rate, develop products that use less materials, reduce material loss in manufacturing, and promote material recycling, and also

CO₂ emissions of the Domestic Group (Scope 1+2)



actively promote the use of materials with lower emission factors with the understanding and cooperation of our stakeholders.

On the other hand, in terms of reducing emissions generated through outsourcing work, we will seek the understanding and cooperation of our suppliers and strive to achieve sustainable growth of the entire supply chain and reduce CO₂ emissions throughout.

Recycling-oriented Society

Basic Philosophy

The shift to a circular economy is expected to solve many social issues such as resource depletion, waste, food loss and other food disposal problems, and to help with CO₂ reduction, by recovering products and recycling them to create new products.

As a provider of paper media and other means of information communication, and as a supplier of flexible packaging, tubes, bottles, and other plastic packaging materials, we must actively strive for global environmental conservation and for secure and prosperous lives for people. With our accumulated core

technologies and our planning and development capabilities as a source of competitive advantage, we will invest in the development of environmental products that create new value and will strategize our business as a growth opportunity. In addition to product development, we will make efforts aimed at achieving a circular economy, including active involvement in the social implementation of recycling schemes, from collection to recycling, together with our customers and local governments.

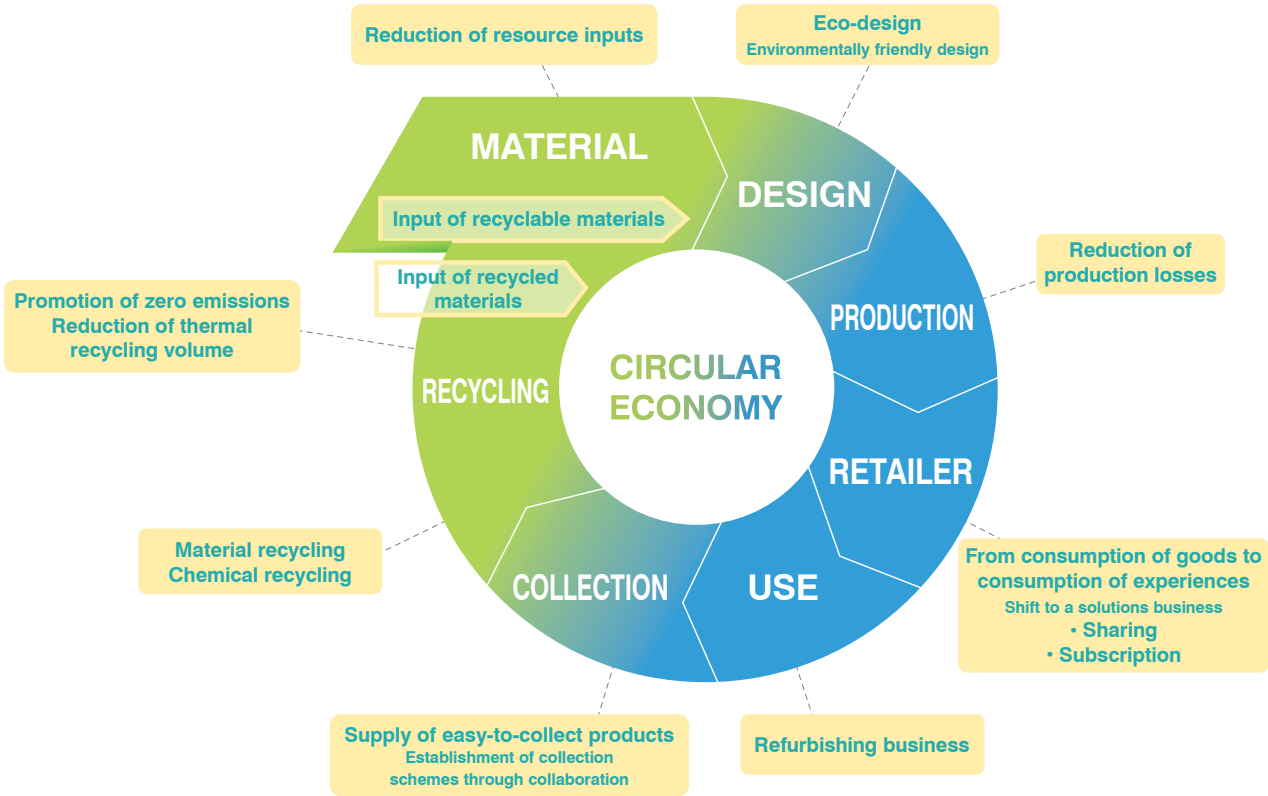
Implementation Framework

Based on the Guidelines to Promote Proper Treatment and Recycling of Waste and led by our Waste Management and Recycling Promotion Department, an expert subcommittee of our Environmental Committee, we engage in in-house resource recycling (zero emissions) activities.

In the area of contribution to a recycling-oriented society through environmental products and services, we launched the Eco-TOMOWEL project, led by the Living & Industrial Materials Division and the Research and Development Division. We are

advancing strategic product development through the triumvirate of development, manufacturing, and sales. In addition to recycling-oriented products, we will also address a wide range of environmental issues, including helping with the problem of food loss through high-barrier products and active barrier products, addressing climate change by reducing CO₂ emissions, and reducing VOCs, as well as developing universal products that are easy for everyone to use.

Initiatives in the recycling cycle



Initiatives through Products and Services

For the TOMOWEL NEXT PACKAGING brand aimed at the realization of a sustainable society, we are developing a variety of environmentally friendly products and are proposing environmentally friendly specifications matched to customers' specific processes, from product design to manufacturing, logistics, sales, ease of use, and disposal. As an example, our PIR efforts to divert plastic waste generated in production into other products such as

bottle caps have been highly regarded by environment-oriented customers. In consumer packaging, the need for FSC paper is growing within customers' environmental strategies, and we are strengthening our ability to accommodate. We are also actively working on making tube rolls thinner and reducing the use of resin through smaller caps.



Packaging made with filmless paper packaging material

Paper laminated tube

Range-up carton made with zero plastics

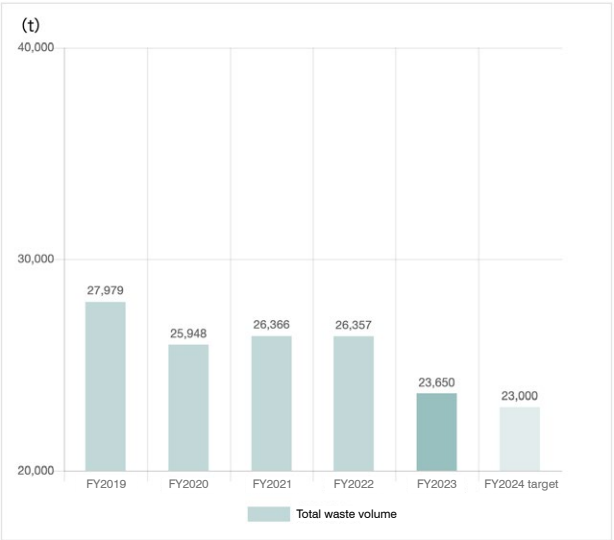
Efforts for Achieving Zero Emissions

In fiscal 2023, we continued our efforts to reduce and recycle waste, achieving a recycling rate of 99.9%, and zero emissions*

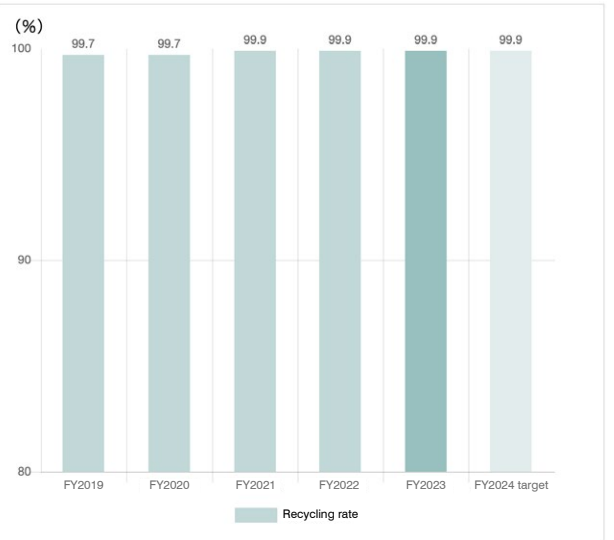
has been achieved 15 years consecutively at all the 8 major of-fices.

* The in-house standard of less than 1% of the total waste being the final disposal amount generated in factories, or recycling of 99% or more of the total amount generated.

Total Waste Volume



Recycling Rate



Pollution Prevention

Chemical Substance Management

Based on the Proper Chemical Management Guidelines for correct management and reduction of chemical substances, we have established a Chemical Substance Management Subcommittee at each of our business sites to carry out activities with the Green Procurement Department serving as the core organization for promoting chemical substance management. We create master data from 50,000 laws and regulations on chemical substances, centering around those related to printing, while we enter newly purchased materials in a Safety Data Sheet (SDS) to ensure compliance with laws and regulations, reduce product use,

provide information to customers and support the health and safety of our employees.

In terms of management in the supply chain, we released the Green Procurement Guideline and are requesting the establishment and operation of a chemical substance management system based on the environmental management system. We are promoting management base on management standards by designating substances as controlled substances in the Green Procurement Standards List in accordance with chemSHERPA.

PRTR Designated Chemicals

PRTR designated chemicals are harmful to humans and ecosystems with many of them emitting VOCs. As for VOC emissions, we have further set reduction targets to be achieved by 2025 and

we will continue to promote activities for reducing chemical substances that are mainly responsible for VOC emissions.

● PRTR Designated Chemicals Handled/Discharged

	2018	2019	2020	2021	2022	2023 (target)
Chemical substances handled (1,000 kg)	234	215	198	171	181	170
Chemical substances discharge (1,000kg)	36	29	25	26	37	30

● PRTR Designated Chemicals Data (Unit: kg)

Cabinet Order Number	Name of substance	Amount handled	Emissions				Amount moved		
			Air	Public water area	Soil/Landfill	Total emissions	Sewerage	Waste	Total amount moved
1-037	(Z)-9-Octadecen-1-amine	379.1	375.6	0	0	375.6	0	3.4	3.4
1-065	Ethylcyclohexane	255.6	199.3	0	0	199.3	0	56.3	56.3
1-073	Ethylbenzene	745.0	626.7	0	0	626.7	0	118.3	118.3
1-103	Xylene	1,120.5	993.2	0	0	993.2	0	127.3	127.3
1-106	Cumene	157.1	123.9	0	0	123.9	0	33.3	33.3
1-158	Vinyl acetate	90.1	59.2	0	0	59.2	0	29.9	29.9
1-170	Diethylene glycol monobutyl ether	885.4	533.1	0	0	533.1	0	268.0	268.0
1-176	Cyclohexane	873.8	196.2	0	0	196.2	0	151.6	151.6
1-342	Trimethylbenzene	3,100.5	2,343.6	0	0	2,343.6	0	755.4	755.4
1-345	Trilene diisocyanate	472.7	22.1	0	0	22.1	0	31.3	31.3
1-347	Toluene	154,070.9	27,287.2	0	0	27,287.2	0	14,449.5	14,449.5
1-368	BIS (2-ethylhexyl) = (Z)-but-2-enedioate	186.4	8.8	0	0	8.8	0	12.7	12.7
1-416	2-Tertiary butoxyethanol	3,917.0	2,647.0	0	0	2,647.0	0	1,270.0	1,270.0
1-436	Hexane	1,402.0	68.5	0	0	68.5	0	96.4	96.4
1-498	Methylenebis (4,1-phenylene) = diisocyanate	4,637.9	216.0	0	0	216.0	0	326.7	326.7
1-505	Molybdenum and its compounds	7,502.7	768.5	0	0	768.5	0	2,573.9	2,573.9
2-078	Hexamethylene diacrylate	1,242.0	824.0	0	0	824.0	0	418.0	418.0
-	Other	268.5	82.3	2.3	0	84.6	0	128.7	128.7
	Total	181,307.2	37,375.3	2.3	0	37,377.6	0	20,850.8	20,850.8

Scope of data aggregation: Data covers business sites that handle 1 t or more of Class I designated chemical substances annually (or 0.5 t or more of specified Class I designated chemical substances)

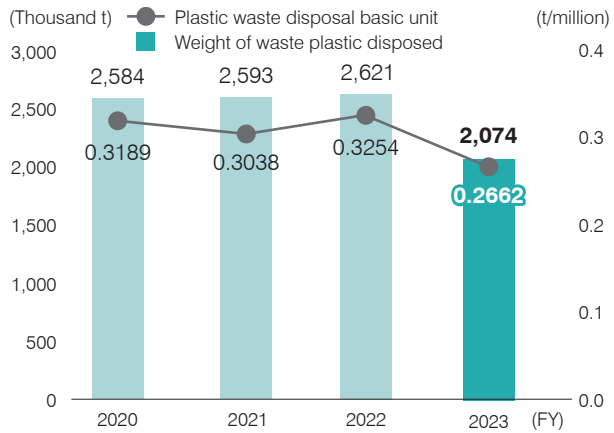
Disclosure based on the Act on Promotion of Resource Circulation for Plastics

In accordance with the Act on Promotion of Resource Circulation for Plastics, the Group is working to reduce plastic waste in consideration of production volume. We aim to improve the plastic waste disposal basic unit for Kyodo Printing (non-consolidated)*

by 6% by fiscal 2025 compared to fiscal 2019 levels and are working to achieve this target. In fiscal 2023, this value improved by 20.2%, which indicates good performance in this area.

* Weight of waste plastic disposed ÷ Weight of plastic main material input

● Plastic waste disposal basic unit (non-consolidated)



● Plastic Waste Disposal by Domestic Group Company

	2020	2021	2022	2023
Kyodo NPI Package	180	230	149	36
Jyoban Kyodo Printing	119	126	115	100
Kyodo Logistics	60	72	73	73
Kyodo Printing Media Products (Goka)	31	33	40	39
Kyodo Printing Nishinihon	5	6	6	12
Cosmo Graphic (Tomokomai)	7	5	0	1
Kyodo Blow Bottle	5	5	5	5
Kyodo Ftech	0	0	0	0

Waste Management

We manage the waste generated by our business activities in compliance with laws and regulations.

Generally speaking, waste-related risks become significant after waste has been outsourced to a disposal company. The Company has introduced electronic manifests at all of its sites

to improve the efficiency of checking the processing status and prevent illegal dumping and other misconduct related to waste transfer. We also regularly conduct on-site inspections of intermediate and final disposal contractors to ensure that recycling and final disposal are carried out appropriately.

Alliances

The formation of a recycling-oriented society cannot be achieved through our own efforts alone. We collaborate with other companies, local governments, and specialized institutions to develop and introduce new materials, recycle technologies, and recycle used products to build social systems to achieve a circular economy.

Main Alliances

- Clean Ocean Material Alliance (CLOMA)
- Circular Partners
- Capital participation in R Plus Japan

Biodiversity

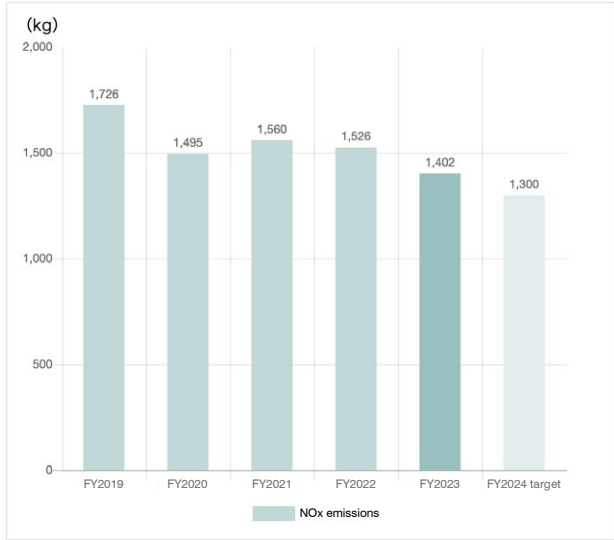
Prevention of Atmospheric Pollution

NOx and SOx Emissions

At facilities that generate soot and smoke, including boilers that generate nitrogen oxide (NOx), we control the temperature and air ratio so that they are at appropriate levels at the time of combustion in order to control NOx generation and also strive to control NOx generation by reducing the size of boilers, measuring the concentration of NOx regularly, and maintenance management.

With regard to SOx (sulfur oxide), we replaced air-conditioning equipment using liquefied gas, which emits less SOx emissions, and completely eliminated the use of heavy oil fired boilers. As a result, our only SOx emissions at this point are from transportation trucks operated by Kyodo Logistics, a Group company.

● NOx Emissions (kg)



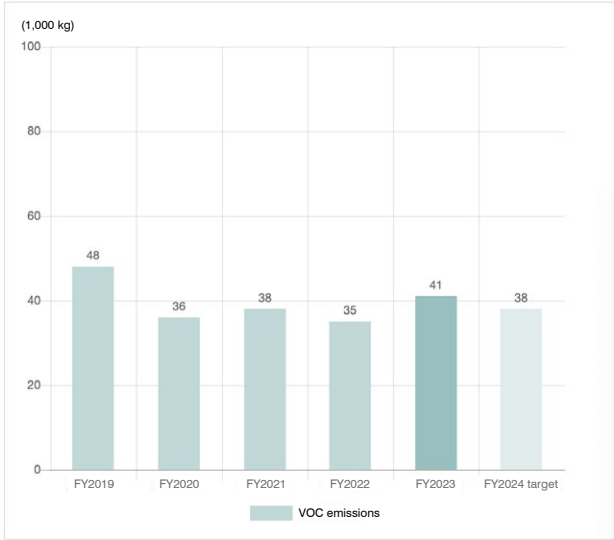
VOC Emissions

VOCs (volatile organic compounds) such as toluene and xylene are highly contained in the solvent components of inks and are emitted in large quantities in the printing process.

The Group has set reduction targets and reduce VOC emissions into the atmosphere by switching to alternative products such as low VOC inks, reducing usage of VOCs, and introducing exhaust gas treatment equipment.

In fiscal 2023, VOC emissions increased due to an increase in operating volume.

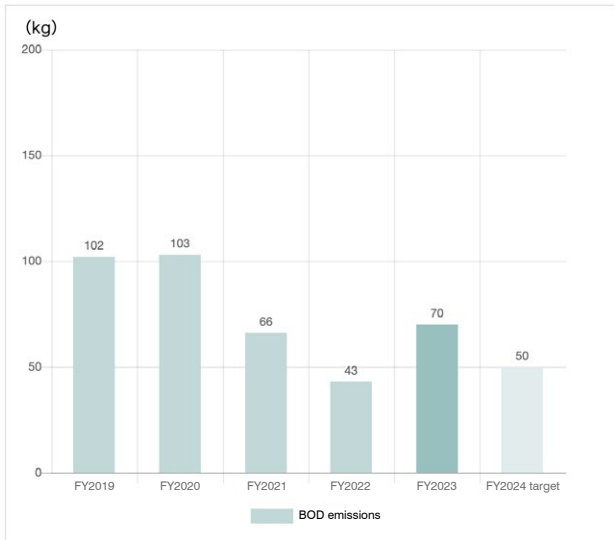
● VOC Emissions (1,000 kg)



Water Pollution Prevention

Each of our plants is equipped with wastewater treatment facilities to treat polluted water in order to prevent environmental pollution. We regularly monitor pH (hydrogen ion concentration), BOD* (biochemical oxygen demand), metal content, etc. to ensure proper management of wastewater.

● BOD Emissions (kg)



Basic Philosophy

Our abundant lifestyles are supported by the blessings obtained from biodiversity (ecosystem services). Since the printing business, which is the Group's core business, also depends on many resources, such as forest resources and water, we believe that coexistence with the global environment is indispensable for

the sustainable growth of the Company.

We will work to protect biodiversity and the natural environment throughout our supply chain, from procurement of raw materials to disposal.

Biodiversity Risk Assessment

The Kyodo Group uses the WWF Biodiversity Risk Filter to assess the impact of its production sites on biodiversity and identify risks.

As a result, we have assessed that risks to biodiversity around our production sites are low level risks at present. We will continue our efforts to conserve biodiversity through continuous risk assessment and correctly identifying risks.

Sustainable Use of Forest Resources

Paper is an indispensable management resource for the Group's businesses. Forest resources, which are used as raw materials for paper, fix CO₂ in the atmosphere. By properly planting trees after logging, CO₂ absorption can be increased. Paper is also a highly recyclable, sustainable, and useful resource, but between 1990 and 2020, an average of 5.92 million hectares of forest was reduced annually with illegal logging being one of the

major causes. As an initiative to eliminate illegal logging, we aim to achieve a procurement rate for paper made from verified legal wood of 100% by 2030. In procuring printing paper, we are promoting activities such as requesting suppliers to submit certificates of use of legally harvested timber.

In fiscal 2023, we confirmed that 76.2% of paper came from legally harvested timber (purchase amount basis).

Conservation of biodiversity

In our Information and Communication Business, as part of our forest resource conservation activities, we support the environmental conservation activities of the Akagi Nature Garden, located at the foot of Mt. Akagi in Gunma Prefecture, in support of our desire "to create a prosperous society by allowing as many children as possible to come into contact with nature and nurture

their sensibilities."

In the Living and Industrial Materials Business, we conduct river and coastal cleanup activities at each production site as activities to reduce marine plastic pollution, a form of pollution where plastic waste discarded on land flows through rivers and accumulates in the sea.

Water Resources

Basic Philosophy

While the global demand for water is increasing due to population growth and economic development, the effects of droughts and floods caused by climate change are threatening stable water use.

Water is an indispensable resource, including for the paper printing business, which is the mainstay of the Group's information-

related businesses. We believe that measures for water-related risks that affect our business activities are also important from a BCP perspective. We will promote the sustainable use of water resources while taking into consideration the impact of water intake and drainage on the ecosystem.

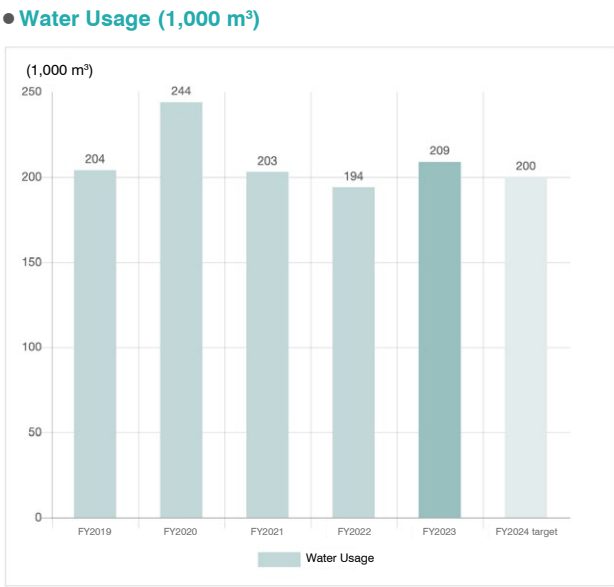
Water Risk Assessment

Since the depletion of water sources at the watersheds where our production sites are located and the occurrence of floods and other water-related disasters have a significant impact on business continuity, we regularly conduct risk assessments using the WWF Water Risk Filter to identify risks in advance and take measures.

At present, we recognize that the risk of water depletion at our major manufacturing sites in Japan and overseas is relatively low compared to other environmental risks. However, water stress intensity is expected to increase over the long term at some sites in Japan and overseas. Going forward, we will continue to evaluate risks, identify changes in risks, and strive to reduce risks.

Use of Water Resources

Primary uses of water include cooling production equipment, serving as a heat source for air conditioning equipment, and for health and sanitation. We use water resources efficiently and cut water usage by, for example, efficient use of water and introduction of common facilities in consideration of water-saving, and changing air conditioner cooling systems to avoid use of water. In the future, we will explore printing methods that do not use water during production and also focus on water reuse and other ways to save water.



Water discharge

Each of our plants is equipped appropriate wastewater treatment facilities in accordance with regulatory standards for water pollution and regularly monitor water quality to prevent environmental pollution.

Additionally, ecological impacts to the watershed are periodically assessed using the WWF Water Risk Filter. At present, although we recognize that the impact on biodiversity in areas from which our main production sites obtain water is expected to be low, we will continue to promote ecosystem-friendly water use.

Society

Human Resource Strategy

Basic Philosophy

As the social environment continues to change amid a declining working-age population due to the falling birthrate and aging population and amid changing work styles due to diversifying lifestyles, it can be said that human resources are an important management resource for increasing the competitiveness of a company and realizing sustainable growth.

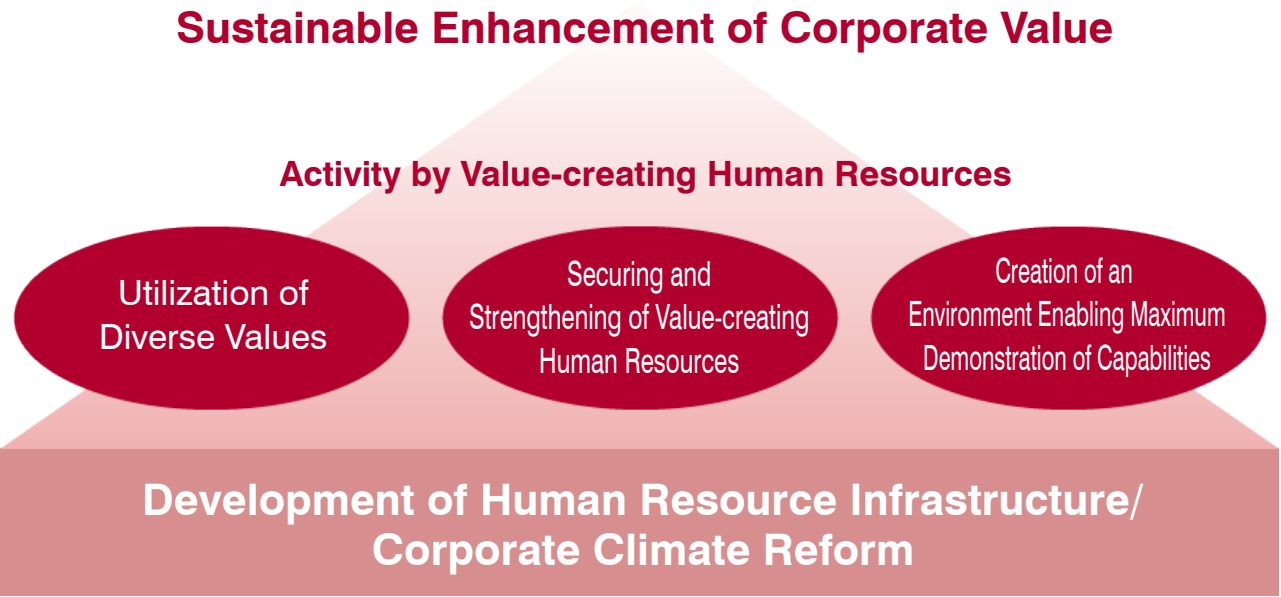
Having identified “Activity by value-creating human resources” as a materiality, the Kyodo Printing Group is working to secure

and utilize human resources with diverse values to flexibly respond to changes, strengthen capabilities for value creation, and promote the development of a work environment that allows employees to maximize their abilities.

By having all employees play active roles as “value-creating human resources” who grow autonomously and take on challenges, we will improve the competitiveness of the company and achieve sustainable growth.

Priority Issues

- Utilization of diverse values**
We will promote diversity and inclusion of knowledge and experience so that diverse human resources can fully demonstrate their abilities.
- Securing and strengthening of value-creating human resources**
We respond flexibly to changes in society and the business environment, and are promoting efforts to secure and strengthen the development of value-creating human resources in line with our management strategy.
- Creation of an environment enabling maximum demonstration of capabilities**
We promote flexible work styles work-life balance, health and safety, and other work environment improvements that match the changing attitudes of workers.



Diversity & Inclusion

Basic Philosophy

The business environment surrounding us is changing drastically due to changes in the social environment, consumer values, and lifestyles. In order to create new value and continue sustainable growth, we believe that it is necessary to create an environment in which employees can respect each other's values and

ways of thinking and fully utilize their knowledge and experience. The Group is striving to create a corporate culture in which the Group can leverage the new innovations and value creation capability that result from such initiatives.

Diversification of Core Human Resources

In order to create new value for a company, it is important to utilize various values, experiences, and skills that go beyond the boundaries for corporate growth. In order to reflect diverse perspectives in corporate decision-making, the Group not only appoints excellent human resources, including managers who transcend the boundaries of age, gender, and nationality, but also

works to create an organization in which diverse human resources can play an active role. Furthermore, we will actively promote the hiring of external human resources who have values and skills based on their diverse experience and will foster a corporate culture that encourages new challenges and leads to corporate growth through the generation of innovations.

General Employer Action Plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace and the Act on Advancement of Measures to Support Raising Next-Generation Children

Based on the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on Promotion of Women's Participation and Advancement in the Workplace, the Group ascertains the status of and analyzes issues related to the advancement of women and support the development of the next generation, formulates action plans based on the results, and disseminates them both internally and externally.

Our targets for the period from April 2022 to March 31, 2026 are as follows.

In fiscal 2023, we received the highest ranking of three stars in the "Eruboshi Certification," which is based on the Act on Promotion of Women's Participation and Advancement in the Workplace.



● Promotion of Women's Participation and Advancement in the Workplace

Target

Achieve a female executive staff (manager level or above) ratio of **10% or higher** by FY2025

● Support for Balancing Work and Childcare

Target

Achieve a usage rate of childcare leave by male workers of **80% or higher** by FY2025.

● Work-Style Reform

Target

Reduce average monthly overtime work hours to **half** by FY2025 compared to FY2020 levels through the promotion of work-style reform

Training

As part of our efforts to create an environment where all employees can choose diverse ways of working and excel, we conduct "Diversity Management Training" once a year for all executives and senior staff, promoting a culture that appoints talented individuals without being influenced by unconscious biases. In

addition, as a place where employees who have taken childcare leave can easily communicate with each other, they participate in external communities and support the career development of employees who are taking childcare leave.

Work-Life Balance

For the development of the company over the medium to long term, we believe that it is important employees to have a work-life balance, aiming for the creation of a workplace where each employee can continue to work with peace of mind and maximize his/her abilities while choosing diverse and flexible work styles according to life stage.

Based on the human resources strategy in the Medium-term Management Plan, which is "Develop human resource infrastructure that encourages autonomous growth of diverse human

resources for sustainable growth in corporate value," we are actively promoting various human resources system reforms, including the introduction of a side-job system, a teleworking allowance, and annual paid leave provided in hourly increments, abolition of core time in flexible workplaces, and are working to create an environment that realizes work-life balance. We will continue to respect the diversity of our workforce, improve productivity in line with the times, and promote measures that enable employees to work on their own initiative and with enthusiasm.

Childcare Support

In order to enable employees to continue working autonomously while raising children, we have implemented a variety of initiatives since 2005, including the introduction of a childcare leave system that allows employees to take up to two years of childcare leave and a shortened work hours program that can be utilized by employees until their child completes third grade of elementary school. In 2022, in addition to establishing a system to encourage

male participation in childcare, we established the "Life Support leave program," which enables employees to balance work with infertility treatment and child truancy, which have become social issues, and realize seamless support for the development of the next generation from before pregnancy to adulthood, working to create an environment where everyone can work maintaining a good work-life balance.

● Main Childcare Support Measures

Item	Name of measure	Overview
Leave	Childcare Leave Program	Leave can be taken until the day the child reaches two years of age (the day before their birthday)
	Newborn Care Leave Program	Leave can be taken for up to 28 days within the eight-week period starting from the delivery date (or expected delivery date) of the child
	Life Support Leave Program	Leave can be taken for up to two years for infertility treatment or child truancy
Monetary benefit	Mother and Father Childcare Leave Support Program	Employees who take newborn care leave for five or more days will receive financial support of 50,000 yen
Reduced working hours	Reduced Working Hours Program	Working hours can be reduced by up to two hours per day in the following cases: 1. Raising a child up to the third grade of elementary school 2. When undergoing infertility treatment 3. When a child refuses to attend school
Other types of leave	Sick/Injured Child Care Leave Program	Employees with children who have not yet entered elementary school can take up to 10 days of special leave (paid leave) when they need to take care of their sick/injured child
	Maternity Leave Program	Three days of special leave (paid leave) can be taken within two weeks from the date the employee's spouse gives birth
Other	Childcare Leave Supporter Program	A person in charge of support/support person is assigned to follow up with employees who wish to take childcare leave from before to after they return to work
	Expectant Father Meetings	Conduct interviews with male employees who are expecting a child and their superiors to introduce childbirth and childcare systems and confirm their intention to utilize such systems
Tool	Childcare Leave Handbook	We distribute a handbook that explains the various procedures performed before taking childcare leave and after returning to work in a way that is easy to understand

Nursing Support

Currently, Japan is entering an era in which the number of people requiring nursing care is rapidly increasing due to the rapid progress of the declining birthrate and aging population. To create an environment where employees who are caregivers can continue to thrive, we have established a Nursing Care Leave

Program that allows for up to one year of leave. For those who wish to take this leave, a three-party meeting involving the employee, their workplace supervisor, and the Personnel Division is conducted to deepen understanding of balancing caregiving and career responsibilities.

● Main Nursing Support Measures

Item	Name of measure	Overview
Leave	Nursing Care Leave Program	Leave can be taken for up to three different periods totaling an amount of time equivalent to one year
Monetary benefit	Nursing Care Leave Monetary Benefit	A monetary benefit is provided to employees who have worked for at least one year after returning to work
Reduced working hours	Reduced Working Hours Program	Working hours can be reduced by up to four hours per day (for up to three years from the point when an employee starts in the program)
Other types of leave	Special nursing care leave	Employees can take up to 10 days of special leave (paid leave) when they need to provide nursing care or other types of care

Human Resources Development and Training

Utilization of Human Resources in a Manner That Respects Diversity

Mid-career Hiring

We are actively promoting the hiring of mid-career employees with diverse experience, values, and skills, aiming to continue and expand our business in the future. In addition, by proactively

developing and appointing mid-career hires as core human resources, we will encourage changes in our values which will lead to the creation of new value.

Second Career

Seniors are valuable human resources possessing a wide network of contacts and a wealth of knowledge and know-how. In anticipation of changes in the social environment, we have been implementing measures to continue the employment of seniors over the age of 60 who have reached retirement age. In 2022,

we extended employment to the maximum age of 70 to encourage the further utilization of senior employees in the workplace. In addition, in order to support diverse work styles during second careers, we are promoting the expansion of programs such as reduced working hours programs and the side-job system.

Employment of Employees with Disabilities

In March 2022, our Group company TOMOWEL Business Partner obtained certification as special subsidiary company, enabling people with disabilities to contribute to improving productivity and creating innovation, playing an active role. We have established an environment where dedicated instructors are stationed on-site,

which is a distinctive feature of a special subsidiary company, allowing employees to perform at their best while maintaining mental and physical stability. We have also introduced evaluation systems and training aimed at career advancement, promoting a rewarding and fulfilling work environment.

Employment of Foreigners

In order to create new value for a company, we believe it is also important to hire talented people regardless of nationality and incorporate diverse values in the Company that differ from conventional values. We recruit and train foreign employees with a view

to playing an active role on the global stage at overseas Group companies, such as accepting trainees from overseas and hiring graduates of schools based in Japan.

Work-Style Reform

As society demands a realization of diverse workstyles that accommodate various lifestyles, our Group also believes that ensuring the health and well-being of our employees and their families is essential for the sustainable growth of the Group. The Kyodo Printing Group promotes diversity, reduction of working

hours, and flexible work styles, and strives to create a foundation for maximizing employee productivity and motivation. In fiscal 2018, we announced the Work-style Reform Declaration and are working to create an environment where employees can work with motivation and energy.

Basic Philosophy

We respond flexibly to changes in society and the business environment in accordance with our human resources development and internal environment improvement policies, and are promoting efforts to secure and strengthen the development of value-creating human resources in line with our management strategy.

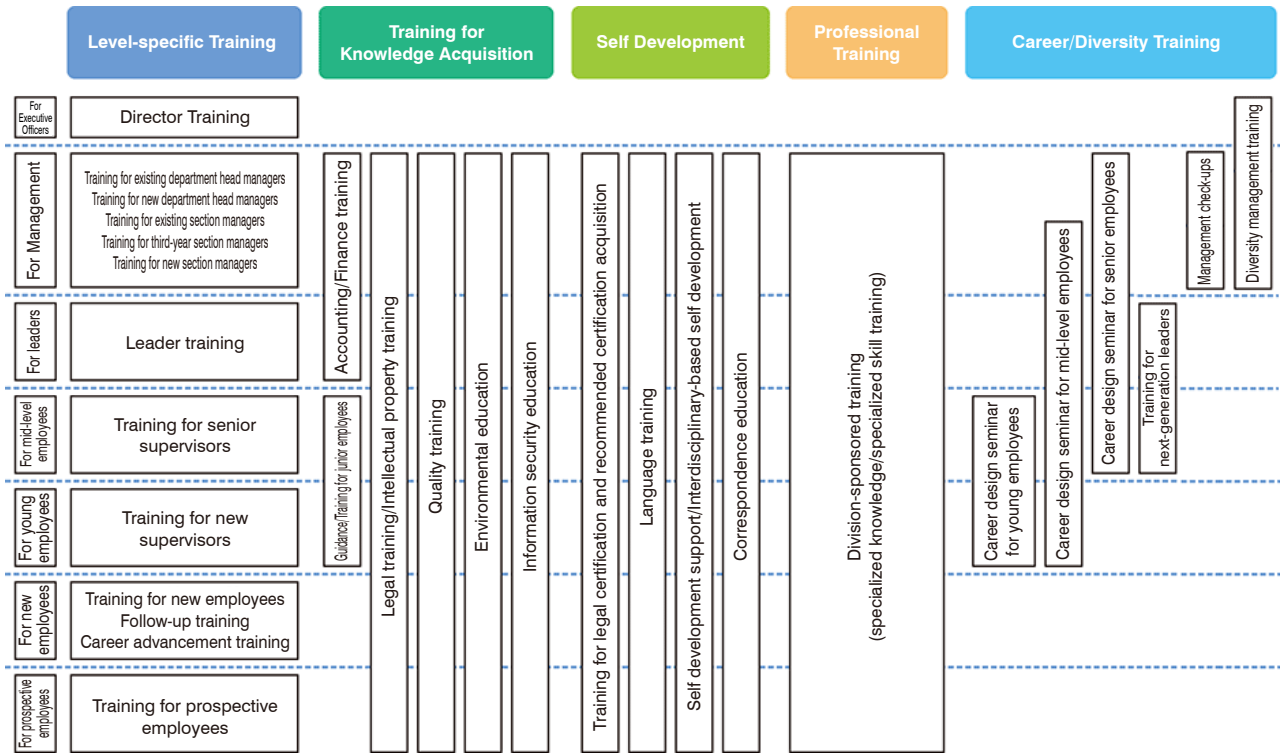
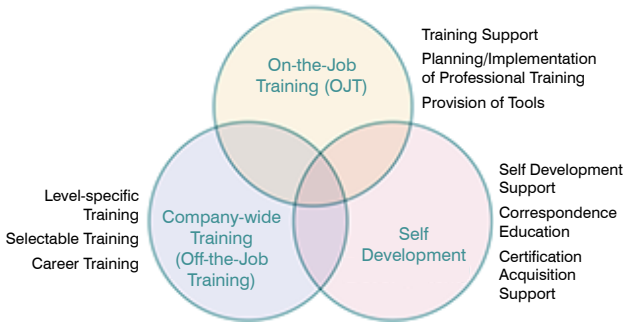
In particular, our management challenge is to secure and train digital human resources to expand new business areas in our Information Business, to reform production through IoT, and to strengthen our management base through the use of digital tools and the

advancement of business operation processes.

In promoting human resource management, we view the abilities and skills of our employees as a crucial management resource, and have introduced and have visualized a talent management system as the basis for strategic recruitment, placement, and training. In addition, we are strengthening our investment in human capital by expanding subsidies for the acquisition of relevant certifications to enhance our capabilities in line with the specialized nature of our business.

Human Resources Training

The personnel our Group seeks are “employees who independently work to create even slightly greater value through their own roles or jobs.” To ensure the sustainable growth of both “people” and “companies,” we are building a training system that maximizes and enhances the capabilities of our employees.



Improving Engagement

Basic Philosophy

In order to secure, train, and retain excellent human resources to improve productivity and corporate competitiveness, we believe that it is important to create an organization where employees feel motivated to work.

The Group is promoting initiatives that enhance employee motivation and engagement to improve productivity and corporate competitiveness through the establishment of flexible work styles unrestricted by time and place, work-life balance, health and safety, and other work environment improvements.

Major Initiatives

Promotion of Flexible Work Styles

We have introduced a coreless flex system and a system in which annual paid leave is provided in hourly increments to enable employees at various life stages to choose flexible work styles unrestricted by time or place.

Additionally, for positions and workplaces where telework is possible, we have implemented hybrid work, allowing employees to choose between commuting and telework based on their work conditions, thereby promoting smart work in which each employee can fully demonstrate their abilities.

Organizational Culture Reform

In order for a company to adapt to changes in the social environment and continue to grow sustainably, we believe it is important to create an environment in which each employee can express their own opinions voluntarily and create opportunities to take on innovation and change, thereby fostering an organizational culture that gives employees a sense of job satisfaction. To support individuals aiming to create a prosperous society and new value, and to

contribute to the generation of new business for the Group, we host the TOMOWEL Business Contest and conduct facilitation training through TOMOWEL Production Activities, mainly at manufacturing workplaces. These initiatives consider organizational psychological safety and lead to cultural reforms. We aim to increase corporate value by investing in human capital through both strengthening human resources and organizational culture reform.

Employee Benefits

We believe that it is an important corporate responsibility to ensure the stability and improvement of the lives of our employees and their families and to maintain and promote their health. In addition to various types of insurance, we are working to

improve employee engagement through the operation of cafeterias at business sites and manufacturing sites, the establishment of clinics, and the provision of comprehensive welfare services in partnership with external organizations.

Career Development Support

Aiming to secure and strengthen value-creating talent that can flexibly respond to changes in the social environment and think and act independently, our company conducts career design seminars for different age groups and conducts “Human Resources Career Interviews” to support the career development of all employees. Additionally, we strive to develop and nurture talent by promoting effective placement and rotation of personnel.

Furthermore, as part of initiatives that emphasize the importance of employees autonomously designing their own careers, we hold an annual “Career Design” session. During this session, each employee is given the opportunity to think about their future career, including specific promotions and roles, and to share these plans with their supervisors and the Company.

DX Human Resources Development and Training

We are working to develop and train human resources who will drive reforms autonomously, aiming to build a system that enables the Company and its employees to grow sustainably. In recent years, in response to changes in the business environment surrounding our group, we have been focusing on expanding new growth areas through digital solutions and improving the profitability of existing businesses through digital transformation (DX). We believe that strengthening digital talent is essential for this,

and therefore, we are expanding support for obtaining recommended qualifications, including national certifications. Additionally, to secure digital talent, we are expanding our channels for talent acquisition by introducing new hiring methods, increasing career recruitment, and re-employing retirees. By increasing the number of digital personnel within the Group, we aim to realize our business strategies.

Self-development

To support the autonomous career development of employees, we are enhancing incentives such as allowances and lump-sum payments for those who obtain recommended qualifications. Furthermore, management diagnosis (multifaceted diagnosis) and feedback training are conducted to reinforce and develop management capabilities as a means of re-learning for executives,

who are core human resources who support the realization of management strategies. By doing so, we will promote awareness and behavioral change among executives, respect diverse values within the organization, and lead to the creation of an environment in which diverse human resources can be utilized.

Human Resources System

The fundamental concept behind our human resources system is to achieve goals through sound corporate management while aiming to foster talent and build organizations that can promote the realization of our Group Management Vision.

To keep employees motivated, it is important to conduct fair and convincing evaluations. The Company is committed to promoting and ensuring a thorough understanding and implementation of the human resources system to evaluate and deal with personnel in an appropriate manner. Evaluator training is provided to

executive staff to improve their understanding of the human resources system and the knowledge and skills necessary for evaluation. Through training, we aim to develop employees' skills and train human resources by conducting fair and appropriate evaluations and correctly communicating evaluation results.

Furthermore, we have established a Human Resources System Opinion box to gather feedback from employees on operational issues related to evaluation and feedback in order to ensure the proper implementation of the human resources system.

Human Resources System Reform

We are revising our human resources system to support employees who take on challenges in order to establish a human resources infrastructure that encourages the autonomous growth of diverse human resources. We have introduced a defined contribution pension system based on a review of the retirement benefit

system to support the asset formation of employees for the future. In addition, we have revised our role grade system to better reward contributions to performance and roles, creating a system where employees find motivation through appropriate treatment and compensation.

Support for Challenges

From the perspective of supporting the autonomous career development of each employee, we are striving to revitalize the effective allocation and rotation of human resources. We create opportunities for employees to take on challenges of their own volition through systems such as the Career Challenge System (in-house recruitment system) and the side-job system.

Additionally, we are enhancing support systems for employees' self-development, including support for obtaining legally required qualifications and Company-recommended certifications, as well as self-improvement support systems to enhance both individual employees and the organization.

Health Management

Issues such as lifestyle diseases, mental health, and health-related challenges specific to women are being highlighted as management challenges due to their direct impact on business productivity and performance. Since employees are the source of sustainable growth for a company, ensuring their physical and mental health to improve productivity and performance is

Major Initiatives

As a health management measure for its employees, the Group conducts a variety of health checkups based on advice from industrial physicians and collaborative health care with the Kyodoprining Health Insurance Society. We actively support specific health guidance by creating an environment that makes it easy for employees to participate even during working hours. At workplaces

that handle chemical substances such as organic solvents, we are promoting initiatives to prevent health problems, such as ensuring an appropriate working environment, conducting special health examinations, and listening to opinions not only from industrial physicians but also from occupational health consultants depending on the situation.



The project includes planning of health management measures, monitoring, and measuring the effects of health-related investments, which are reviewed annually through management reviews.



We have introduced mental health counseling provided by industrial physicians and psychiatrists, and the Employee Assistance Program (EAP), which is supported by an external counseling organization. We strive to prevent and detect mental health problems at an early stage by providing training such as line-care training for managers and self-care training for employees.

themselves. Additionally, when employees who have been undergoing long-term medical treatment, regardless of whether the injury or illness is work-related, are ready to return to work, we support their reintegration into the workplace through our Return-to-Work Program.

The International Covenant on Economic, Social and Cultural Rights lists “Rest, leisure and reasonable limitation of working hours” as a right for everyone to enjoy fair and good working conditions.

The Kyodo Printing Group is working to prevent long working hours by promoting advanced business processes through digital transformation (DX) and efficiency through production process reforms, and has established a system on the intranet that allows for

monitoring working conditions in real-time. When overtime work exceeds a certain level, we alert supervisors and employees to prevent overwork. Employees who reach 75 hours of overtime per month are required to interview an industrial physician for dealing with fatigue. Furthermore, through the introduction of an inter-work interval system, we have created an environment in which employees can play active roles in a healthy state, such as by ensuring that they have time to sleep.

In order to achieve sustainable growth of the entire Group through the improvement of employee productivity and organizational revitalization, which are the objectives of health

management promotion, we are promoting initiatives with the following priority measures. KPIs are set to implement, evaluate, and improve measures.

Kyodo Printing has been recognized in the large enterprise category of the Ministry of Economy, Trade and Industry's Health and Productivity Management Organization Certification Program for six consecutive years since 2019. This recognition is due to our efforts in providing health guidance by industrial physicians following regular health checkups, implementing COVID-19 countermeasures including workplace vaccinations, smoking cessation guidance, and reducing long working hours.



* Smoking Cessation is a term used to describe the process of quitting smoking.

	KPI	Description	FY2023 results
Organizational revitalization	Work engagement	An indicator to evaluate how engaged and energized employees are at work	45.3%
Improving productivity	Presenteeism	An indicator that shows the number of days an employee is present at work but not fully functioning due to some sort of problem. Number of days when an employee was present at work but not fully functioning (average per employee per year)	30.5 days per employee
	Absenteeism	An indicator that shows the number of days an employee is forced to rest due to illness. Average number of days of sick leave/absenteeism per employee	3.1 days

Occupational Health and Safety

Health and safety is a fundamental human right in labor. The Universal Declaration of Human Rights defines health and safety as the “right to life, freedom and physical safety”, and in 2022, “safe and healthy working conditions” was added to the core labor standards of the ILO Declaration, regarded as the foundation of decent work.

For the sustainable growth of a company, it is crucial to create

a workplace environment where all employees can improve their productivity, work in good physical and mental health, and maintain high levels of engagement. Understanding that the safety and health of employees is the foundation of sound business activities, we comply with the standards set by the laws and regulations of each country and promote safety and health initiatives not only within the Group but also with partner companies.

Safety and Health Management System

Based on the Group Safety and Health Policy, our activities are centered on the Safety and Health Committee chaired by the executive officer in charge to ensure a safe and comfortable working environment for employees.

As part of our hazard prediction activities, we conduct risk assessments for all employees working on site and horizontally

deploy information on occupational and commuting accidents. We also work to reduce disaster risks through regular safety and health patrols and 5S patrols. In addition, we strive to maintain and improve our safety and health management system through safety and health education and obtaining opinions and advice from industrial physicians and other experts.

Respect for Human Rights

Human Rights Management

Basic Philosophy

In the international community, addressing various human rights issues such as discrimination and harassment in employment, health and safety, personal information protection, forced labor and child labor has become a management issue for companies.

In line with the belief that all business activities depend on people, the Kyodo Printing Group believes that addressing human rights risks in business activities in Japan and overseas and the procurement of raw materials is essential for strengthening the

management base of the Company and achieving sustainable growth. Based on our Group Human Rights Policy, our Group supports international standards such as the International Bill of Human Rights, ILO core labor standards, and the UN Guiding Principles on Business and Human Rights, upholding the human rights of all employees, customers, and business partners to fulfill our corporate responsibilities.

Access to Remedy

We have established an Ethics Consultation Office consisting of an internal help desk and an external help desk for consultations, anonymous or otherwise. Furthermore, reports are available not only to our employees but also to employees working

at companies with which the Group has business relationships, establishing a system for early detection, correction, and remedy of human rights violations.

Human Rights Education

We provide various education and training programs to deepen understanding of respecting human rights. Every year, we offer human rights training for new employees and harassment training for managers and employees, and in FY2023, we also conducted

training on “business and human rights” for all Group executives and employees. We will continue to strive to prevent the occurrence of human rights-related incidents and to ensure that respect for human rights is firmly established as a corporate culture.

Major Initiatives

● Respect For Workers' Rights

The Group guarantees workers' freedom of association in accordance with international standards.

We have entered into a collective agreement with the Kyodo Printing Workers Union and recognize the right to organize, bargain collectively, and act collectively as the rights of workers.

Regular employees, except for managers, have the right to join the workers union. Labor-management consultations between the Company and the union aim to improve working conditions, treatment, and the working environment for union members and employees.

● Harassment

In addition to establishing anti-harassment rules, we have established multiple consultation desks, such as the Human Resources Department, the Kyodo Printing Workers Union, and the

Kyodo Printing Clinic. We also strive to curb the occurrence of harassment incidents by providing harassment training for managers and employees.

Communication between Labor and Management

Sharing information and engaging in close exchanges of opinions between labor and management form the foundation for maintaining healthy and stable labor relations.

The Group is committed to maintaining and improving the workplace environment and building stable labor relations through various labor-management consultations. We regularly hold

meetings such as “Top Management Meetings,” “Management Councils,” “Labor-Management Committees,” “Steering Committees,” and “Liaison Meetings” to share information and discuss various issues. The Company strives to build trust by deepening mutual understanding between labor and management.

Consumer Safety and Product Quality

Providing High-quality, Safe Products

In order to provide products and services that customers can trust, we are working on continuous improvement activities based on the Kyodo Printing Group Quality Policy.

Quality Assurance Framework

Based on the Kyodo Printing Quality Policy, we established the Quality Assurance Committee chaired by a managing corporate executive officer to promote quality assurance activities and are committed to continuous quality improvement from a customer-first perspective. The committee carries out activities to continuously improve quality through the PDCA cycle, as well as conducts a review each year via a management review.



Quality Assurance Education

In order to improve the quality of our products and services to a higher level, we provide various types of quality assurance education from the time an employee joins the company. We are committed to improving quality by conducting training

for managers who are closest to general staff at each factory, providing education through manufacturing advisors, and implementing unique training tailored to the specific circumstances of each manufacturing departments.

Quality Audit System

We regularly conduct workplace patrols and audits of the manufacturing (production) departments of each business division. We have established an effective system for not only products

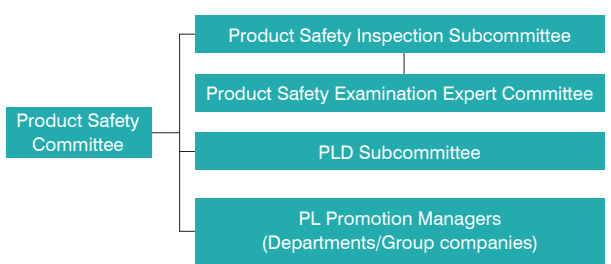
but also services, such as reviewing management guidelines and establishing specialized subcommittees.

Product safety

Product Safety Promotion Framework

The Kyodo Printing Group aims to manufacture products that customers can use with peace of mind throughout the product lifecycle. In order to promote product liability (PL) and product safety (PS), we established a Product Safety Committee chaired by the managing corporate executive officer, for evaluating product safety from newly developed products to the proposed products, including promotional materials. We have also been working on examination and management of specialized safety through subcommittees and expert committees. The activities are aimed at the entire Group and are reviewed annually through management reviews.

● Product Safety Promotion Framework



External Certification Acquisition

To provide customers with peace of mind and safety, we have acquired various certifications related to advanced information security systems, environment, and quality, such as the Privacy

Mark and the ISMS (currently ISO/IEC27001), the first to do so at a printing plant.

Community Involvement and Development

Approach to Social Contribution Activities

As a corporate citizen, we have established the “Approach to Social Contribution Activities” and actively engage in social contribution activities in order to develop local communities and solve local issues through our business activities. In order to promote

mutual understanding with society and the sustainable development of the company, we will work to foster a corporate culture in which each employee can communicate with society voluntarily and proactively.

1. We will conduct social contribution activities in five areas: Education & culture and the environment and the environment, which are closely related to the printing industry, as well as local communities, welfare, and humanitarian assistance.
2. Through social contribution activities, we will support the social contribution activities of our employees so that they can grow into human resources who can communicate voluntarily and proactively with society.
3. We will make use of management resources (human resources, know-how, technology, facilities, etc.) cultivated through business activities to carry out activities that are unique to the Kyodo Printing Group.
4. In order to implement social contribution activities with a broad perspective, we will enhance the content of our activities through dialogue and collaboration with external stakeholders.

Social and Cultural Contribution Activities (FY2023 Report)

TOPICS

An upcycle art workshop for children was held at Mizonokuchi through the Manabi Creation Project

As part of our educational initiatives, we held a workshop during “Town Planting 2023 CITY × GREENING,” which was held on the rooftop of the Mochida parking lot of the eM / PARK complex in Mizonokuchi. This workshop was an upcycling craft program for children under the theme “making learning fun” co-hosted by kaichu-dento Co., Ltd., a company that implements recycling art programs using discarded capsules.

The Company’s Learning Creation Project spearheaded this program and organized original workshops. We invited an art teacher for children and used “loss flowers” (flowers that are no longer sellable or are to be discarded) collected from nearby flower shops for flower coloring, flower medal craft, and

other activities. For adults, we provided guidance on how to turn flowers that they enjoy at home into dried flowers without losing their color. Additionally, with the cooperation of Kyodo FTech Co., Ltd.*, one of our Group companies, we issued commemorative visitor cards with face photos using recycled PVC materials to participants.

These initiatives provide children with an opportunity to think about self-expression and upcycling.

We will continue to provide new learning opportunities to meet diverse educational needs.

* Kyodo FTech merged with Kyodo Printing Nishinohon on October 1, 2024.

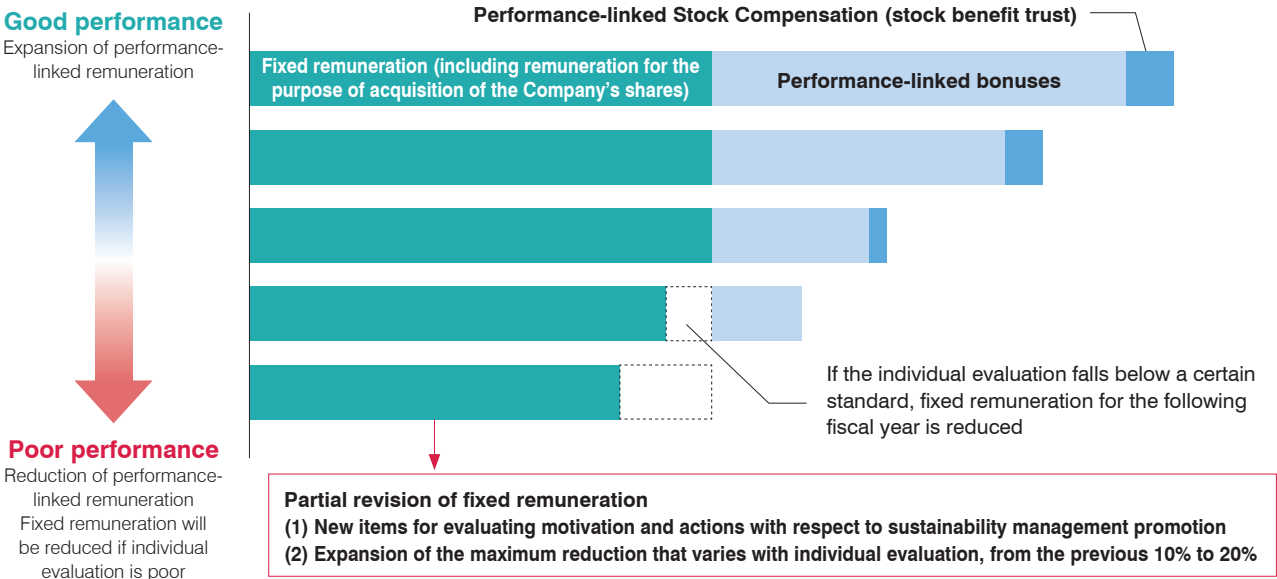


Executive Officer Remuneration System

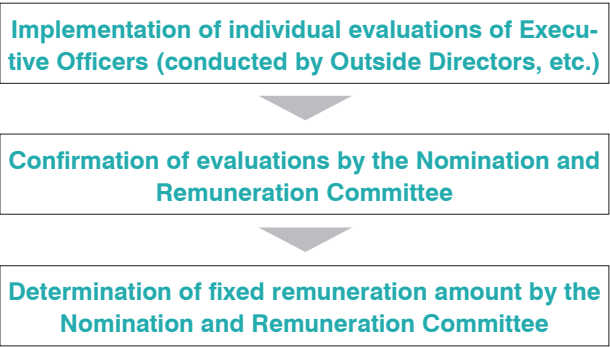
The Group regards the Executive Officer Remuneration System as one of the crucial mechanisms essential for proper corporate governance and the sustainable growth of the Group as a whole. We have clearly documented policies concerning the system (the remuneration system, remuneration-specific composition ratios, the remuneration determination process, etc.) in the form of the Executive Officer Remuneration System Regulations.

Excluding Outside Directors, remuneration for Directors consists of fixed remuneration and performance-linked remuneration. Performance-linked remuneration includes bonuses linked to short-term performance and stock compensation (stock benefit trust) linked to medium- to long-term performance. The amounts of fixed remuneration and performance-linked remuneration based on the Executive Officer Remuneration System Rules are determined by the Nomination and Remuneration Committee, which is authorized by the Board of Directors, within the limits of the total remuneration amounts determined at the shareholders general meeting.

● Overview of Remuneration Composition



Fixed remuneration



The Nomination and Remuneration Committee conducts ongoing reviews of the Executive Officer Remuneration System to ensure that it functions as a healthy incentive for sustainable growth.

In FY2024, we decided to incorporate items evaluating Executive Officers' motivation and actions with respect to sustainability management promotion into individual evaluations for fixed remuneration for all executive officers to strengthen the awareness of Executive Officers at the forefront of sustainability management initiatives. Fixed remuneration at the Company is a mechanism by which remuneration for the following fiscal year is reduced if the individual evaluation conducted every year falls below a certain standard, for the purpose of ensuring a positive pressure and spurring motivation among Executive Officers. Evaluations are carried out by the Chair of the Nomination and Remuneration Committee (an Outside Director) and other parties. Of the evaluation items, the evaluation weighting for sustainability was set at 10%. The maximum reduction of fixed remuneration was raised from 10% to 20%, enhancing the keenness of the remuneration system.

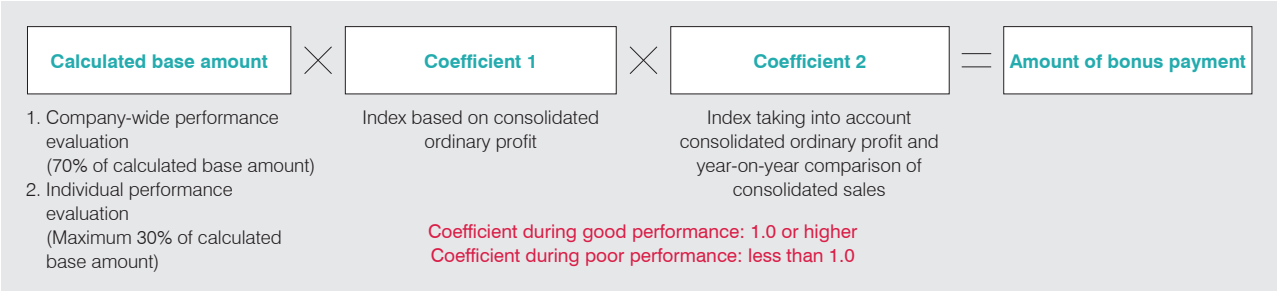
Key Points

- Outside Directors are involved from the individual evaluation stage onward
- All contents of individual evaluations are shared among the Nomination and Remuneration Committee
- Specific remuneration amounts are decided by the Nomination and Remuneration Committee, with an Outside Director as Chair, based on evaluation
- If the individual evaluation falls below a certain standard, remuneration in the following fiscal year is reduced and reasonable measures are implemented, including interviews with the Nomination and Remuneration Committee or resignation

Performance-linked bonuses

In accordance with the rate of achievement of the consolidated ordinary profit plan, a base amount is calculated based on the amounts on the bonus payment table set for each position by the Nomination and Remuneration Committee (with some variation depending on

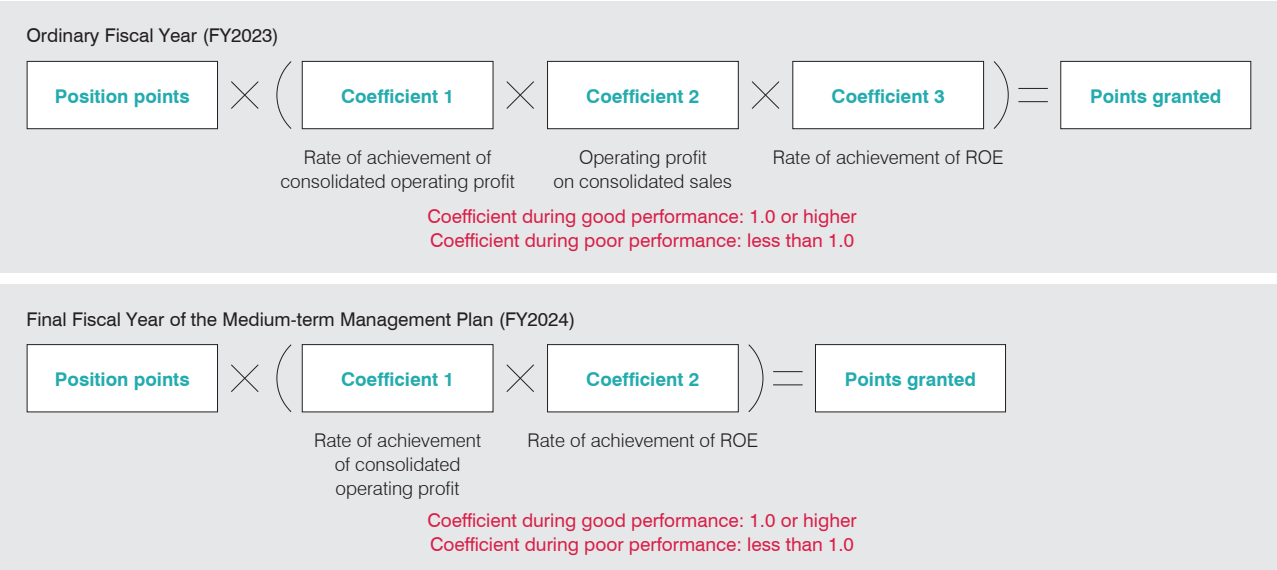
individual performance evaluation). The bonus payment amount is calculated by multiplying the calculated base amount, index based on consolidated ordinary profit, and index taking into account consolidated ordinary profit and year-on-year comparison of consolidated sales.



Performance-linked Stock Compensation (stock benefit trust)

The points set for each position (position points) are multiplied by a coefficient calculated from the absolute value and rate of achievement of the performance evaluation indicator to determine the points to be granted. Points granted to Directors are converted

to one share of common stock of the Company per point when shares of the Company or other benefits are granted at the time of resignation, etc.



Our Approach to Cross-shareholding

We hold shares of our business partners only when it is deemed that doing so helps maintain and strengthen business relationships with important business partners, contributing to enhanced medium- to long-term corporate value of the Group.

Each year, the Board of Directors reviews the appropriateness of cross-shareholdings by examining each individual issue from the perspective of its purpose, economic rationale, and whether it will contribute to improving the Group's medium- to long-term corporate value. As a result of this verification, we proceed with the sale, as appropriate, of stocks for which the significance of the holding has been found to have diminished.

In the Medium-term Management Plan spanning FY2025 to

FY2027, we have resolved to reduce the amount to less than 15% of the amount of consolidated net assets.

With respect to voting rights related to cross-shareholdings, we do not use uniform standards to determine approval or disapproval, but rather exercise our voting rights appropriately on a proposal-by-proposal basis upon comprehensively considering the management policies and strategies of the relevant investee company. In the event of a situation in which the corporate value or shareholder value of the company in question is significantly impaired, or a situation in which there are serious corporate governance concerns, we will exercise our voting rights with particular care and scrutiny.

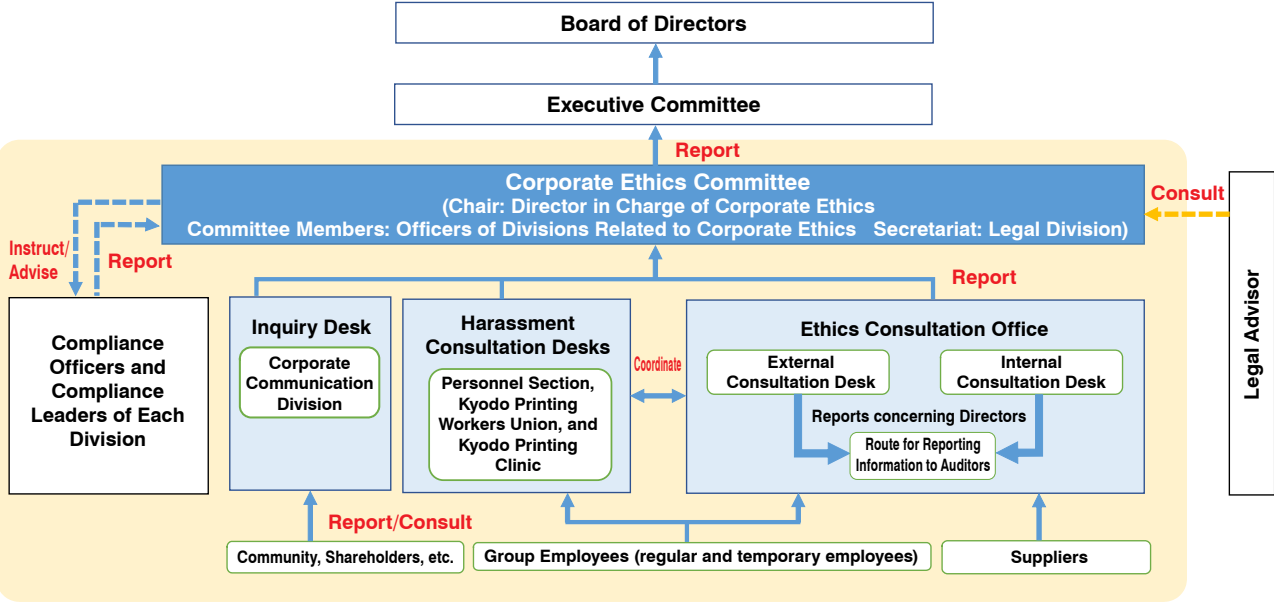
Compliance

Compliance Promotion Framework

Based on the Group Ethics Charter, a code of conduct for corporate ethics, we have established the Corporate Ethics Committee, chaired by the Executive Officer in charge of corporate ethics. Aiming to establish the Group's corporate ethics, we are working to promote awareness of corporate ethics through the formulation and promotion of company-wide policies and measures.

Additionally, under the Corporate Ethics Committee, compliance officers and compliance leaders have been appointed in all divisions and Group companies to implement measures for and raise awareness of compliance within the organization. The activities of the Corporate Ethics Committee are reviewed annually through management reviews.

● Compliance Promotion Framework



Whistleblowing System

We have established an Ethics Consultation Office consisting of an internal help desk for early discovery and correction of unfair acts by officers and employees and an external help desk for consultations, anonymous or otherwise. In addition, an Auditor's Route, a reporting channel independent of management, has

been established within the Ethics Consultation Office to receive reports concerning Directors. The Whistleblower Regulations protect whistleblowers by stipulating the prohibition of searches for or disadvantageous treatment of whistleblowers.

● Number of Whistleblowing Reports

	2019	2020	2021	2022	2023
Cases	23	22	38	26	31

Compliance Education

To raise compliance awareness among Directors and employees throughout the Group, we utilize e-learning on legal compliance, human rights education, and employee level-specific compliance education. These efforts to raise group-wide awareness

also include distributing to all Group employees our Corporate Ethics Handbook, which compiles important key points and self-checklists that must be observed during daily work, and publishing educational articles in the Group newsletter.

Anti-Corruption and Bribery Countermeasures

The Ethics Charter of the Group prohibits gifts and special treatment that deviate from general business custom and common sense. We also endeavor to maintain appropriateness with government bodies in Japan and overseas by ensuring sound and

transparent relationships with public officials. In addition, we have formulated a hospitality and gift-giving/receiving policy, and operate a management system to record hospitality and gifts.

Respect for Intellectual Property Rights

For the Kyodo Printing Group, initiatives related to intellectual property play an important role in fostering and expanding our strengths and growing them. Patent information is used from the first stage of product and service development to conduct activities aimed at acquiring patents to contribute to business profits. In addition, respect for the intellectual property of others and non-infringement of the rights of others are regarded as one of the quality of the Group's products and services. A patent search system was established to avoid the risk of infringing upon others' rights. A patent search and analysis were conducted at various

stages, ranging from product and service development to customer presentation. In order to promote these initiatives, it is also important to raise awareness about intellectual property rights among employees. We provide basic education for all employees and highly specialized education for the development division using actual products on an ongoing basis so that they can pay attention to and raise awareness of intellectual property in their daily work. Furthermore, we have established a reward system for inventions, etc. to stimulate employees' incentives for activities to create intellectual property.

Export Management Framework

Export of cargo related to weapons of mass destruction or provision of technology require strict export control based on foreign exchange law, by international agreement. We have enhanced the export Management Framework by enacting Export Management

Regulations, and establishing a framework consisting of a first check by the Export Trading Division and a second check by the Export Management Secretariat (Legal Division).

Dealing with Antisocial Forces

The Group Business Behavior Charter stipulates that the Group shall thoroughly implement crisis management in preparation for actions by antisocial forces that threaten corporate activities. We are strengthening close cooperation with external specialized agencies including law firms and police departments, working to thoroughly

eliminate antisocial forces through the Group Ethics Charter. For our business partners, we are also making efforts throughout the supply chain, such as establishing provisions to exclude antisocial forces in the Basic Transaction Agreement concluded at the time of the commencement of business transactions.

Compliance with Antimonopoly Act

In March 2022, we received a cease-and-desist order and a surcharge payment order from the JFTC under the Antimonopoly Act. We take the situation very seriously and are working to promote understanding of laws and regulations and strengthen our internal check system. Regarding measures to prevent recurrence, the Board of Directors regularly checks the status of implementation to ensure thorough compliance with laws and regulations.

◆ Overview of Main Recurrence Prevention Measures

Countermeasures	Implementation
Stricter control system	<ul style="list-style-type: none">Mandatory maintaining of records of contact with competitorsMonitoring through e-mail monitoring system
Understanding of relevant laws and regulations	<ul style="list-style-type: none">Seminars conducted by the Legal Division
Prevention of holding same position for extensive period	<ul style="list-style-type: none">Regular job rotation
Improvement of corporate culture	<ul style="list-style-type: none">Promotion of internal communication through interviews with supervisors and subordinatesImplementation of compliance awareness surveys to identify issues

Communication

Stakeholder Communication

Timely Disclosure System

With the aim of “fair information disclosure and communication with stakeholders” as stated in the Group Business Behavior Charter, we actively disclose useful and reliable information and conduct IR activities that emphasize communication with shareholders, investors, and society at large.

Information that is required to be disclosed under the Timely Disclosure Rules of the Tokyo Stock Exchange is disclosed in a

Dialogue with Shareholders and Investors

We consider the ordinary shareholders general meeting to be a forum for constructive dialogue with our shareholders. In order to enable shareholders to fully consider proposals, the Company discloses information about the shareholders general meeting on its website, TDnet on the Tokyo Stock Exchange, etc. (as early as four weeks before the date of the meeting), and sends out convocation notices (as early as three weeks before the date of the meeting). In addition to developing a system that allows shareholders who do not attend the general meeting of shareholders to exercise their voting rights in writing as well as via PC or smart-

Stakeholder Communication

In order to be a company that is trusted by society, it is important to be aware of society’s needs and expectations for the Kyodo Printing Group and conduct business activities that meet those

timely and appropriate manner by the officer in charge who is responsible for information disclosure, after obtaining approval from the Board of Directors. This information is also available on our website. Furthermore, even if the information does not fall under the category of timely disclosure, we actively disclose information that is useful to shareholders and investors on our website.

phone, we also participate in ICJ’s electronic voting platform for institutional investors.

The Company also prepares the notice of convocation in English for overseas institutional investors and posts it on the Company’s website and TDnet so that those investors can use the voting platform.

We also hold financial results briefings, meetings with institutional investors, and company briefings for individual investors, and work to deepen communication with shareholders through direct dialog in an effort to enhance IR activities.

needs and expectations. We endeavor to reflect this in our corporate activities through communication with all our stakeholders.

● The Kyodo Printing Group Stakeholder Communication

Shareholders and Investors	Customers	Employees
<ul style="list-style-type: none">• Shareholders general meeting• Information disclosure via investor relation websites• Investor relation interviews for institutional investors• Issuance of shareholder correspondence• Financial results briefing• Company briefings for individual investors	<ul style="list-style-type: none">• Sharing information via websites, e-mails, and social networking sites• Customer correspondence from sales divisions• Exhibitions and seminars• Customer satisfaction surveys	<ul style="list-style-type: none">• Compliance awareness surveys• Information disclosure via company newsletter and intranet• Internal reporting and consultation• Interviews• Employee engagement surveys
Business Partners	Community and Society	
<ul style="list-style-type: none">• Holding events to convey gratitude• Awards system• Sustainable procurement survey• Reporting desk for suppliers	<ul style="list-style-type: none">• Cooperation and participation in regional activities• Regional contribution activities• Collaboration with government	

Information Security

Information security

Basic Philosophy

In today’s society, where people are connected with other people and with things through information and communication networks that transcend national borders, the threat of cyber attacks, the growing importance of protecting personal information, and the assurance of data privacy have become issues for society as a whole.

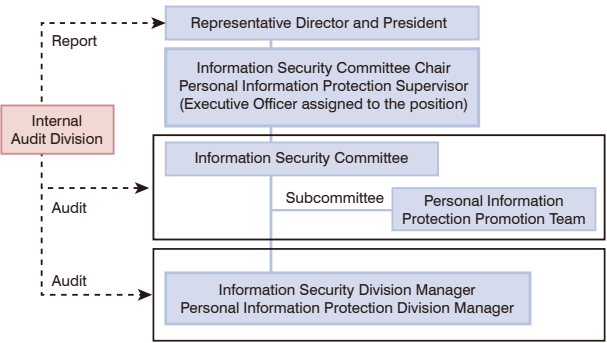
As a Group, we consider the establishment of an information

security system that firmly protects personal and corporate information and other information assets entrusted to us by our customers to be a crucial management issue. In response to the trust society places in us, we will strive to reduce corporate risk and, as a foundation for growth, will create new value through the provision of digital services that provide safety and a sense of security, accessibility, and convenience for everyone.

Implementation Framework

In order to respond to the ICT era and ensure a high level of information security, we have established an Information Security Basic Policy and set up an Information Security Committee chaired by the managing corporate executive officer to take measures that protect information assets. The committee develops regulations, auditing and training systems, as well as equipment, and performs annual oversight through management reviews. In addition, the Business Media Division has obtained ISO/IEC27001 certification, the international standard for information security management systems (ISMS), for the Kawajima Solution Center and the Tsurugashima Plant. It has also obtained ISO22301 certification, the international standard for business continuity management systems (BCMS), to minimize damage and promptly restore operations in the event of an emergency.

◆ Information Security and Personal Information Protection System



Incident Response

We have established TOMOWEL-CSIRT as a specialized organization to provide agile response direction and technical measures in the event of an emergency. During normal times, this body

engages in countermeasure training and educational activities to combat targeted e-mail attacks in cooperation with our existing information security system and thereby prevent emergencies.

Personal Information Protection (Privacy Mark)

In utilizing personal data to provide products and services, due consideration for consumer privacy is the foundation of business continuity. Acting under our Personal Information Protection Policy as a business operator awarded the Privacy Mark, the Company has created and operates a Personal Information Protection

Management System conforming to the Personal Information Protection Management System requirements of JIS Q 15001.

We are working on raising awareness throughout the Group through means including regular education for all employees.

Audit System

We conduct internal audits of personal information protection and information security for all departments. The audits are updated according to the latest status, and if there is a problem, the operation, system, and hardware are promptly corrected to maintain strict and appropriate management and operation.

We also keep our audit items up-to-date by revising them in response to revisions of laws and regulations, such as measures to prevent e-mail miscommunication and My Number related measures.

Education System

In order to protect personal information and other important information assets, we provide education from management to all Group employees, including contract employees, temporary employees, and resident subcontractors. We also provide specialized education tailored to each level and responsibilities.

After providing education, e-learning and tests are conducted to confirm the level of employees’ understanding.

In addition, we are working to raise security awareness by conducting response training and Group training for targeted e-mails.

Responsible Procurement

Basic Philosophy

The Group's products and services are made possible through the cooperation of excellent technology, human resources, and equipment provided by its suppliers. As suppliers are indispensable to improving our ability to create value, our basic stance is to have fair and free business relationships based on the principle of mutual benefit. Furthermore, we aim to realize a sustainable society and mutually develop the entire supply chain by appropriately responding to social issues with shared values and co-creating

new value.

Based on the above approach, we completely revised our Basic Procurement Policy in fiscal 2023. Also, we are planning to revise our procurement standards in fiscal 2024 in accordance with the current social situation, and have begun to strengthen our sustainable procurement system, including the establishment of a promotion system.

Sustainable Procurement

In order to provide products and services to society, we believe it is necessary to promote sustainable initiatives not only in the Group but also throughout the entire supply chain, from procurement of raw materials to delivery of products. By working with our

suppliers to address issues such as human rights, the environment, and corporate ethics, we aim to respond to the demands of society and achieve mutual development through the creation of new value through collaboration.

Guidelines for Major Initiatives

- Human Rights and Labor Practices
Implement initiatives to prevent human rights violations and to create a safe and healthy work environment in line with our Human Rights Policy and Health and Safety Policy
- Environment
Implement initiatives aimed at coexistence between society and the global environment in accordance with the environmental policy
- Consumer Safety
Implement initiatives for safe and secure products and services for consumers and customers in accordance with our quality policy, information security basic policy, and personal information protection policy
- BCP
Implement initiatives to fulfill our supply responsibilities through prevention and countermeasures against unforeseen situations in line with the BCP Basic Policy
- Compliance
Implement initiatives to promote corporate ethics in accordance with the Code of Corporate Ethics

Supplier Surveys

We investigate the status of CSR initiatives of major suppliers (including overseas Group companies). Survey results are immediately used to identify the current conditions of major suppliers and improve their efforts. In addition, if our standards are not met,

we conduct additional surveys and on-site inspections, and take corrective measures such as guidance as necessary to improve the level of the entire supply chain.

Green Procurement

The Green Procurement Guidelines were defined to promote green procurement related to reduction of global environmental burden and advancement of product safety related to chemical substances with the Environmental Committee and Green

Procurement Department at the center of activities.

We ask our business partners to understand and cooperate with the Group's environmental policy at the time of contracting, and work to reduce the environmental burden of the entire supply chain.

Sustainable Use of Forest Resources

In the paper printing business, the legal and stable supply of forest resources, which are used as raw materials for paper, is essential for business continuity. To ensure the sustainable use of forest resources, in order not to be complicit in the use of illegal timber due to illegal logging, which is a major cause of deforestation,

we are promoting activities such as requesting suppliers to submit certificates of use of legally logged timber when procuring printing paper.

In fiscal 2023, we confirmed that 76.2% of paper came from legally harvested timber (purchase amount basis).

Fair Trade

The Group Ethics Charter stipulates that we will conduct business with suppliers and other business partners on fair terms and conditions based on the principle of free competition, and that we will not engage in unfair dealings such as abuse of a superior bargaining position. Furthermore, the Basic Procurement Policy

and the regulations on business transactions state that ensuring fair and free competition based on the principle of mutual benefit is a basic rule, and we are working to build even more trusting relationships with our business partners.

Establishment of a Supplier Helpline

To enable transparent and fair trading with suppliers, we set up a Supplier Helpline (operated by the Ethics Consultation Office). Reports through the hotline notify us about legal violations or

behavior deviating from the Basic Procurement Policy to help solve problems.

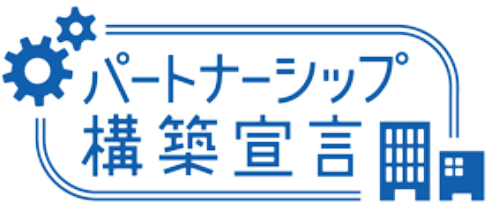
Promotion of Compliance with the Subcontract Act

Compliance with the Subcontract Act serves as a basis for transactions with our suppliers. In addition to establishing rules on compliance with the Subcontract Act, we are working to raise awareness by providing management and supervisory training,

as well as training for purchasing, sales, and development divisions, and dispatching employees to seminars to deepen their understanding.

Declaration of Partnership Building

We have formulated the Partnership Building Declaration in order to promote fair and sound transactions with business partners and businesses that seek to create value and to clearly demonstrate that intention.



Risk Management

Risk Management

Basic Philosophy

We recognize that it is the Group's social responsibility to provide a stable supply of its products and services and to ensure the continuity of its business amid the growing and diversifying risks surrounding the company. In order to fulfill this responsibility, it is important to correctly recognize various risks in our business activities, to minimize their occurrence as much as possible, and to minimize any losses if they should occur. The Group has

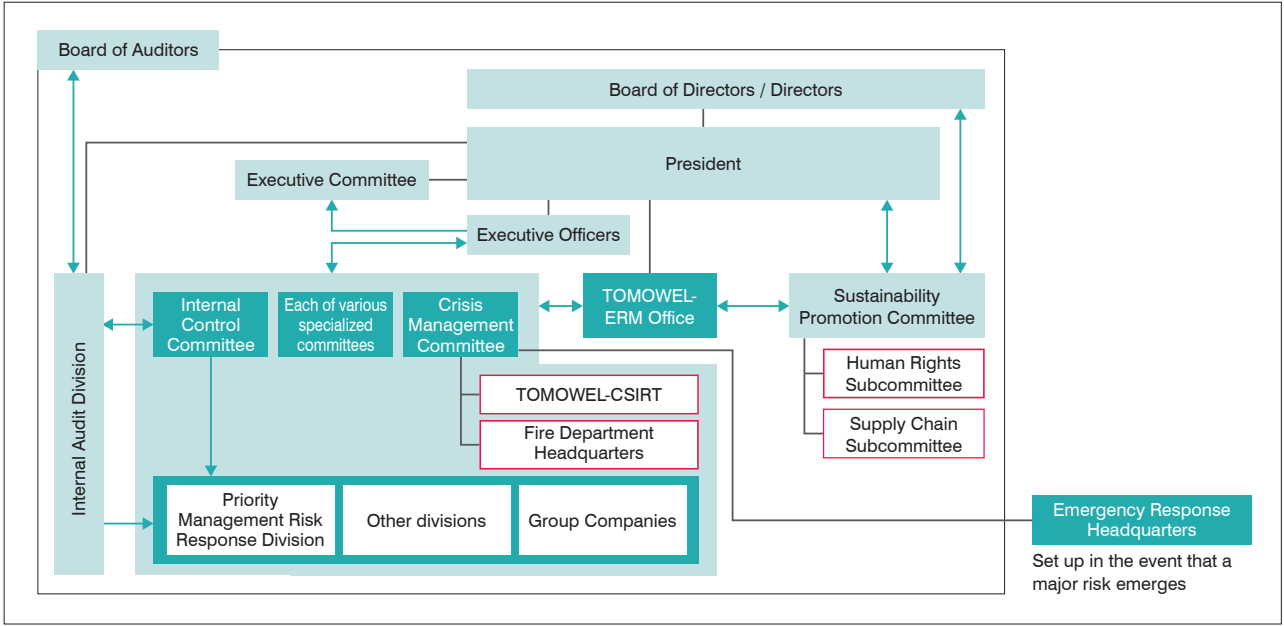
established a Risk Management System to prevent management risks that may hinder the achievement of business plans, and a Crisis Management System to deal with unforeseen situations, and is conducting proactive and dynamic risk management. We have also begun a renewed identification of management risks in accordance with recent societal circumstances, with the aim of revision within FY2023.

Implementation Framework

Under the supervision of Directors, the Risk Management System consists of day-to-day management by departments to prevent the manifestation of risks in the normal course of business execution, as well as by specialized committees, each led by the managing corporate executive officer, including the Internal Control Committee, Quality Assurance Committee, Product Safety Committee, Information Security Committee, and Environmental Committee. These work together to identify, analyze, evaluate,

and respond to risks from a company-wide perspective and to resolve issues. In the event of an unforeseen situation, the Crisis Management Committee takes the lead in information management and information sharing, and responds in cooperation with related departments. We have formulated a Crisis Management Manual that outlines the response flow for typical crisis situations, and we prepare for contingencies by reviewing it as needed in response to changes in the business environment.

● Risk Management System



Business Continuity Plan (BCP) structure

Under the Kyodo Printing Group Basic BCP Policy, the Group is advancing the establishment of a system to ensure that, in the event of a major disaster, the Group will not only place the highest priority on securing lives and safety but will also strive to continue product supply, fulfill its responsibilities to customers, resume and restore operations as quickly as possible, and minimize the

impact on management. We have also expanded the scope of certification under our Business Continuity Management System (BCMS)/ISO22301 to strengthen our business continuity system, and are striving to create a system that will earn even greater trust from our customers and society.

● Major Business Risks

Risk Items	Perceived risks	Countermeasures
Business environment	Changes exceeding expectations in printing demand	In response to the ongoing shift to paperless operations, we are striving to secure sales by focusing on the e-book business and by strengthening our response with products for which demand is relatively strong, as we work to improve productivity by restructuring our production system. In response to medium- to long-term changes in demand, we are working on structural reforms to improve the profitability of existing businesses, and exploring new business areas to strengthen our corporate structure so that we can generate profits on a sustainable basis.
Competitiveness	Risk of inability to gain advantage in terms of product quality, price, service content, or technical capabilities in competition with competitors	Based on the Kyodo Printing Group Quality Policy, we have acquired various external certifications, including ISO9001, and we manufacture products under thorough quality control based on a product safety implementation framework led by the Product Safety Committee. The Group also conducts fixed-point observations, such as surveys and analysis of technological trends related to our business areas, including market demands for environmental responsiveness and revisions to laws and regulations. We promote the creation of customer value by developing new functions and products looking 10 years into the future. We are working to strengthen our competitiveness from multiple perspectives, including differentiation through the development of high-value-added products, improvement of quality and service, and ongoing cost reduction.
Business investment	Impairment risk in the event that business alliances, investments, and acquisitions fail to achieve their objectives	In order to maximize investment results, we consider various aspects, including capital efficiency, before making decisions on execution. We subsequently perform regular monitoring of progress. If we determine that we cannot achieve the return initially anticipated, we sell the shares or liquidate the company, and link this to our knowledge and expertise for future projects. In FY2022, we established a new Investment Review Committee to systematically strengthen our business investment management. We will continue to effectively allocate management resources through selection and concentration toward the medium- to long-term ideal we envision for ourselves as a corporate group.
Legal and regulatory Compliance	Legal sanctions and loss of social credibility due to the revision or abolition of laws and regulations, or establishment of new laws and regulations, or insufficiently thorough compliance	We disseminate information on laws, regulations, and legal revisions to each department and company through regular meetings, etc. We also promote understanding of various laws and regulations by systematically and continuously educating our employees on environmental laws, antitrust laws, subcontracting laws, copyright laws, etc. In order to ensure the early detection of fraud and other irregularities, the Company has established internal and external whistleblowing channels to ensure an appropriate monitoring system, and is working to strengthen these channels by means such as establishing a dedicated route for information concerning Directors to be passed directly to the auditors. In addition to audits by the Audit Office, which is kept separate and independent from our business execution organization, we encourage autonomous audits by departments led by the Self-auditing Committee to maintain our legal compliance system.
	Recurrence of Antimonopoly Act violations	We are further strengthening our efforts to thoroughly prevent recurrence and ensure compliance with laws and regulations by spreading a better understanding of relevant laws and regulations, tightening management systems including strengthening internal regulations, and revitalizing internal communication. We regularly report to the Board Directors on the status of implementation, and confirmed effective functioning in FY2022.
Disaster and pandemic	Risk of direct damage to employees, facilities, or equipment, or stagnation of business activities which could disrupt product supply, due to the occurrence of a major natural disaster or an epidemic of infectious disease	In accordance with our Basic BCP Policy, we conduct drills based on envisioned scenarios. We have established a business continuity system by acquiring Business Continuity Management System (ISO22301) certification for our data processing business, introduced an employee safety status confirmation system, and implemented fire and earthquake protection measures for our buildings and production facilities. In case of an infectious disease outbreak, we minimize impacts on management through measures such as promoting business operations that utilize remote work, considering operational responses by securing substitute personnel, and working to supply products by strengthening cooperation with partner plants to meet delivery deadlines.
Information security	Loss, falsification, or leakage of information due to intentional acts or negligence, including cyber attacks, and resulting loss of public trust	We have acquired Privacy Mark and Information Security Management System (ISO27001) certifications for the safe and accurate management of personal and confidential information. We further established TOMOWEL-CSIRT as a specialized organization to take all possible measures to prevent unauthorized access, loss, falsification, or leakage of information, and to prepare for contingencies by preparing response flows and simulations in the event of an incident. In addition to periodic e-learning, we strive to strengthen our management system by conducting targeted e-mail attack drills and other highly effective employee training.
Raw materials procurement	Price hikes of key raw materials due to market fluctuations, and procurement delays or stoppages due to disasters, etc.	Based on the Group's CSR Procurement Standards, we request that suppliers establish a stable supply of products and services and a BCP system in case of emergency. We verify their raw material supply systems through periodic inspections and other means. We also promote the procurement of high-quality, price-competitive overseas materials, while maintaining a decentralized purchasing policy. We are working to procure raw materials that contribute to the stabilization of product supply by collecting information on potentially difficult-to-obtain raw materials at ordinary times, and by examining and testing alternatives.

Environmental Data

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Climate change: greenhouse gases ^{*1}						
Greenhouse gas emissions (in-house emissions) (domestic Group only)						
Scope 1+2 emissions	t-CO ₂	42,782	41,350	41,298	40,352	33,732
Scope 1 emissions	t-CO ₂	7,475	6,853	7,029	6,390	5,798
Scope 2 emissions	t-CO ₂	35,307	34,497	34,269	33,962	27,934
Greenhouse gas emissions basic unit (domestic Group only) ^{*2}						
Scope 1+2 emissions basic unit (sales)	t/million yen	0.43	0.46	0.48	0.44	0.36
Greenhouse gas emissions (in-house emissions) (entire Group, including overseas)						
Scope 1+2 emissions	t-CO ₂	-	-	-	45,876	39,155
Scope 1 emissions	t-CO ₂	-	-	-	6,390	5,798
Scope 2 emissions	t-CO ₂	-	-	-	39,486	33,357
Greenhouse gas emissions basic unit (entire Group, including overseas)						
Scope 1+2 emissions basic unit (sales)	t/million yen	-	-	-	0.49	0.40
Greenhouse gas emissions (outside the organization) (Kyodo Printing non-consolidated up to FY2021; entire Group, including overseas, from FY2022)						
Scope 3 emissions	t-CO ₂	-	440,331	432,977	444,663	410,041
Category 1. Purchased goods and services	t-CO ₂	-	308,739	274,244	291,213	273,123
Category 2. Capital goods	t-CO ₂	-	6,772	38,253	9,208	6,414
Category 3. Fuel- and energy-related operations not included in Scope 1 or 2	t-CO ₂	-	6,047	6,046	7,056	6,605
Category 4. Upstream transportation and distribution	t-CO ₂	-	31,248	30,291	27,870	25,568
Category 5. Waste generated in operations	t-CO ₂	-	4,426	4,757	5,729	4,794
Category 6. Business travel	t-CO ₂	-	177	188	432	451
Category 7. Employee commuting	t-CO ₂	-	3,329	2,839	4,283	4,401
Category 8. Leased assets, upstream	t-CO ₂	-	115	110	177	203
Category 9. Downstream transportation and distribution	t-CO ₂	-	11,854	10,464	12,286	9,234
Category 10. Processing of sold products	t-CO ₂	-	-	-	-	-
Category 11. Use of sold products	t-CO ₂	-	-	-	-	-
Category 12. End-of-life treatment of sold products	t-CO ₂	-	67,624	65,785	86,408	79,249
Category 13. Downstream leased assets	t-CO ₂	-	-	-	-	-
Category 14. Franchises	t-CO ₂	-	-	-	-	-
Category 15. Investments	t-CO ₂	-	-	-	-	-
Greenhouse gas emissions reduction (domestic Group only)						
Direct reduction (base year: FY2019*)	t-CO ₂	-	(1,432)	(1,484)	(2,430)	(9,050)
Scope 1	t-CO ₂	-	(622)	(446)	(1,085)	(1,677)
Scope 2	t-CO ₂	-	(810)	(1,038)	(1,345)	(7,373)
Scope 3	t-CO ₂	-	-	-	-	-
Greenhouse gas emissions (by category) (domestic Group only)						
CO ₂ emissions	t-CO ₂	42,782	41,350	41,298	40,352	33,732
CH ₄ emissions	t-CO ₂	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
N ₂ O emissions	t-CO ₂	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
HFC emissions	t-CO ₂	52	112	75	25	71
PFC emissions	t-CO ₂	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
SF ₆ emissions	t-CO ₂	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
NF ₃ emissions	t-CO ₂	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Other	t-CO ₂	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Ozone-depleting substances (ODS) (domestic Group only)						
ODS emissions	t-CO ₂	17	42	0	7	0
Climate change: Energy (domestic Group only)						
Energy input (in-house)						
In-house total energy input	MWh	93,716	92,155	92,514	88,621	83,787
Electric power input	MWh	78,852	78,509	78,529	75,905	72,262
Renewable electric power (in-house generated amount)	MWh	243	309	474	751	1,558
Non-renewable electric power	MWh	78,609	78,200	78,055	75,154	70,704

Environmental Data

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Fossil fuel consumption	MWh	14,864	13,646	13,985	12,716	11,525
City gas	MWh	12,645	11,818	12,021	10,962	9,895
LPG	MWh	1,758	1,314	1,458	1,271	1,160
Heavy oil	MWh	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Diesel oil	MWh	435	489	471	414	404
Gasoline	MWh	-	-	13	46	42
Other	MWh	26	25	22	23	24
Energy input (outside the organization)						
Total energy input outside the organization	MWh	-	963,525	968,629	973,004	1,051,387
Energy consumption basic unit						
Energy consumption basic unit (sales) ^{*4}	MWh/ million yen	0.93	1.01	1.05	0.95	1.08
Energy consumption reduction						
Reduction (base year: FY2019 ^{*3})	MWh	-	(1,561)	(1,202)	(5,095)	(9,929)
Electric power	MWh	-	(343)	(323)	(2,947)	(6,590)
Fossil fuel	MWh	-	(1,218)	(879)	(2,148)	(3,339)
Water resources (domestic Group only)						
Water intake						
Total water intake	1,000 m ³	203.7	243.5	202.7	194.0	208.8
Tap water	1,000 m ³	141.1	116.0	97.3	84.9	90.8
Industrial water	1,000 m ³	59.2	121.1	104.9	107.1	115.3
Groundwater	1,000 m ³	3.4	6.4	0.5	0.6	0.4
Rainwater	1,000 m ³	Not applicable	Not applicable	Not applicable	1.4	2.3
Water discharge						
Total water discharge	1,000 m ³	191	237	199	193	205
Public water area	1,000 m ³	36	59	50	54	55
Sewerage	1,000 m ³	155	178	149	139	150
Water consumption						
Water consumption (total water intake - total water discharge)	1,000 m ³	13	7	4	1	4
Water resource input base unit						
Water resource input base unit (sales)	1,000 m ³ / billion yen	2.02	2.68	2.30	2.08	2.15
Water stress						
Water intake from water stress areas	1,000 m ³	-	-	-	Not applicable	Not applicable
Water discharge to water stress areas	1,000 m ³	-	-	-	Not applicable	Not applicable
Water consumption in water stress areas	1,000 m ³	-	-	-	Not applicable	Not applicable
Water circulation						
Water reuse		-	-	-	-	-
Resource recycling (domestic Group only)						
Raw materials						
Resource input	t	251,328	226,672	219,346	212,826	168,200
Recyclable resources input ^{*5}	t	236,365	210,572	201,817	196,205	152,301
Non-recyclable resources input ^{*5}	t	14,963	16,100	17,529	16,621	15,899
Recycle use material input	t	8,958	8,284	8,244	7,775	7,352
Recycling ratio (recycled materials/resources input × 100)	%	3.56	3.65	3.76	3.65	4.37
Waste						
Waste emissions	t	27,979	25,948	26,366	26,357	23,650
Recycling	t	27,883	25,883	26,358	26,349	23,644
Final waste disposal amount	t	96	65	8	8	6
Hazardous waste						
Specialty controlled industrial waste	t	265	217	211	192	163

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Recycling (by category)						
Material recycling	t	23,418	22,167	22,123	21,746	19,992
Chemical recycling	t	0	0	0	0	0
Thermal recycling	t	3,937	3,291	3,813	4,154	3,087
Recycling rate						
Recycling Rate	%	99.7	99.7	99.9	99.9	99.9
Recycling rate (by thermal recovery)						
Recycling rate (with thermal recovery)	%	14.1	12.7	14.4	15.7	13.1
Recycling rate (without thermal recovery)	%	85.6	87.0	85.5	84.2	86.8
Chemical substances (PRTR) (domestic Group only)						
Chemical substances handled (produced+used)	t	234.0	215.0	198.0	171.2	181.3
(in above) Chemical substances produced	t	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Chemical substance discharge	t	36.0	29.0	25.0	25.9	37.4
Chemical substance transfer	t	26.8	18.0	18.6	17.0	20.9
Pollution prevention (domestic Group only)						
Atmospheric pollutants						
NOx emissions	t	1.7	1.5	1.6	1.5	1.4
SOx emissions	t	0.5	0.5	0.5	0.4	0.4
VOC emissions	t	47.7	36.4	37.8	35.0	40.7
Water pollutants						
BOD emissions	t	0.1	0.1	0.1	0.0	0.1
Environmental compliance (domestic Group only)						
Major environmental legal/regulatory violations	Times	0	0	0	0	0
Supplier environmental assessments (non-consolidated)						
New supplier assessments	%	100.0	100.0	100.0	100.0	100.0

*1 Based on GHG protocols, some gases with extremely low GHG emissions are excluded
*2 Due to an error in the calculation method of the data, the figures for FY2019 to FY2022 have been revised. The impact of these changes is negligible.
*3 Based on the base year in Environmental Vision 2025
*4 The figure for FY2023 has been revised due to an error. The impact of this change is negligible.
*5 Figures for FY2019 to FY2023 have been revised due to errors. The impact of these changes is negligible.

Social Data

Human Resources

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Number of employees						
Number of employees ^{*1}						
Consolidated	people	3,242	3,224	3,232	3,208	3,227
Non-consolidated	people	2,009	1,836	1,822	1,893	1,872
By gender (non-consolidated)						
Male	people	1,593	1,417	1,393	1,416	1,391
Female	people	416	419	429	477	481
Percentage of women	people	20.7	22.8	23.5	25.2	25.7
Average number of temporarily hired persons						
Consolidated	people	587	519	467	432	425
Non-consolidated	people	222	185	170	157	155
Core human resources composition (non-consolidated)						
Number of managerial positions ^{*2}						
Male	people	375	362	377	407	422
Female	people	356	343	352	377	384
Female	people	19	19	25	30	38
Percentage of women	%	5.1	5.2	6.6	7.4	9.0

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Hiring (non-consolidated)						
Total number of new hires	people	74	39	39	54	50
Number of new graduate hires	people	68	34	30	36	34
Male	people	45	21	16	20	17
Female	people	23	13	14	16	17
Percentage of women	%	33.8	38.2	46.7	44.4	50.0
Number of mid-career hires	people	6	5	9	18	16
Male	people	5	3	5	12	10
Female	people	1	2	4	6	6
Percentage of women	%	16.7	40.0	44.4	33.3	37.5
Average years of service (non-consolidated)	Years	16.8	16.6	16.9	16.0	16.2
Male	Years	18.2	18.0	18.3	17.9	18.1
Female	Years	11.7	11.8	12.3	10.4	10.8
Retirement (non-consolidated)						
Number of persons retiring	people	68	66	61	80	56
Turnover rate	%	3.3	3.5	3.3	4.1	2.9
Persons with disabilities (non-consolidated)						
Number of persons with disabilities employed	people	38	43	47	47	50
Employment rate ^{*3}	%	1.90	2.10	2.51	2.55	2.69
Wages (non-consolidated)						
Employee average annual bonus	1,000 yen	5,869	5,552	5,563	5,826	6,272
Men, average	1,000 yen	6,251	5,956	5,967	6,279	6,698
Women, average	1,000 yen	4,302	4,111	4,172	4,381	4,894
Training and education (non-consolidated)						
Average annual training expenses per employee	Yen	14,819	12,645	11,297	18,823	27,146
Work-life balance (non-consolidated up to FY2022, consolidated from FY2023)						
Average annual number of days of paid leave used	Days	10.5	11.0	12.9	13.7	12.9
Average annual rate of paid leave used	%	56.7	60.8	67.9	72.6	68.5
Total number of employees using childcare leave ^{*4}						
Male	people	1	4	4	20	25
Female	people	51	48	48	48	46
Rate of using childcare leave	%	27.4	37.0	39.0	68.6	96.2
Men ^{*5}	%	1.9	8.0	5.4	82.9	94.6
Female	%	100.0	100.0	95.0	100.0	100.0
Total number of employees returning to work after childcare leave ^{*6}						
Male	people	1	2	3	19	24
Female	people	23	23	17	20	15
Employees using childcare short reduced working hours program						
Male	people	0	1	2	3	2
Female	people	78	95	99	104	120
Employees using nursing care leave						
Male	people	3	0	0	0	0
Female	people	0	1	0	0	0
Employees using nursing care short-hour reduced working hours program						
Male	people	1	3	1	1	1
Female	people	0	0	0	1	0
Employees using life support leave ^{*7}						
Male	people	—	—	—	0	0
Female	people	—	—	—	2	2
Labor safety-related data (non-consolidated)						
Frequency rate for accidents resulting in leave (leave of 4 day or more) ^{*8}	%	0.42	0.63	0.63	0.63	0.83
Frequency rate for accidents resulting in leave (leave of 1 day or more) ^{*9}	%	0.63	0.83	1.04	0.83	1.25
Average monthly overtime work hours	Hours	32.5	26.0	23.5	22.0	18.2

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Freedom of association and collective bargaining (non-consolidated)**10						
Labor union membership rate	%	98.1	97.9	97.7	97.7	94.6
Collective agreement coverage rate	%	100.0	100.0	100.0	100.0	100.0

*1. Number of employees and related items are calculated from number of employees including Executive officers

*2. Calculation parameters
FY2018 to FY2021: Persons seconded from the Company to outside the Company not included; persons seconded from other companies to the Company included
From FY2022: Persons seconded from the Company to outside the Company included;persons seconded from other companies to the Company excluded
Elder employees (re-employed after retirement) and contract employees (not including temporary employees) excluded

*3. From FY2021, combined with special subsidiary companies

*4. The number of employees taking newborn care leave or childcare leave

*5. From FY2022, includes employees who take spousal maternity leave, an original leave program of the Company

*6. The number of employees who returned to work during the period after taking newborn care leave or childcare leave during the period

*7. A leave and shortened working hours program for employees dealing with infertility treatments or child truancy, introduced as an original initiative of the Company in January 2023

*8. Frequency rate for accidents resulting in leave = number of deaths and injuries due to industrial accidents (with leave of 4 day or more) ÷ total working hours x 1,000,000

*9. Frequency rate for accidents resulting in leave = number of deaths and injuries due to industrial accidents (with leave of 1 day or more) ÷ total working hours x 1,000,000

*10. Figures are provided by the Kyodo Printing Workers Union

Society

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Customer privacy (non-consolidated)						
Number of complaints received regarding personal information	Times	0	0	0	0	0
Number of incidents of customer data leak or loss	Times	0	0	0	0	0
Community (non-consolidated)						
Social contribution activity expenses	million yen	6	6	6	11	7
Suppliers (non-consolidated)						
New supplier assessments	%	100.0	100.0	100.0	100.0	100.0
Assessed transaction amount coverage rate (excluding inter-Group transactions)	%	68.9	68.2	64.3	62.3	54.3
Product safety (non-consolidated)						
Health and safety impact evaluation ratio for new products	%	100.0	100.0	100.0	100.0	100.0
Number of product health and safety violations	Times	0	0	0	0	0
Marketing and labeling (non-consolidated)						
Number of violations concerning product and service information and labeling	Times	0	0	0	0	0
Number of violations concerning marketing and communication	Times	0	0	0	0	0

Note: Consolidated figures from FY2023

Governance Data

Corporate Governance

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Board member (Directors + Auditors) (non-consolidated)						
Number of Board member	people	11	11	12	11	11
Male	people	10	10	11	10	9
Female	people	1	1	1	1	2
Percentage of female Board member	%	9.1	9.1	8.3	9.1	18.2
Percentage of Outside Board member	%	36.4	36.4	41.7	45.5	45.5
Number of Outside Board member designated Independent Board member	people	4	4	5	5	5

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Board of Directors (non-consolidated)						
Number of Directors	people	7	7	8	7	7
Male	people	6	6	7	6	6
Female	people	1	1	1	1	1
Percentage of female Directors	%	14.3	14.3	12.5	14.3	14.3
Percentage of Outside Directors	%	28.6	28.6	37.5	42.9	42.9
Number of Outside Directors designated Independent Executive Officers	people	2	2	3	3	3
Number of Board of Directors meetings held	times	17	18	19	18	20
Attendance rate at Board of Directors meetings	%	99.2	94.4	99.3	99.2	100.0
Average number of years as Director	Years	7	8	6	6	7
Term of office of Directors	Years	1	1	1	1	1
Board of Auditors (non-consolidated)						
Number of Auditors	people	4	4	4	4	4
Male	people	4	4	4	4	3
Female	people	0	0	0	0	1
Percentage of female Auditors	%	0.0	0.0	0.0	0.0	25
Percentage of Outside Auditors	%	50.0	50.0	50.0	50.0	50.0
Number of Outside Auditors designated Independent Executive Officers	people	2	2	2	2	2
Number of Board of Auditors meetings held	times	14	14	15	15	14
Attendance rate at Board of Auditors meetings	%	100.0	98.2	100.0	98.2	100.0
Board member remuneration (non-consolidated)**1						
Total Directors' remuneration (excluding Outside Directors)	million yen	210	207	213	178	192
Number	people	6	5	6	5	5
Fixed remuneration	million yen	152	158	160	143	138
Performance-linked bonuses	million yen	53	49	48	35	51
Performance-linked stock remuneration	million yen	4	0	4	0	3
(in above) Non-monetary remuneration	million yen	4	0	4	0	3
Total Outside Directors' remuneration	million yen	15	16	23	25	27
Number	people	2	2	3	3	3
Fixed remuneration	million yen	15	16	23	25	27
Performance-linked bonuses	million yen	-	-	-	-	-
Performance-linked stock remuneration	million yen	-	-	-	-	-
(in above) Non-monetary remuneration	million yen	-	-	-	-	-
Total Auditors' remuneration (excluding Outside Auditors)	million yen	27	28	29	29	31
Number	people	3	2	2	3	2
Fixed remuneration	million yen	27	28	29	29	31
Performance-linked bonuses	million yen	-	-	-	-	-
Performance-linked stock remuneration	million yen	-	-	-	-	-
(in above) Non-monetary remuneration	million yen	-	-	-	-	-
Total Outside Auditors' remuneration	million yen	13	14	14	14	15
Number	people	3	2	2	2	3
Fixed remuneration	million yen	13	14	14	14	15
Performance-linked bonuses	million yen	-	-	-	-	-
Performance-linked stock remuneration	million yen	-	-	-	-	-
(in above) Non-monetary remuneration	million yen	-	-	-	-	-

*1. As Directors and Auditors who have resigned or retired due to the expiration of their term of office during the fiscal year are also included in tabulation, numbers of Directors and Auditors may not match numbers of Directors and Auditors in the above table.

Compliance

Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Compliance (consolidated)						
Compliance training (education) attendance rate (%) ^{*2}	%	84.5	95.1	99.3	99.5	100.0
Number of whistleblowing reports/consultations	Times	23	22	38	26	31
Violations of laws and regulations in the socio-economic field (consolidated)						
Number of violations of laws and regulations in the socio-economic field ^{*3}	Times	0	0	0	0	0
Total monetary amount of fines in the socio-economic field	Yen	0	0	0	0	0
Anti-corruption (consolidated)						
Cases of corruption	Cases	0	0	0	0	0
Anti-corruption training attendance rate ^{*2}	%	84.5	95.1	99.3	99.5	100.0
Anti-competitive conduct (consolidated)						
Cases of anti-competitive conduct	Cases	0	0	1	0	0
Anti-competitive conduct prevention training attendance rate ^{*2}	%	84.5	95.1	99.3	99.5	100.0
Donations (non-consolidated)						
Total political donations (including lobbying expenses)	million yen	0.0	0.0	0.0	0.0	0.0

*2. For fiscal 2023, the number of employees who took a leave of absence is excluded from the target number.
*3. The case involving bidding for the preparation of forms and other services for the Japan Pension Service, for which we were issued a cease-and-desist order by the Japan Fair Trade Commission for violating the Antimonopoly Act was reported in the "Anti-competitive conduct" section.

Corporate Information

Corporate Profile		Stock Information	
Company name	Kyodo Printing Co., Ltd.	Stock exchange listings	Tokyo Stock Exchange Prime Market
Head Office location	4-14-12 Koishikawa, Bunkyo-ku, Tokyo, 112-8501	Securities code	7914
Founded	June 25, 1897	Total number of issuable shares	36.08 million
Established	December 26, 1925	Total number of issued shares	8.37 million
Capital	4.51 billion yen	Number of shareholders	4,413
Number of employees	Non-consolidated 1,872 (not including contract employees) Consolidated 3,227 (not including contract employees)	Shareholder registry administrator	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Main manufacturing bases	11 locations in Japan, 3 locations overseas	Account settlement date	March 31 of each year
Group Companies	17 consolidated subsidiaries and 1 equity-method affiliate	Ordinary shareholders general meeting	June


Corporate Website Information


As a communication tool, we disseminate a variety of information through our corporate website.


Corporate Information

Information for shareholders/investors

Sustainability Information







Inquiries about this report

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