

Initiatives to Reinforce Human Capital

Basic Policy


For our Group, which has established the majority of its value chains, spanning from basic research and product planning and development to materials procurement, production and sales, using the resources within our Group, recognizing “talents” as capital and striving to maximize its value is an important management initiative. We believe that realizing an attractive corporate culture in which each of the employees of our Group can work while “being emotionally fulfilled,” “feeling fulfillment in their work,” and “maintaining motivation” will enable each employee to maximize his/her potential, produce organizational results such as improved productivity and competitiveness, and eventually lead to sustainable growth.

Governance

In developing human resource strategies based on the business strategies of each operating company, the human resources department of each operating company takes the initiative in formulating and implementing specific measures to address human resource issues, monitoring progress, and evaluating and examining the status of achievement. At the same time, in order to ensure the effective functioning of governance concerning human capital of the entire Group, we regularly monitor the status of initiatives at each operating company, mainly from the perspective of human rights, diversity, equity, and inclusion (“DE&I”) and compliance, and provide instructions and requests as appropriate.

Strategy

As the business environment is becoming increasingly uncertain, the strategies related to talents, which will play a key role in the rapid transformation of the business model, will only increase in importance. In Japan, in particular, as the working population declines due to the aging of the population and the declining birthrate, competition for talents is intensifying more than ever before, and it is therefore necessary to formulate and implement a talent strategy to be an attractive company. To advance the formulation and implementation of decisive structural reforms and growth strategy in parallel and at higher speed, the Company will pursue measures that contribute to further growth of individual employees as well as reforms to create an environment and culture that enable employees to use their individual strengths, thereby leading to strengths of the organization.

 Key Initiatives in Human Capital Strategy (Target: Wacoal Corp.)
<https://www.wacoalholdings.jp/en/sustainability/resource/>

Our Vision

We will focus on five initiatives to realize Wacoal’s vision of “where people shine, we shine” by supporting the growth of each employee and building an organization with high job satisfaction. (Target: Wacoal Corp.)

**I. Acquisition of Human Resources, II. Support Growth (Training, Reskilling, Career Development)
 III. Strengthen Management Capabilities, IV. Promotion of DE&I, V. Achievement of Well-being**

TOPICS

Talent Development and Engagement for Sales Staff (Beauty Advisors)

Wacoal employs approximately 2,500 beauty advisors who help each customer discover their unique beauty through specialized knowledge and techniques, fostering deep, broad, and lasting bonds with our customers. In training beauty advisors, we focus on enhancing both customer service skills (practical learning) and personal character (ethical learning) to meet increasingly diverse customer needs and ensure satisfaction. Since 2022, to systematically support independent learning, we have introduced GLOBIS Corporation’s GLOPLA LMS. This initiative provides growth opportunities and fosters motivation for career advancement.

Starting in 2025, we have been holding online training sessions on customer service and sales techniques once every two weeks, utilizing one hour in the morning. Approximately 100 beauty advisors participate each time, working to enhance their customer service and sales skills and expand the newly launched layaway and order-in services. Additionally, we launched specialized coaching skills training. In fiscal 2025, 152 sales department managers and role-based appointees participated. We are also working to create an organizational culture that respects each and every working colleague who thinks and acts autonomously with the customer in mind. We aim to change communication practices and foster company growth through employee development.

Alongside developing individual capabilities, we are continuously working to enhance employee engagement to strengthen organizational capabilities. We plan to launch town hall meetings for beauty advisors starting in 2025. By creating a forum for communication between beauty advisors nationwide and management, we aim to boost engagement. We will foster a culture that enables talent development rooted in the field and enhances organizational strength.



Town hall meeting for beauty advisors

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Metrics and Goals

Human capital issues based on management strategies	Initiatives to maximize human capital	Indicators and goals (KPIs)		
		Metrics	Goals	FY2025 results
Recruit, train and promote talents who will be responsible for the Company's growth Addressed by materiality: 5	I. Acquisition of human resources II. Promote employees' growth (talent and career development)	Status of lateral hires (career-track positions)	Achieve lateral hires of 30% - 50% in total hires of career-track positions	● Total number of hires: 34 Of which lateral hires: 16 persons (47.1%)
		Investment costs in talent development and training Number of participants in programs and hours invested in learning (as to working hours)	Not yet formulated (to be formulated during fiscal 2026)	● I took the training necessary to carry out jobs effectively: 50.4%
		Employee Engagement Score (to measure contribution to achieving proactive career development)	To obtain 60% or higher positive responses for questions related to career achievement in engagement survey	● An environment where a variety of career options and opportunities to take on challenges are provided and can be utilized: 42.8% ● Overall, I believe I can achieve my career goals at the Company: 33.0% ● I have meaningful discussions regarding my career development with my direct supervisor: 22.4%
Improve management capabilities to connect individuals' strengths to organizational results Addressed by materiality: 4	III. Strengthen management skills	Employee Engagement Score (to measure contribution to management that leads to sustainable growth)	To obtain 60% or higher positive responses for questions related to potentials and future prospects in engagement survey	● I find the Company has a promising future: 19.9% ● Future-oriented management: 42.3% ● Future-oriented department head, general managers and managers: 46.5%
Foster an organizational culture of high engagement and psychological safety Addressed by materiality: 4, 5		Employee Engagement Score (to measure contribution to fostering a feedback culture)	To obtain 60% or higher positive responses for questions related to approval/praise and fair evaluation in engagement survey	● I have been recognized when I did a good job: 55.8% ● We give praise when we achieve good teamwork: 57.4% ● I receive a fair salary for the work I am assigned: 30.8% ● My salary fluctuates in line with my individual performance adequately: 23.9%
	IV. Promotion of DE&I V. Improvement of employees' well-being	Promotion of Women to Management Positions	Ratio of female employees in managerial positions (section manager and higher level) of at least 30% by fiscal 2028	● 17.5% (as of March 2025)
		Employment of people with disabilities	Statutory employment rate of 2.5% for fiscal 2025	● 2.68% (as of March 2025)

Material issues

4: Growth into talents who can expand their potential and have confidence, pride, and success

5: Building of an organization that can demonstrate great results through co-creation and collaboration