

Material Issues to Be Addressed by 2030

We have established 11 material issues with our customers, our employees, the environment, society, and governance as targets. These will serve as our benchmarks until 2030 for our business' growth and our work to achieve a sustainable society.

■ Identification Process In order to realize VISION 2030—the Group's medium- to long-term management strategy framework—while evolving our long cultivated strengths, such as research, planning, and sales, we conducted an analysis of material issues based on social and environmental issues to be addressed, as well as business growth. As a result, we identified five targets and 11 material issues. We arrived at this decision by gaining insight into the business challenges and social and environmental issues we expect to face by 2030, while taking into account macro trends and the requests of various stakeholders.

STEP 1	Creation of a list of issues to be addressed based on dialogue with and requests from stakeholders
STEP 2	Discussions between management and outside experts
STEP 3	Discussions with the next generation of management candidates
STEP 4	Discussions with young employees
STEP 5	Identification of material issues

■ Material Issues

Customers

Maximize the value provided to customers



	Material Issues	Concrete efforts toward the resolution of material issues	KPIs (by 2030)	Targets
1	Enhancement of customer experience value by pursuing personalization	Increasing of customer connections and learning from them to wow other customers	Increase in the number of customers with connections to the Wacoal Group Increase in the number of people experiencing Wacoal's unique services that enhance the customer experience	Under consideration*
		Creation of products that exceed expectations and are loved	Revitalization of the innerwear business by promoting the development of new products and services that utilize customer data	
	2	Endeavoring to expand business areas	Increase in growth and profitability in businesses other than women's innerwear Creation of new business to contribute to well-being Expansion of internal resources into new fields	
			Achievement of global growth to provide inspiration to customers around the world Overseas business expansion	
3	Enhancing product quality and building service excellence	Pursuit of quality control systems and quality levels demanded by the times	Continuous monitoring of product quality and implementation of improvement activities Maintenance and improvement of the quality of digital and over-the-counter services	
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4	Growth into human resources who can expand their potential and have confidence, pride, and success	Growth of human resources that proactively enhance self-proficiency and take on challenges with enthusiasm, regardless of generation or position	Enhancement of initiatives geared toward self-motivated career design and skill improvement Nurturing of human resources and creation of an environment in which employees can take on challenges with enthusiasm	Under consideration*
			Development of a work environment in which people from diverse backgrounds can work together Increase in the number of employees who can act with clarity on what the Company should be and its mission	
	5	Building of an organization that can demonstrate great results through co-creation and collaboration	Fostering of an organizational culture in which people from various positions can cooperate and achieve their missions	
6	Continuous improvement of employees' health and health awareness	Improvement of employees' mental and physical health	Improvement of employees' productivity and mental and physical health Improvement of health literacy	

* Although we had planned to disclose target figures during fiscal 2025, we are currently re-evaluating both material issues and target values in conjunction with the formulation of our next medium-term management plan.

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Environment

Preserve the environment globally for future generations



7

Promotion of business activities that reduce environmental impact

Concrete efforts toward the resolution of material issues	KPIs (by 2030)
Fostering of environmental awareness among both employees and consumers	Visualization of ecological activities in business activities
Achievement of a decarbonized society	Realization of a decarbonized society and reduction in CO ₂ emissions
Promotion of waste reduction	Reduction of product disposal rate
Achievement of a society of that recycles resources	Increase in rate of environment-friendly materials used

Targets

- 1) Zero in-house emissions (Scope 1 and 2) (domestic businesses)
- 2) Zero product waste (Wacoal Corp.)
- 3) Rate of environment-friendly materials used of 50% (Wacoal Corp.)
- 4) 20% reduction in supply chain emissions (Scope 3) (Wacoal Business (Domestic))

Note: For our overseas business, we plan to start by tracking our own emissions (Scope 1 and 2) and disclosing our targets by fiscal 2025.

Society

Realize a society in which everyone plays an active role in their own way



8

Promotion of co-creation innovation to solve social issues

Concrete efforts toward the resolution of material issues	KPIs (by 2030)
Contribution to the improvement of women's QOL	Promotion of breast care activities
	Fulfillment of needs through products and services and development of ideas that contribute to improving women's quality of life
	Contribution to women's quality of life through ongoing dialogue with stakeholders
Promotion of diversity and inclusion	Promotion of in-house enlightenment activities to foster an understanding of diversity-related issues such as gender
	Promotion of dialogue and co-creation activities with external stakeholders to foster an understanding of diversity-related issues such as gender
Promotion of respect for human rights and CSR procurement activities	Establishment and implementation of human rights due diligence and promotion of human rights training
	Expansion of scope of CSR procurement activities

Under consideration*

Governance

Enhance governance toward realization of sustainable growth



9

Implementation of highly transparent management

Concrete efforts toward the resolution of material issues	KPIs (by 2030)
Maintenance and establishment of an optimal corporate governance system that will improve effectiveness	Implementation of Japan's Corporate Governance Code
	Demonstration of the Board of Directors' functions and promotion of diversity
	Ongoing improvement of the executive remuneration system to increase corporate value
	Establishment of fair and motivating evaluation and executive remuneration systems

10

Strengthening of the risk management system

Concrete efforts toward the resolution of material issues	KPIs (by 2030)
Thorough compliance with laws and regulations and development of an organization with high ethical standards	Prevention of inappropriate behavior in corporate activities and enhancement of compliance awareness among all officers and employees
Strengthening of organizational resilience by steadily responding to business risk	Review of selection methods and response policies for major risks, promotion of information security measures for digital transformation and communication technology operations, and enhancement of the business continuity plan

Under consideration*

11

Continuous improvement of profitability and capital efficiency

Concrete efforts toward the resolution of material issues	KPIs (by 2030)
Execution of the management strategy and clarification of roles and authority	Strengthened management of key performance indicators and verification of cost-effectiveness to improve the effectiveness of medium- to long-term strategies
	Implementation of business portfolio management to realize growth
	Establishment of an executive structure for timely and appropriate decision-making

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