

Human Rights Initiatives

Ever since its inception as a corporate entity, the Wacoal Group has never rested in its mission to further business management rooted in mutual trust and respect for humanity. Wacoal's purpose is to contribute to the everyday health and affluence of each and every one of our customers through the products and services that we supply, effectively setting our sights on the realization of a sustainable society. We recognize that all of our business activities must be grounded in the premise of unrelenting respect for human rights. True to this stance, we pledge to fully grasp and support international principles and standards, such as the United Nations "Guiding Principles on Business and Human Rights," as the minimum tenets and benchmarks to be maintained with regard to human rights.

Human Rights Policy

The Wacoal Group Human Rights Policy
<https://www.wacoalholdings.jp/en/sustainability/rights/>

We have established the Wacoal Group Human Rights Policy as a guideline for promoting group-wide efforts to respect human rights and fulfill corresponding responsibilities. This Policy conforms to the United Nations "Guiding Principles on Business and Human Rights."

Human Rights Structure

The Human Rights and Diversity & Inclusion Subcommittee, which was established under the Sustainability Committee responsible for planning of sustainability activities and monitoring of progress, conducts education and awareness activities related to the protection of human rights and provides advice and recommendations for the implementation of human rights due diligence to ensure the Group fulfills its responsibilities to respect human rights according to its Human Rights Policy and that its operations are executed appropriately.

Action Policy for the revised medium-term management plan	<ul style="list-style-type: none"> Identify human rights risks and formulate a system for conducting human rights due diligence Formulate and implement policies to deal with the amended Act for Eliminating Discrimination against Persons with Disabilities and LGBTQ+ customers Formulate and disclose a roadmap for D&I promotion
Details of initiatives during the fiscal year ended March 31, 2023	<ul style="list-style-type: none"> Conducted a simplified assessment of human rights issues in the supply chain Conducted hearings with experts on the implementation of human rights due diligence, and considered and decided on specific activities for fiscal 2024 and beyond Conducted hearings with experts on the promotion of D&I
Activity plan for the fiscal year ended March 31, 2024	<ul style="list-style-type: none"> Implement human rights risk assessments in collaboration with experts (identify human rights risks and select important themes) Respond to reasonable accommodations required by the amended Act on the Elimination of Discrimination against Persons with Disabilities and review policies for working with LGBTQ+ customers Sort D&I issues at Wacoal Corp., visualize gaps, and determine priorities for initiatives

Identifying Human Rights Risks for Commencing Human Rights Due Diligence

In accordance with the CSR Procurement Guidelines, the Group has a process in place to identify negative impacts and risks to human rights in product procurement and to formulate and implement appropriate countermeasures. However, we have not been able to identify human rights issues in the supply chain other than the procurement process.

Therefore, in October 2023, we conducted a human rights risk assessment to identify potential human rights risks in the Wacoal Group's supply chain. As part of the assessment process, in addition to desktop surveys, we hold cross-functional workshops with the participation of directors, corporate officers, and management to discuss human rights risks in the process from procurement to sales and consumption.

Looking ahead, we plan to start human rights due diligence after identifying human rights themes that the Group should prioritize through consultation with a third-party organization.



Fulfilling Social Responsibilities along Our Supply Chain

The Wacoal Group engages in responsible procurement with its business partners around the world with the aim of fulfilling its social responsibilities throughout the entire supply chain. Realizing the importance of meeting the expectations of society, establishing mutual trust, and working in unison, we believe that promoting CSR procurement together with our contract manufacturers will maximize the interests of all of our partners along the supply chain and contribute to the sustainable growth of all parties. As such, we will continue to engage proactively in this area going forward.

CSR Procurement Based on Mutual Trust and Cooperation

Supply chains for textiles and apparel begin with product planning and design in the countries and regions where the products will be sold. Almost all of our products are shipped to their respective markets after processing through international networks in which the production or procurement of raw materials and the sewing and manufacturing of finished products are carried out in China or emerging countries in the ASEAN region. Established in October 2017, the "Wacoal Group CSR Procurement Guidelines" declare that "in order to fulfill our social responsibilities, we must build close partnerships with all suppliers involved in our product manufacturing activities, and together with them we must comply with and respect society's requirements with regard to not only quality, pricing, and delivery but also human rights, labor practices, the environment, and ethics." Since February 2018, we have been conducting a management cycle that continuously amends and improves the guidelines in light of careful monitoring of compliance with the guidelines. Further, Wacoal has been disclosing the basic information of contract manufacturers that endorse disclosure since May 2018.

List of factories entrusted with the manufacturing of products
<https://www.wacoalholdings.jp/en/sustainability/csr/list/>

Basic Information Disclosed on Contract Manufacturers (as of June 2023)

Country/region	No. of factories operated by Wacoal or contract manufacturers	Percentage of total factories worldwide
Total	273	100.0%
China	129	47.2%
Japan	102	37.4%
Vietnam	13	4.8%
Thailand	7	2.6%
Cambodia	4	1.5%
Indonesia	4	1.5%
The Philippines	3	1.1%
Taiwan	2	0.7%
India	2	0.7%
Tunisia	2	0.7%
Other	5	1.8%

Fiscal 2023 Initiatives and Fiscal 2024 Plan

Fiscal 2023 Initiatives

- Verified the status of compliance with matters specified in the "Wacoal Group CSR Procurement Guidelines" via self-assessments**
 Conducted self-evaluation for contract manufacturers that started CSR procurement activities in the fiscal years ended March 2019, March 2021, and March 2023
- Made preparations for expanding the scope of CSR procurement activities for raw material suppliers and dyeing factories**
 Conducted pilot on-site audits of raw material production plant subsidiaries and dyeing factories of the Group's overseas subsidiaries in order to expand the scope of coverage to raw material suppliers and dyeing factories in fiscal 2024
- Expanded the scope audits of contract manufacturers based on the certification results of external auditing institutions**
 Evaluated that audit content required by the Company can be ensured even at domestic sewing factories in order to expand the scope of CSR procurement activities in light of the rationality and efficiency of audits

Fiscal 2024 Plans

- Accurately monitor the status of compliance with matters specified in the "Wacoal Group CSR Procurement Guidelines" through self-assessments and provide feedback on analyses and assessments**
- Strengthen monitoring of sewing factories that accept foreign technical intern trainees**
 Conduct questionnaires and on-site audits exclusively for foreign technical intern trainees
- Expand the scope of CSR procurement activities for raw material suppliers and dyeing factories**
 Conduct self-assessments of major raw material production plants and dyeing factories under the Wacoal and Wing brands
- Conduct on-site audits and implement audits**
 Resume on-site audits in Japan, partially resume on-site audits overseas, and promote implementation of audits

TOPICS Relief and Support for Foreign Technical Intern Trainees

In November 2022, it was revealed that a supplier of sewing services to Wacoal Corp. was planning to file for bankruptcy due to a non-payment of wages at a sewing factory from which Wacoal Corp. ordered the production of pajamas for mail-order catalogs through a primary contractor. As one of the company's buyers, Wacoal took the issue of non-payment of wages very seriously, determining that the 11 technical intern trainees who were working at the contractor needed immediate relief and examining the details of the support. Subsequently, in December, we donated ¥5 million to the Japan-Vietnam Tomoiki Support Association, which assists Vietnamese technical intern trainees and international students. The donation was used to support the lives of technical intern trainees who worked at the company through the support association.

Wacoal recognizes that there is room for improvement in its previous CSR procurement initiatives. We are implementing initiatives to improve effectiveness, such as conducting surveys of factories that accept foreign technical interns and strengthening on-site audits.