

Company name: Pigeon Corporation
Representative: Norimasa Kitazawa (President and CEO)
Listings: First Section, Tokyo Stock Exchange
(Stock Code: 7956)
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Notice of Establishment of a Governance Committee

At the meeting of the Board of Directors held on March 30, 2021, the Company passed a resolution to establish a Governance Committee to further enhance corporate governance at the Pigeon Group, which is based around the Pigeon Corporation.

■ Purpose and Context of the Establishment of the Committee

To achieve our purpose of corporate governance, "the Company's sustained growth and the improvement of corporate value in the medium- to long-term," we must further enhance the Company's corporate governance. Corporate governance is defined as "the system that pays due respect to the views of our employees, customers, business partners, shareholders and local communities, and that ensures transparent and fair as well as prompt and bold decision-making." To enhance corporate governance, we must review the progress in addressing the six (6) priority materialities (Key Issues) established by the Company in terms of sustainability management and further strengthen systems for giving guidance and support.

Therefore, we must not only follow and implement guidelines and regulations of the Companies Act and other corporate laws (related to corporate governance) but also further reinforce ESG and SDGs regarding sustainability management, risk management, compliance, internal controls, and other measures and practices concerning corporate governance at the Company.

Currently, for the E (Environment) and S (Social) of ESG, the Company is implementing a system where governance is brought about by the Board of Directors, through the Sustainability Committee taking the lead in the integration and promotion in responses to Key Issues and reporting to the Board of Directors. Similarly, for G (Governance), response to Key Issues and reporting to the Board of Directors is carried out by the Risk Management Committee for risk management, compliance, and information security. Through organically coordinating and integrating Risk Management Committee-driven response and reports, internal control, and other functions and roles regarding corporate governance at the Company, along with issues derived from Corporate Law and other guidelines and regulations, it will be possible to work towards total optimization of corporate governance at the Company, exceeding the partial optimization of each role and function related to corporate governance. As a result, we will be able to strive for the further enhancement of measures and policies related to corporate governance.

Therefore, we will encourage the organic cooperation and integration of the individual functions, roles, and issues related to corporate governance, along with establishing the Governance Committee as an advisory body of the Board of Directors for independent implementation.

■ Composition of Committee

This Committee is comprised of Outside Director, Rehito Hatoyama as chairman, and Chairman of the Board, Shigeru Yamashita, President and CEO, Norimasa Kitazawa, Director, Senior Managing Executive Officer, Tadashi Itakura, Outside Director, Chiaki Hayashi, Outside Audit & Supervisory Board Member, Koichi Otsu, and Outside Audit & Supervisory Board Member, Atsuko Taishido as members.

Regarding the Committee's activities, there will not only be reports and advice to the Board of Directors, but there will also be disclosures as necessary.



■ Position of the Governance Committee in the Pigeon Organizational Chart

