






Review/action on important issues and individual issues for FY2025

Key Issues (Materiality)	What We Aim to Achieve	Individual Issues	2025 targets	2025 Progress Action/Review			
Enhancing Business Competitiveness and Resilience 	Becoming an indispensable company by building a robust framework for the creation, production, and delivery of products and enhancing our corporate value over the medium to long term	Supporting nursing babies	<ul style="list-style-type: none"> Expand nursing bottles and other nursing-related products through nursing support for babies worldwide 	<ul style="list-style-type: none"> [Japan] Launched "Pigeon Bottle Lab," an experiential booth that offers a new, unique experience for creating one's own personalized nursing bottles. [Singapore] Rebranded the "SoftTouch" series, leading to a more than 10-percentage-point increase in the sales ratio of wide-neck nursing bottles compared to the previous period. 			
		Supporting healthy baby skin development	<ul style="list-style-type: none"> Expand skincare products by supporting healthy baby skin development 	<ul style="list-style-type: none"> [Japan] Commenced sales of the new product, "Baby Milk Lotion Vaseline-in." [China] Unveiled the world's first iPS cell-derived "3D Infant Skin Model." [China] Launched the new Vernix Skincare Series, developed based on the technology of the "3D Infant Skin Model." [Singapore] Launched a Halal-certified baby skincare series in Malaysia. 			
		Creating new businesses	<ul style="list-style-type: none"> Create new businesses aimed at growing operations 	<ul style="list-style-type: none"> Achieved steady growth in new domains such as baby home appliances and age-up products, with net sales exceeding 11 billion yen. [Japan] Expanded the product lineup of the steam sterilizer and dryer series ("POCHITTO") by launching a new model optimized for superior space performance. [Japan] Announced the launch of new brands "TABOTENZU" and "Pigeon Kids," as well as the full-scale entry of the "Lansinoh®" brand into the market. 			
		Releasing products that exceed customer expectations	<ul style="list-style-type: none"> Achieve net sales of at least ¥10 billion in new domains 	<ul style="list-style-type: none"> [China] Expanded the product lineup for the age-up category, focusing on drinking cups and kids' skincare. [Singapore] Launched "StarTouch™" as a new age-up product designed to support children's healthy oral development. [Lansinoh] Expanded the nursing bottle lineup and commenced sales of drinking bottles and other items through a collaboration with another brand, "b.box." 			
		Building resilient distribution systems	<ul style="list-style-type: none"> Establish resilient distribution systems to support childcare worldwide 	<ul style="list-style-type: none"> [Japan] Reviewed analytical methodologies in demand forecasting and inventory planning, and restructured the framework to ensure a stable supply system operation. 			
Reducing our Environmental Impact 	Implementing the Pigeon Green Action Plan aimed at realizing decarbonization, a circular society, and coexistence with nature, to leave a rich earth for the future of babies born tomorrow	2030 targets	2025 targets	2025 Progress Action/Review			
Reducing greenhouse gas emissions (Scope 1, 2, and 3)	Helping to resolve social issues affecting babies and their families	New products and services for babies needing support	<ul style="list-style-type: none"> Scope 1 & 2 GHG emissions: 70% reduction (compared to FY2018) 	<ul style="list-style-type: none"> Scope 1 & 2 GHG emissions: 8,568t-CO2e, 69.6% reduction (compared to FY2018) 			
			<ul style="list-style-type: none"> Scope 3 Category 1&12 GHG emissions: 25% reduction (compared to FY2021) 	<ul style="list-style-type: none"> Scope 3 Category 1 & 12 GHG emissions (FY2024 results): 163,919 t-CO2e, 23% reduction (compared to FY2021) Scope 3 Category 1 & 12 GHG emissions (FY2025 results): being calculated The Pigeon Group's greenhouse gas (GHG) emission reduction targets for 2030 were certified by the SBT Initiative as SBT targets based on scientific evidence. 			
			Circular manufacturing	<ul style="list-style-type: none"> Plant-derived or recycled materials in packaging: 50% by weight Reusable/recyclable/compostable packaging: 100% Sustainable paper usage rate in packaging: 100% RSPO-certified sustainable palm oil usage rate in Pigeon-manufactured skincare/washing/cleaning products: 100% (including RSPO Credits) 	<ul style="list-style-type: none"> 50% (by weight) 83% (of SKUs) 71% (of SKUs) 44% 		
Using sustainable resources (paper and palm oil)	Promoting responsible procurement	Participating in and supporting communities	Working environments that achieve self-fulfillment and growth	Ambitious organizational culture	Enriched investment in human resource development	Promoting Diversity, Equity&Inclusion	
Contributing to the Resolution of Social Issues 	Helping to resolve social issues affecting babies and their families	New products and services for babies needing support	<ul style="list-style-type: none"> Develop new products and services to address the challenges faced by babies and their families requiring specialized support, such as those admitted to the neonatal intensive care unit (NICU) Implement various activities to solve the issues surrounding babies and their families needing specialized support, including those in the NICU 	<ul style="list-style-type: none"> [Japan] Commenced general sales of the colostrum collection support device "Precious Drop" on the official online shop. [Japan] Hosted a charity event celebrating the 5th anniversary of the "Nihonbashi Human Milk Bank," alongside events for World Prematurity Day. [China / Singapore] Conducted initiatives worldwide, including in China, Singapore, Thailand, and Malaysia, to support babies with cleft lip and/or palate. Hosted seminars globally tailored for both general consumers and healthcare professionals. 			
Expanding the use of products designed for maternity hospitals	Promoting responsible procurement	Participating in and supporting communities	<ul style="list-style-type: none"> Improve and expand the use of products designed for maternity hospitals 	<ul style="list-style-type: none"> [Singapore] Launched the "Paladai Baby Feeder" in India; made from 100% silicone, it is inspired by traditional metal newborn feeders (Paladai cups) but re-engineered for superior hygiene, durability, and ease of use. Conducted educational seminars for healthcare professionals in various countries worldwide. Established a policy, framework, and process for respecting human rights, and disclosed these details externally. Produced and disclosed the "Partnership Book for Achieving Responsible Procurement" to strengthen engagement with suppliers. Conducted the CSR Procurement Assessment 2025; received responses from 471 out of 563 targeted suppliers (response rate: 87.9%). Submitted the 2025 CoP (Communication on Progress) for the United Nations Global Compact. Named a "Supplier Engagement Leader," the highest rating awarded by CDP in its Supplier Engagement Assessment (SEA). [Japan] Continued and promoted "Lesson for Learning About Babies: For a Baby-Friendly Future," an early education program on childcare for junior high school students across Japan, which received the Good Design Award 2025. Implemented tree-planting and volunteer activities in countries around the world. For more information about "Our Sustainable Actions", please check the following URL. http://www.pigeon.com/sustainability/activity/ 			
Working environments that achieve self-fulfillment and growth	Promoting responsible procurement	Participating in and supporting communities	<ul style="list-style-type: none"> Take steps to become a motivating workplace where employees resonate with the Company's direction and proactively engage in their work Improve scores in employee engagement surveys 	<ul style="list-style-type: none"> Executed the "Pigeon Way Team Action Meetings" across all group companies both in Japan and overseas. Posted examples of activities aimed at realizing a baby-friendly future and six visions for society on our corporate website, please check the following URL. http://www.pigeon.com/vision-of-a-baby-friendly-future/ Conducted the Employee Engagement Survey at Pigeon Corporation, PIGEON (SHANGHAI) CO., LTD., PIGEON SINGAPORE PTE. LTD., and LANSINOH LABORATORIES, INC. The engagement score for 2025 was 4.19. 			
Ambitious organizational culture	Promoting responsible procurement	Participating in and supporting communities	<ul style="list-style-type: none"> Foster an organizational culture that embraces challenges where each employee can leverage their strengths to contribute to business expansion Hold the Pigeon Frontier Awards (PFA)* *Pigeon Frontier Awards (PFA) is a system to support employees' challenges 	<ul style="list-style-type: none"> [Japan] Held the "Pigeon Frontier Awards (PFA)," an initiative that encourages and recognizes taking on challenges for the future without fear of failure. The "Pigeon Mini Charms" born from this project were launched as "Gashapon®" capsule toys developed by Bandai Co., Ltd. 			
Enriched investment in human resource development	Promoting responsible procurement	Participating in and supporting communities	<ul style="list-style-type: none"> Increase investment in human resource development to implement measures that grow the number of highly specialized personnel capable of adapting to changes in the external environment Formulate the Personnel Development Policy and the Internal Environment Development Policy 	<ul style="list-style-type: none"> [Pigeon Group] A total of 4,243 employees participated in training to improve knowledge, skills and abilities, for a total of 46,124 hours. The average training time per employee was 15 hours. 			
Promoting Diversity, Equity&Inclusion	Promoting responsible procurement	Participating in and supporting communities	<ul style="list-style-type: none"> Promote the creation of a workplace environment where employees understand and embrace diversity, implementing measures that allow each employee to work authentically [Japan - Pigeon Corporation] Ratio of female managers (Percentage of women managers and above) 30% [Japan - Pigeon Corporation] Maintain 100% utilization rate of parental leave system take-up for male employees 	<ul style="list-style-type: none"> [Japan - Pigeon Corporation] Ratio of female managers: 26.4% [Japan - Pigeon Corporation] The rate of parental leave system take-up for male employees is 100%* (Average number of days of parental leave taken by male employees: 46 days) *Acquisition rate in FY2025 based on the calculation formula of the Ministry of Health, Labour and Welfare 			
Managing Talent and Cultivating the Right Culture for Our Purpose 	Cultivating an organizational culture in which diverse individuals resonate with the Pigeon Way and our Purpose; feel pride in the Company, their department, and their work; have an intrinsic motivation to contribute; and can embrace new challenges and express themselves to drive personal growth	Working environments that achieve self-fulfillment and growth	Ambitious organizational culture	Enriched investment in human resource development	Promoting Diversity, Equity&Inclusion		
Establishing Solid Management Foundations 	Reinforcing our GHO/4SBU structure and enhancing our corporate governance framework to encourage ambitious endeavors to boost corporate value over the medium to long term	Reinforcing Group governance	Reinforcing compliance	Reinforcing risk management	Dialogue with stakeholders		
Reinforcing Group governance	Reinforcing compliance	Reinforcing risk management	Dialogue with stakeholders	Working environments that achieve self-fulfillment and growth	Ambitious organizational culture	Enriched investment in human resource development	Promoting Diversity, Equity&Inclusion
<ul style="list-style-type: none"> Promoting cash flow management Improvement of CCC (Cash Conversion) 	<ul style="list-style-type: none"> Promotion of improvement measures based on the results of compliance monitoring conducted in 2023 Implementation of compliance training across the entire group 	<ul style="list-style-type: none"> Convene the GHO Risk Management Committee at least once a year Implement Group-wide risk assessments annually 	<ul style="list-style-type: none"> Engage in dialogue with the capital markets and focus on the recovery and growth of Pigeon Value Added (PVA) to enhance corporate value 	<ul style="list-style-type: none"> CCC: 126.5 days in FY2025 	<ul style="list-style-type: none"> Implementation of compliance monitoring across the entire group and consideration and implementation of improvement measures based on the results of that monitoring, please check the following URL. https://www.pigeon.com/sustainability/governance_top/compliance/#headline-1716952057 Implementation of compliance training across the entire group, please check the following URL. https://www.pigeon.com/sustainability/governance_top/compliance/#headline-1716951139 Held the GHQ Risk Management Committee twice. Reviewed key risks at the GHQ Risk Management Committee and added "Business Management & Subsidiary Control" as a new key risk. Conducted a company-wide risk assessment. 	<ul style="list-style-type: none"> To proactively engage in dialogue with capital markets, we conducted approximately 250 diverse meetings annually with institutional investors and analysts both in Japan and overseas. Through these meetings, we deepened multifaceted engagement on primary themes of interest, including recent financial results, the direction of the next Mid-Term Business Plan, capital efficiency enhancement measures involving collaboration with Japan Activation Capital, and sustainability. For more details, please visit the link below: https://www.pigeon.com/sustainability/files/pdf/dialogue_shareholders2604e.pdf To drive the further recovery and growth of Pigeon Value Added (PVA)—our proprietary performance indicator—we further advanced management with a strong awareness of capital costs and stock price. This was achieved by executing profitability improvement strategies, reducing working capital (including inventory levels), optimizing our business portfolio utilizing PVA, and integrating various performance and stock price indicators into our executive compensation calculation criteria. For more details, please visit the link below: https://www.pigeon.com/ir/files/pdf/capital_costs_management_2604_e.pdf 	