



Partnership Book for Achieving Responsible Procurement

Pigeon Corporation

Revised 1st ed.

CONTENTS

- Introduction1
- Pigeon’s Philosophy2
- CSR Procurement Policy • CSR Procurement Guidelines.....3
 - CSR Procurement Policy.....3
 - CSR Procurement Guidelines4
- Reporting System9
 - The Pigeon Partners Line (Contact point for the use of business partners to report or seek consultation on compliance)9
- Related Policies.....10
 - Pigeon Group Human Rights Policy.....10
 - Sustainable Palm Oil Procurement Policy10

Introduction

The Pigeon Group (“the Group”) has established the Pigeon Group DNA and the Pigeon Way as a philosophy valued by each and every employee, and engages in business aimed at the realization of its Purpose, “We want to make the world more baby-friendly by furthering our commitment to understanding and addressing babies’ unique needs,” and the sustainable improvement of both social and financial corporate value.

In recent years, the sustainability issues faced by society have diversified. To address challenges around social issues like the environment, human rights, and occupational health and safety, we are expected to take action not alone but in coordination with our entire supply chain. The Group considers all suppliers who help Pigeon as it strives to realize its philosophy valued partners.

Pigeon Corporation (“the Company”) has signed the UN Global Compact and supports its Ten Principles. The Company has identified “Contribution to the resolution of social issues” as one of its Key Issues (Materiality) to be addressed in the medium to long term, and promotes responsible procurement (CSR procurement). Furthermore, the Group has established a CSR Procurement Policy and Guidelines to be followed as it strives alongside its suppliers (“partners”) to live up to its social responsibility.

Expectations of corporations around responsible procurement (CSR procurement) are rising, with particularly emphasis placed on preventing and rectifying human rights and labor problems across the entire supply chain. We have worked on this together with our partners in the past, but in order to clarify to society our thinking on responsible procurement (CSR procurement), we have created this booklet, “Partnership Book for Achieving Responsible Procurement,” and partly updated our CSR Procurement Policy and Guidelines.

The Group considers the CSR Procurement Policy and Guidelines highly important for business relationships, so we ask all partners to read this document closely and offer understanding and cooperation as we strive to promote responsible procurement.

Ryo Yano
President and CEO
Pigeon Corporation

Pigeon's Philosophy

The Pigeon Group DNA and Pigeon Way is our company philosophy, valued by each and every employee.

The Pigeon Group DNA consists of our Corporate Philosophy and Credo, the core of Pigeon Group throughout its history and into the future.

The Pigeon Way consists of our Purpose and Spirit, our reason for existing in society and the cornerstone of all our activities, embodying our "heart and soul."

Pigeon Group DNA

The core of Pigeon Group throughout its history and into the future

Corporate Philosophy

The essence and core of our company

Love

Pigeon group's products and services embody the idea of "Love." Just as a mother's love forms the foundation of how she cares for her child, we must uphold that idea in everything we do.

Credo

Our fundamental belief based on the corporate philosophy

Only love can foster love

Pigeon Way

Our reason for being in society and the cornerstone of all our activities which embodies our "heart and soul"

Purpose

We want to make the world more baby-friendly by furthering our commitment to understanding and addressing babies' unique needs

Spirit

- Pursuing Our Purpose -

Integrity

We will earn the trust of our stakeholders through honesty, openness, and accountability in everything we do.

Dedication

We will identify the essential challenges facing society, build products and solutions reflecting our vision and embrace new approaches with agility and enthusiasm.

Synergy

We will unite as a company to create greater value, inspiring each other to new heights of excellence through spirited debate over how we can help build the future.

Enjoy

We will pursue work that is meaningful and resonates with our customers.

CSR Procurement Policy • CSR Procurement Guidelines

CSR Procurement Policy

The Pigeon Group DNA and Pigeon Way express the philosophy that each and every Pigeon Group employee upholds in the course of their duties.

To better embody the Pigeon Group DNA and Pigeon Way and to make the world more baby-friendly, we have established a CSR Procurement Policy (“the Policy”). This outlines our basic thinking on procurement and the initiatives we undertake to fulfill our social responsibilities in order to continue contributing to the development of a sustainable society as described in the Pigeon ESG/SDGs Policy.

Based on the Policy, we have also established CSR Procurement Guidelines (“the Guidelines”). We will continue to engage in responsible procurement, pursuing a stable supply of high-quality products and materials and building win-win relationships with suppliers as we strive to reduce our environmental impact and maintain fair business practices with strict compliance and a strong ethical outlook.

1. Social responsibility

- (1) Quality and safety
- (2) Stable procurement and stable supply
- (3) Respect for human rights
- (4) Respect for labor
- (5) BCPs
- (6) Safety measures
- (7) Promoting sustainable procurement of raw materials

2. Reduction of environmental impact

- (1) Promoting environmental preservation
- (2) Promoting efficient use of resources and resource-saving practices
- (3) Reduction of waste
- (4) Reduction of emissions of global-warming substances
- (5) Control of chemicals used in manufacturing processes and products
- (6) Biodiversity

3. Fair business practices

- (1) Respect for social norms
- (2) Compliance
- (3) Fair competition
- (4) Prohibition of corruption and bribery
- (5) Prohibition of misuse of dominant position
- (6) Building relationships of trust
- (7) Information management and security

CSR Procurement Guidelines

The Guidelines define points on which we, the Pigeon Group (“the Group”), must work together with our suppliers to fulfill our social responsibilities in accordance with global guidance like the Ten Principles of the UN Global Compact as well as the Pigeon DNA and Pigeon Way.

We view the Guidelines as central to our interactions with suppliers, and regularly monitor the status of relevant supplier initiatives through CSR assessments and other means.

1. Social responsibility

(1) Quality and safety

The Group procures products and materials that are safe and durable through development activities based on the Pigeon Design Philosophy and the internally developed Pigeon Quality Standards (PQS).

(2) Stable procurement and stable supply

The Group places great value on stable procurement and stable supply, so that it can always deliver excellent products and services to customers. We work with suppliers to achieve stable procurement and share information with them on risk preparedness. We ask suppliers to prepare against risks to stable supply and to notify us immediately if supply must be suspended or delayed for any reason. In this way the Group and its suppliers take responsibility for supply by mutual agreement.

Other factors the Group stresses in its procurement activities are the procurement of products and materials that are economical and of confirmed quality as well as sufficient manufacturing and supply capacity to satisfy the Group’s needs.

(3) Respect for human rights

In carrying out its procurement activities, the Group focuses keenly on respect for human rights, prohibiting discrimination of all kinds. Our approach is one of respect and acceptance of all

people regardless of nationality, sex, age, creed, ability/disability, social status, sexual identity and sexual orientation. We require our suppliers to adhere to the Pigeon Group Human Rights Policy and carry out efforts to instill respect for human rights, to prevent negative impact on or belittling of human rights in the course of business activities related to suppliers' products and services.

(4) Respect for labor

As part of our efforts to ensure decent work in our supply chain, we require our suppliers to:

- Prohibit the use of child labor, forced labor and illegal labor, and strive to develop a sufficient awareness of inhumane labor practices and promote appropriate hiring.
- Comply with labor-related laws and regulations and mandated labor conditions, provide safe and hygienic work environments, guarantee minimum wages and prevent excessive work hours.
- Respect freedom of association and accept the effective exercise of collective-bargaining rights, along with prohibiting discrimination in hiring and treatment of employees and undertaking measures to prevent unfair treatment in the workplace, including harassment in all its forms.

(5) BCPs

In preparation for risks such as natural disasters, accidents, terrorism, bankruptcy and cessation of supply due to management problems, the Group proposes business continuity plans (BCPs) and makes efforts to reduce risk on that basis. To support the BCPs, the Group agrees with suppliers to a policy of mutual disclosure and transparency.

(6) Safety measures

Above all things, the Pigeon Group prizes the peace of mind, satisfaction and trust of the babies and their families who use our products. The Group therefore discloses the composition of its products, including the inclusion of chemicals that the Group regards as harmful, in all processes from development through manufacturing and sale to after-sale follow-up. Complying strictly with the laws, regulations, safety standards and other requirements of each country, the Group works hard to secure the quality and safety of its products.

The Group also recognizes the movement to eliminate animal testing as an important worldwide demand. We are striving constantly to make the elimination of animal testing a reality.

(7) Promoting sustainable procurement of raw materials

We promote sustainable procurement of palm oil-derived products, paper, and other products associated with grave environmental, human rights, or labor risks.

2. Reduction of environmental impact

(1) Promoting environmental preservation

The Group understands the importance of preserving the environment. We work with our suppliers to restrain and reduce the environmental impact caused by emissions of harmful substances activities, such as air, water and soil pollution generated by business activities.

(2) Promoting efficient use of resources and resource-saving practices

The Group works with suppliers to accomplish sustainable and efficient use of resources (energy, water, raw materials, etc.) and to reduce resource consumption (reduce, reuse, recycle).

(3) Reduction of waste

The Group identifies, manages and reduces waste and disposes of it responsibly. We also work with suppliers to reduce waste.

(4) Reduction of emissions of global-warming substances

The Group is pursuing further development of environmental management systems. In particular, we are striving to identify and reduce emissions of global-warming substances. We also keep appropriate records related to reduction of CO2 emissions.

(5) Control of chemicals used in manufacturing processes and products

To ensure that the management of chemicals included in products and used in manufacturing processes complies with the environmental laws, regulations, bylaws and arrangements of each country, the Group requires all suppliers to examine and understand the information about the chemicals they use and to conduct the necessary compliance.

(6) Biodiversity

The Group asks its suppliers to examine their impact on ecosystems, both direct and indirect, to protect biodiversity and use resources sustainably.

3. Fair business practices

(1) Respect for social norms

In every aspect of its procurement activities, the Group maintains high standards of ethics. We promote compliance-focused activities and eliminate profit that depends on violations of laws, regulations and corporate ethics.

(2) Compliance

We comply strictly with the laws and regulations of the countries and regions in which it does business, fully mindful of its social purpose. We adhere to our Corporate Ethics Guidelines and

other internal regulations and practice thorough compliance, refraining from actions that violate this principle or may cause misunderstanding.

Naturally, we refuse all relations with anti-social forces. If faced with an inappropriate request, we firmly refuse and contact to the appropriate authorities, dealing with the issue in a systematic fashion.

(3) Fair competition

In procurement, as with other business activities, the Group aims to grow as an enterprise through fair, transparent and free commerce and competition, thereby contributing to sound economic development. We therefore comply strictly with domestic and international competition laws. Taking these laws into consideration, we establish suitable methods of doing business, working closely with suppliers to establish responsible procurement.

Intellectual property must be managed and used appropriately, as it is a vital wellspring of competitiveness in enterprise activity. The Group recognizes the importance of its intellectual property rights, including patent rights, utility model rights, trademark rights, design rights and copyrights. We correctly establish rights to and carefully protect our research and development results. By the same token, we take great care in handling the intellectual property rights of third parties, so as not to infringe them.

(4) Prohibition of corruption and bribery

The Group never gives to or receives from suppliers entertainments, gifts, monies or other benefits for the purpose of obtaining or holding illicit gains or favors.

(5) Prohibition of misuse of dominant position

We comply strictly with the laws and regulations of the countries and regions in which it does business, fully mindful of its social purpose. We never misuse any position of dominance we may enjoy, striving to maintain fair and equitable relations with all suppliers.

(6) Building relationships of trust

Through the trading of products and materials that enjoy the peace of mind, satisfaction and trust of babies and their families, the Group builds relations of mutual trust with its suppliers. The Group strives to achieve mutual business development and improvement of business results, exchanging necessary information with suppliers, engaging in mutual, rigorous evaluation of terms of trade and each other's actions.

(7) Information management and security

In the conduct of its procurement activities, the Group manages confidential and personal information with the strictest care. We take prudent steps to prevent the unlawful use of

confidential and other sensitive information.

Established December 21, 2020

Revised August 5, 2024

Revised February 14, 2025

Reporting System

The Pigeon Partners Line (Contact point for the use of business partners to report or seek consultation on compliance)

[Purpose]

The Pigeon Partners Line has been established as a contact point for reporting or consulting if you have any doubts about whether the conduct of Pigeon Group employees or officers violates corporate ethics, etc. in transactions with the Pigeon Group.

[Protection of reporters]

We will ensure that reporters are not treated disadvantageously in any way because they made a report or consulted and that their personal information will be protected.

Although anonymous reporting and consultation is possible, we may confirm the affiliated company and name of the person making the report or consultation in order to fully investigate the content of the report or consultation and to formulate and implement measures to prevent reoccurrence. However, it is not obligatory to respond to this confirmation.

Please report or consult with us if you agree with the Personal Information Utilizing Guidelines

(https://www.pigeon.com/sustainability/files/pdf/confidential_20250801_en.pdf)

[When you can report or consult]

When you have any doubt that an act of employees or officers of the Pigeon Group may violate corporate ethics (compliance violation) or may have violated corporate ethics, etc.

[Persons who can use this contact point]

This service is available to companies and related parties that do business with the Pigeon Group.

[Things to keep in mind]

- Please refrain from reporting content such as slander and defamation of individuals unrelated to compliance violations.
- We will not treat the person who made the report or the company to which the person belongs unfavorably because of the report or consultation.

[Respondent of Pigeon Partners Line]

The following person or the division in charge are responsible for handling reports submitted to Pigeon Partners Line:

- Contact point to Legal Dept.:
 - Pigeon Corporation Business Strategy Division Manager
 - Pigeon Corporation Deputy Division Manager of Business Strategy Division
 - Pigeon Corporation Senior Manager of Legal Department
 - Pigeon Corporation Legal Section staff
- External Contact Point:
 - Corporate lawyer (City-Yuwa Partners)

[Reporting flow]

1) Access the URL of the Pigeon Partners Line website
https://portal.dq-helpline.com/pigeon_partners_line/en/

2) Enter the common ID and password to log in.
Common ID: partnersline
Password: partnersline

3) Follow the instructions on the website to set your "PIN Code" (except Europe) and enter the details of your report or consultation.

4) Once your report is registered on the D-Quest server, a 13-digit "Report Number" will be issued.

The reporter and the respondent will communicate with each other on this reporting website using the Report Number, and the respondent will make answers such as the investigation results of the report to the reporter. The reporter is also required to have a Report Number when communicating on the website, so please keep it with your report PIN Code.

Related Policies

Pigeon Group Human Rights Policy

https://www.pigeon.com/sustainability/social_top/humanrights/

Sustainable Palm Oil Procurement Policy

https://www.pigeon.com/sustainability/environment_top/environmental_policy/