Third Quarter of Fiscal Year Ending December 31, 2024 (Jan 1, 2024 to Sep 30, 2024) Unicharm Investor Meeting Presentation Materials

November 8, 2024

Unicharm Corporation





Third Quarter of Fiscal Year Ending December 31, 2024(January 1 to September 30) Financial Performance Summary

Projections stated in these materials include those based on the Company's currently obtained assumptions, forecasts and plans regarding the future. Therefore, actual results may differ significantly from projections due to risks and uncertainties associated with market competition, foreign exchange rates, etc.

Third Quarter of Fiscal Year Ending December 31, 2024(January 1 to September 30) Financial Results Summary



Consolidated

Sales 722.1 billion JPY (YoY +5.0%)
Core operating income 103.6 billion JPY (YoY +11.7%)

- All-time high for sales and core operating income.
- Gross profit margin improved steadily with the effect of continued value-shifting and cost reductions.

Japan

6.2% sales increase, 10.8% profit increase

- Value-shifting seems to have run its course in Pet Care Business. On the other hand, value-shifting in Personal Care Business
 penetrated and expanded, driving Japan's performance.
- Despite target population decrease, sustained high growth in Baby Care and Feminine Care Business through further value-shifting.

Overseas

4.5% sales increase, 13.3% profit increase

- In Asia, decrease in sales and profit. Recovery of Baby Care Business delayed due to severe competition and impact of market contraction. On the other hand, Feminine Care Business expanded steadily in India and Southeast Asia although recovery delayed in China. Promotion of Pet Care market development.
- In other regions, increase in sales and profit. Strong performance in Middle East, driving performance. Improved profitability in North America through high growth in pet food sales. Improved profitability in Brazil. Aggressive promotion of market development in Africa including Kenya.

Shareholder Return Yearly dividend 44 yen per share Increased dividend for 23 consecutive years

• Purchase of own shares: purchased approx. 19 billion yen as planned. (3.9 million shares)

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Sales hit a record high for 7 consecutive years Core operating income also hit a record high through value-shifting and cost reduction etc.

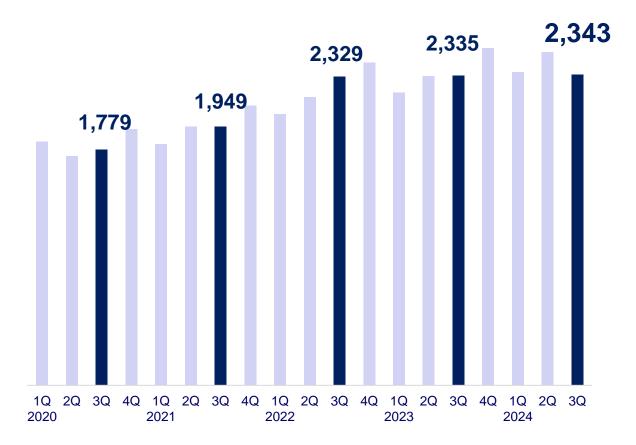


onsolidated account highlights					(Unit: 100 mil	lions of yen)
om Jan. to Sep.)	3Q of FY Ended Dec.31, 2023	3Q of FY Ending Dec. 31, 2024	Gap(yen)	Gap(%)	(Forecast) FY ending Dec. 31, 2024	Achievement (%)
Net sales	6,874	7,221	+346	+5.0%	10,060	71.8%
Core operating income (margin-%)	927 (13.5%)	1,036 (14.3%)	+109	+11.7% (+0.8P)	1,440 (14.3%)	71.9%
Profit before tax (margin-%)	1,010 (14.7%)	1,008 (14.0%)	-3	-0.3% (-0.7P)	1,440 (14.3%)	70.0%
Profit attributable to owners of Parent company (margin-%)	610 (8.9%)	596 (8.2%)	- 14	- 2.4% (- 0.7P)	900 (8.9%)	66.2%
EBITDA (profit before tax + depreciation/ amortization)	on) 1,328	1,356	+28	+2.1%	1,860	72.9%
Base earnings per share (JPY)	102.99	101.23	-1.76	-1.7%	153.49	66.0%
USD Rate (JPY)	138.11	151.29	+13.18	+9.5%	143.00	_
CNY Rate (JPY)	19.61	20.97	+1.36	+6.9%	19.90	_

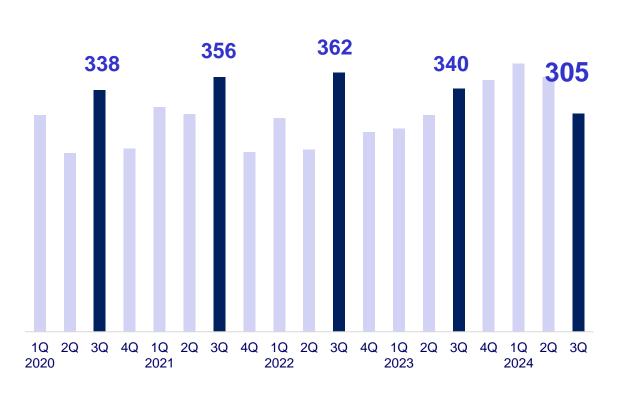


Sales trend (quarterly)

(Unit: 100 millions of yen)



Core operating income trend
 (quarterly)
 (Unit: 100 millions of yen)

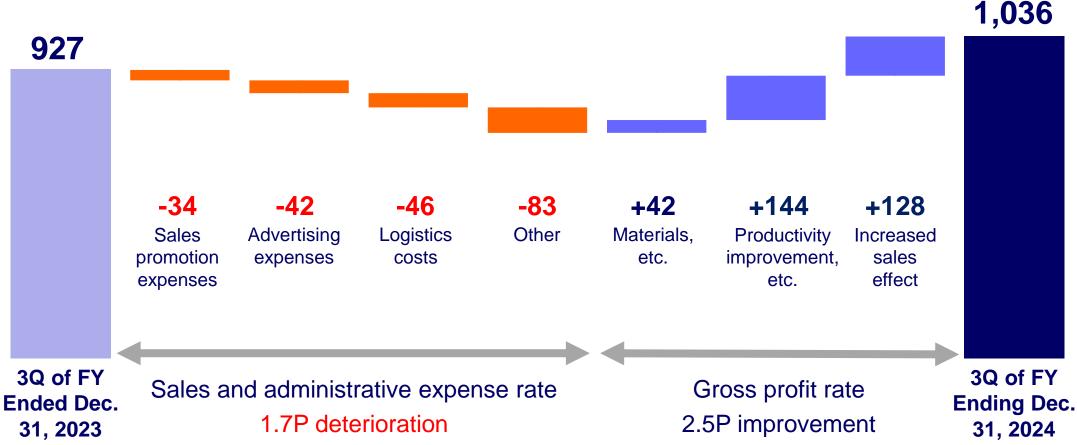


Core operating income increased by 10.9 billion JPY by absorbing strategic marketing investments, etc. through continuous value-shifting and business mix improvement



• Core operating income fluctuation (from Jan. to Sep.)

(Unit: 100 millions of yen)



In Japan sustained strong performance thanks to further penetration and expansion of value-shifting. In Asia, strong performance in India, delayed recovery of Baby Care Business in Southeast Asia and China, increased prior investment for Pet Care Business. In other regions sustained high growth in Middle East and strong performance in North America leading the performance, Brazil also contributed to profit increase.



 Geographical segment information (from Jan. to Sep.) (Unit: 100 millions of yen)

(IIOIII Jan. to Sep.)		3Q of FY Ended Dec.31, 2023	3Q of FY Ending Dec. 31, 2024	Gap(yen)	Gap (%)	(Ref.) Actual ※1 gap rate
Japan	Net sales Core operating income (margin-%)	2,307 452 (19.6%)	2,450 500 (20.4%)	+143 +49	+6.2% +10.8% (+0.8P)	_
Asia	Net sales Core operating income (margin-%)	3,247 335 (10.3%)	3,245 330 (10.2%)	-2 -5	-0.1% -1.4% (-0.1P)	-5.7% -6.9%
Others **2	Net sales Core operating income (margin-%)	1,320 138 (10.5%)		+205 +68	+15.6% +49.0% (+3.0P)	+7.9% +36.6%
Consolidation	Net sales Core operating income (margin-%)	6,874 927 (13.5%)	7,221 1,036 (14.3%)	+346 +109	+5.0% +11.7% (+0.8P)	+0.9% +7.9%

[Actual gap rate of sales in main countries] *management accounting base
China -9% Indonesia -5% Thailand -12% India +4% Vietnam -6% Middle East +10% North America +7% Brazil -6%

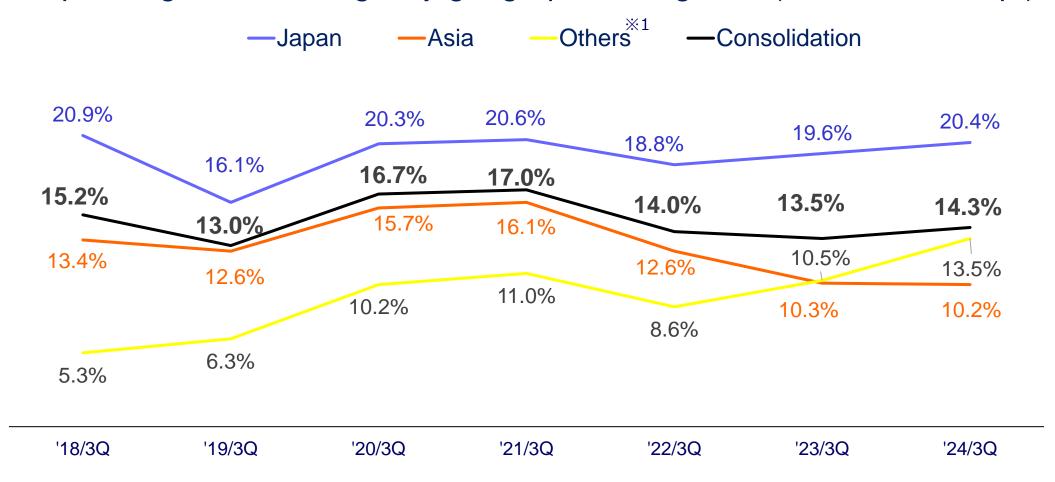
^{*1} Actual gap rate excluding foreign exchange effects

^{*2} Others: main regions are North America, Saudi Arabia, Brazil and Netherlands

Highly profitable foundation was built through continuous penetration and expansion of valued-added products



Core operating income margin by geographical segment (from Jan. to Sep.)

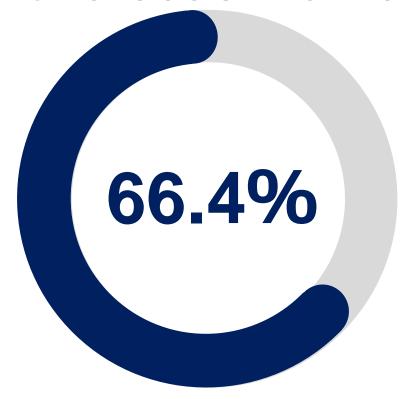


^{*}Others: Main regions are North America, Saudi Arabia, Brazil and the Netherlands

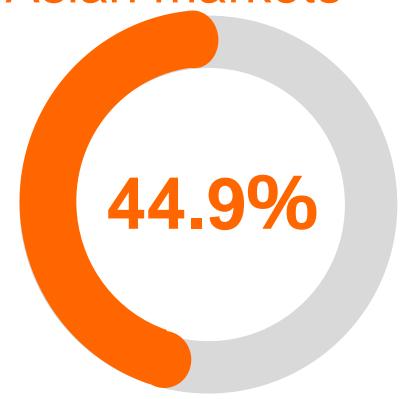
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 Sales ratio of overseas markets



Sales ratio of Asian markets



Profitability improved in all businesses of Personal Care mainly in Japan, and business mix keeps improving. In Pet Care Business, North America drove sales and profit increase through sustained effect of value-shifting penetration and expansion.



(Unit: 100 millions of yen)

 Business Segment Information (from Jan. to Sep.)

(mom dam to dop.)		3Q of FY Ended Dec. 31, 2023	3Q of FY ending Dec. 31, 2024	Gap(yen)	Gap(%)
Personal Care	Net sales Core operating income (margin-%)	5,767 743 (12.9%)	823	+274 +81	+4.8% +10.8% (+0.7P)
Pet Care	Net sales Core operating income (margin-%)	1,013 175 (17.3%)	201	+66 +26	+6.5% +14.8% (+1.3P)
%1 Others	Net sales Core operating income (margin-%)	95 10 (10.1%)		+6 +2	+6.7% +21.7% (+1.4P)
Consolidation	Net sales Core operating income (margin-%)	6,874 927 (13.5%)	1,036	+346 +109	+5.0% +11.7% (+0.8P)

^{*} Other products refer to those related to industrial materials, etc.

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Impacts of foreign exchange fluctuations: Approx. 28.3 billion JPY increase in sales and approx. 3.6 billion JPY increase in core operating income



Rate fluctuations by currency (Jan. to Sep. average rate)

Currency	3Q of '23/12 rate	3Q of '24/12 rate	Rate Change
China (CNY)	19.61	20.97	+6.9%
Indonesia (IDR)	0.0092	0.0096	+4.3%
Saudi Arabia (SAR)	36.87	40.39	+9.5%
India (INR)	1.69	1.82	+7.7%
Thailand (THB)	4.01	4.24	+5.7%
USA (USD)	138.11	151.29	+9.5%
Vietnam (VND)	0.0058	0.0060	+3.4%
Netherland (EUR)	149.62	164.40	+9.9%
Taiwan (TWD)	4.47	4.73	+5.8%
Malaysia (MYR)	30.59	32.63	+6.7%
Brazil (BRL)	27.62	28.90	+4.6%
Australia (AUD)	92.36	100.13	+8.4%
Korea (KRW)	0.1063	0.1120	+5.4%
Egypt (EGP)	4.51	3.55	-21.3%



Summary of Progress on Performance Forecast FY Ending December 31, 2024

Fiscal Year ending December 31, 2024 Summary of Consolidated Performance Forecast



Consolidated

Sales 1,006 billion JPY (YoY +6.8%) Core operating income 144 billion JPY (YoY +12.5%)

[Progress]

- □ Sales and core operating income remained in line with the forecast thanks to strong performance in the first half of the year.
- ☐ Aiming to achieve annual performance forecast by increasing sales and profit in the fourth quarter(Oct.-Dec.).

[Third quarter topics]

- Total
 - Strategic marketing investments were made in advance for growth from the fourth quarter onward.
 - Effects of cost reduction were lower than initially expected due to foreign exchange impact.
- By country
 - In Japan, despite cost increase trend, increase in sales and profit by absorbing cost rises more than expected through penetration and expansion of further value-shifting in Personal Care business.
 - In India, Strong in-store sales in both Baby Care and Feminine Care business through aggressive sales activities and improved profitability.
 - In Middle East, despite political uncertainty, sustained strong sales and higher growth than expected.
 - In North America, improved profitability more than expected through sustained strong sales of cat treats in Pet Care Business.
 - In Southeast Asia and China, delayed recovery of Baby Care Business due to market shrinkage and competitive factors.
 - In Feminine Care Business in China, despite challenges in competitiveness of existing products, new products sold well and grew steadily. Expanded sales in quick commerce channel.



Progress on "Kyo-Sei Life Vision 2030"

Becoming No.1 in the world in "relative value" and "absolute value" by 2030 to contribute to the "realization of a cohesive society" and "SDGs achievement"



2030 Target

Relative Value

Sales Core Operating Income

ROE

World Share

1.5 trillion JPY 17%

17%

No. 1

Absolute Value



Creating a circular economy through products and services that only we can produce











Issue: Asia Business growth slowdown

Although Baby Care Business in Asia has driven Asia business and maintained high share, sales growth slowed down due to target population decline and competitions, and this impact to overall performance in Asia

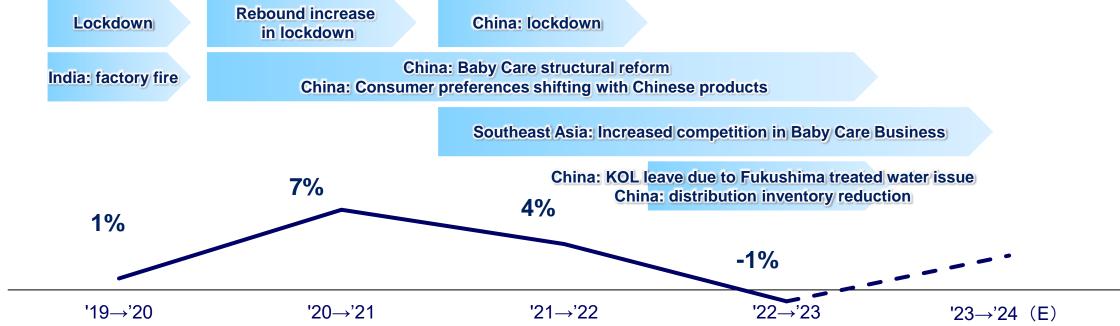


Asia business sales growth rate (actual)

[Main Factors]

- ✓ Shrinkage of baby care market due to decrease in the number of births while high market share
- ✓ Expansion of low-priced products made by emerging companies especially in baby care.
- ✓ Continued reduction of distribution inventory in China due to economic uncertainty.
- ✓ Delay in manifestation of new categories such as wellness care in China.
- ✓ Failure to further expand potential categories in Japan and overseas.

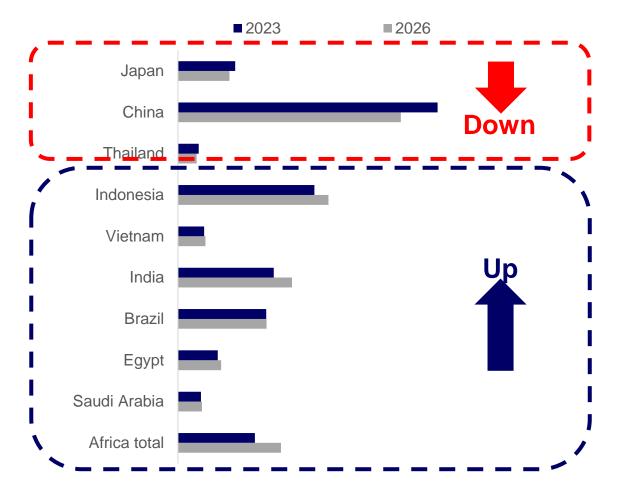




Mid-term Basic Strategy of Baby Care Business in Asia: Aiming for renewed growth with two brand strategies and unique proposals



Projections of baby care market size in Asia (volume)



Data Source: Euromonitor, Unicharm

Baby care market environment change forecast in Asia

- ✓ In future, usage pieces in growing markets such as India and Indonesia will increase as the number of births and diffusion increase, that covers the decline in volume in countries where birth rate decreases.
- ✓ Polarization between high price-oriented and low price-oriented markets is progressing.
- Baby Care measures in Asia

Strengthening visible and unique values that capture consumer insights and cost competitiveness by leveraging the strengths of two brands



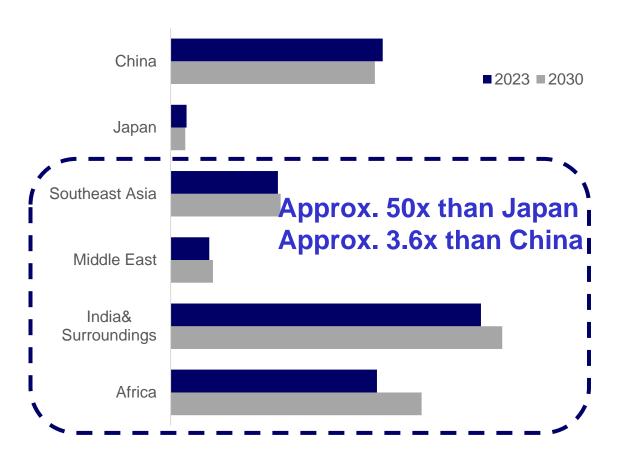


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Mid-term Basic Strategy of Feminine Care Business in Asia: Aiming for further growth through unique products that capture consumer insights and expansion of diverse sales channels



Target population projections by region



Data Source: Unicharm

Feminine care market environment change forecast in Asia

- ✓ Market expansion by covering declining target population in China and Japan with growing markets such as India, countries surrounding India and Southeast Asia
- ✓ Increased needs for security, sensory, health and environment
- ✓ Accelerated growth of emerging sales channels

Feminine Care measures in Asia

Launching market-first and unique new products in each country and region in a rapid and continuous manner











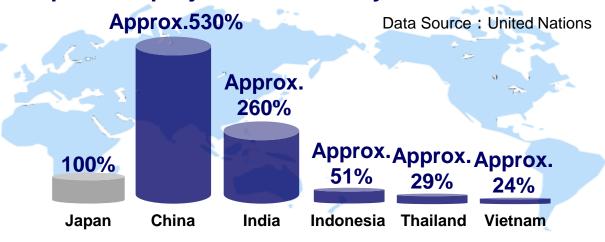
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Basic Strategy of Wellness Care Business in Asia:

Accelerating growth in southeast Asia by promoting further penetration through marketing activities Striving for manifestation of performance with a sense of speed in China



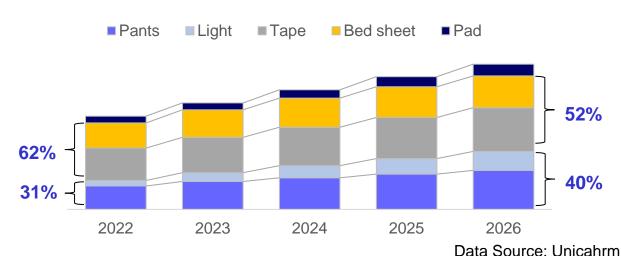
Population projections for 65+ years old (compared with Japan)



Wellness care market environment change forecast in Asia

- ✓ In Southeast Asia, increased usage pieces with increase in elderly population and product penetration.
- ✓ In addition to increase in number of users through pants penetration, accelerated penetration of care products through increase in low-priced products such as tape produced by emerging companies.
- ✓ Increase in number of independent and health-conscious caregivers, especially in urban areas of China

Wellness care market size by type in China (volume)



Wellness Care measures in Asia

Accelerating diffusion and penetration of adult incontinence care products by providing unique product value and strengthening value communication capabilities











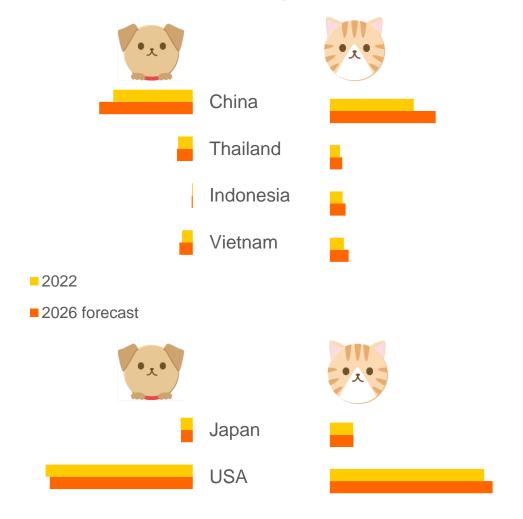
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Mid-term Basic Strategy of Pet Care Business in Asia:

Aiming to revitalize market and achieve growth by developing products and sales channels that incorporate technologies developed in Japan to meet local needs in markets where the number of dogs and cats is expected to increase



Forecast of pet dog and cat numbers



Data Source: Euromonitor, Unicharm

Pet care market environment change forecast in Asia

- ✓ Continued increase in number of pet dogs and cats
- ✓ Increase in number of new entrants due to high market growth potential
- ✓ Expanded emerging sales channels in Southeast Asia
- ✓ Market growth potential to cover the decline in baby care market

Pet Care measures in Asia

Accelerating growth by strengthening product lineups with competitive advantages such as supplementary foods











Continuous launch of value-shifting products in Feminine Care and Wellness Care Business, which are growth categories in existing countries

Expanding business performance by realizing effects of each strategy from the second half of FY2024 to FY2025



- Japan: Sustaining strong performance through continuous launch of value-shifting products
 - ✓ Expanding lineup of skin care and nighttime products in Feminine Care.

✓ Expanding lineup focusing on light and moderate incontinence products in Wellness Care.









- China: Unique products and quick commerce growth
 - ✓ Creating new markets for daytime panty-type sanitary napkins and antibacteria products, and strengthening reasonably priced products targeting younger consumers in Feminine Care.
 - ✓ Strengthening quick commerce.
 - ✓ Expanding product lineup with a focus on air permeability in Wellness Care













- Thailand: Driving market growth by creating new markets
 - ✓ Expanding product lineup with cool-type night panties sanitary napkins and Femtec-related products in Feminine Care.
 - ✓ Leveraging Sofy brand to strengthen light incontinence products in Wellness Care









- Vietnam: Steady growth in in-store sales
 - ✓ Expanding distribution of nighttime panty-type sanitary napkins in Feminine Care
 - ✓ Expanding lineup of affordable moderate incontinence products and promoting diffusion







Steadily increasing sales by expanding product lineup that meet needs of each country and region based on Japanese technology in Asia pet care market, where high market growth is expected



China: Achieving high growth by developing products and sales channels that meet consumer needs and creating synergy effects with JIA



- Thailand: Achieving high growth by developing premium products
 - ✓ Expansion of product lineup in food and toiletries and distribution

- ✓ Expansion of product lineup in food and toiletries
- ✓ Strengthening quick commerce and e-commerce channels





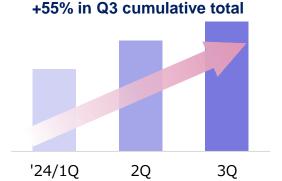
- Indonesia: Expanding sales size by strengthening in-store exposure
 - ✓ Expansion of product lineup in food and toiletries

















Approx. 2time in Q3 cumulative total

3Q

2Q

'24/1Q

Steadily building a new foundation for growth by promoting penetration with affordable priced products for non-users in India and Africa, where penetration of sanitary products is low



India: Keeping high growth through unique products and activities to increase penetration



- ✓ Promoting penetration by developing affordable sanitary products
- ✓ Development of unique products that meet local needs
- ✓ Supporting menstrual education and women's empowerment in rural areas









Africa: Steadily expanding sales areas for sustainable growth



Establishment of subsidiary in 2010



















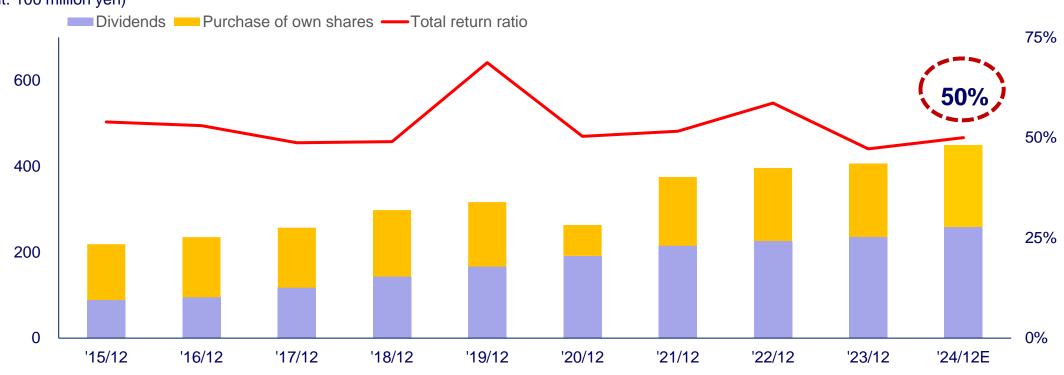
Shareholders Return Policy

Through the payment of dividend linking to the business performance and buy-back of our own shares, we are also aiming for total return ratio of 50% in 2024



Shareholders return policy

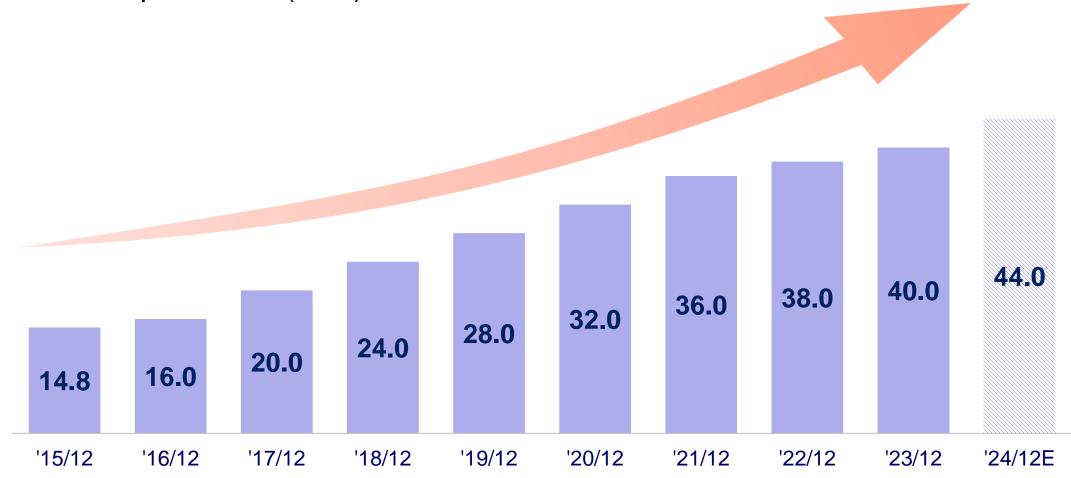




We are aiming at returning profits to our shareholder with a goal of total return ratio of 50% by paying dividends on a consistent and continuous basis and buying back our own shares, upon necessity, on a flexible manner based on the growth of med-to-long term consolidated earnings while focusing on the business investment for achieving the uninterrupted growth.



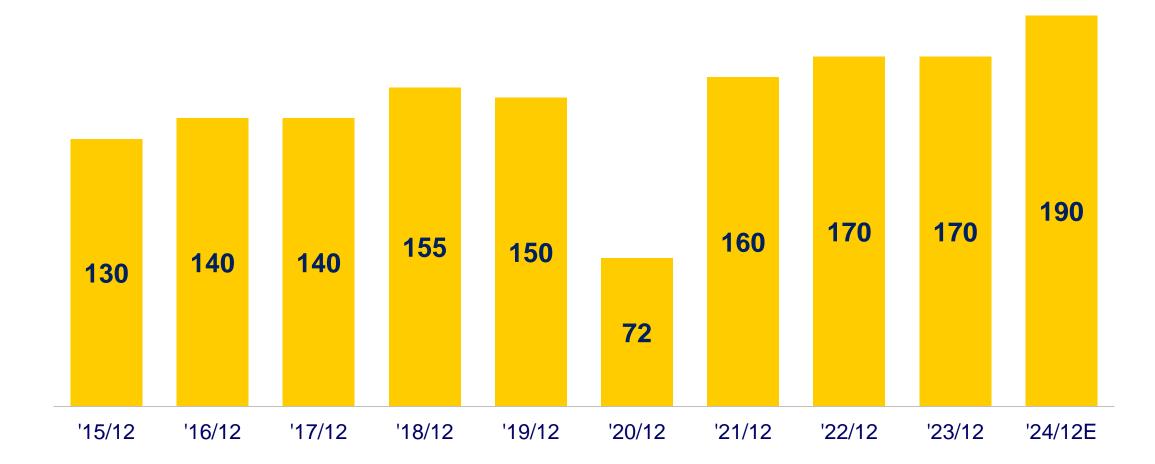
Dividends per share (JPY)



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Share buy-back history (Unit: 100 million JPY)



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Approach to realize a "Cohesive Society (Social Inclusion)"

Formulating Mid-to-Long Term ESG Objectives

"Kyo-sei Life Vision 2030"

Our goal

Key initiatives



◆ 20 key themes with the goal in 2030

Our aim is to provide products and services that contribute to the realization of a society where all people can have a sense of individuality and enjoy their daily lives.

Our goal

Our aim is to provide products and services that not only improve the safety, security, and satisfaction of our customers, but also contribute to solving social issues and promoting sustainability.

Our goal

Key initiatives

- Innovations to achieve "NOLA & DOLA"
- Practicing sustainable lifestyles
- Construction of value chains that take account of sustainability
- Improvement of customer satisfaction
- Provision of safe, reliable products

Safeguarding the well-being of individuals

Key initiatives

- Extension of healthy life expectancy and improvement of QOL
- Support for a society where gender and sexual orientation do not restrict people's activities
- Coexistence with partner animals (pets)
- Improvement of childcare
- Improvement of public hygiene

Realizing a Cohesive Society

(Creating a Diverse, Inclusive, and Sustainable World)



• Addre

- Addressing climate change
- Expanding our line of recycled models

Development of eco-friendly products

- · Promotion of product recycling
- · Reduction of the amount of plastic materials used

Our aim is to provide products and services that

are sanitary and convenient, as well as contribute

to activities that improve our planet's environment.

Safeguarding the well-being of our planet

Our goal

Our aim is to pursue fairness and transparency in order to establish and retain stakeholder trust.

Key initiatives

- Management practices that take sustainability into account
- Practice of appropriate corporate governance
- Promotion of diversity management
- Fostering the development of competent human resources
- Construction of healthier workplaces and workplace safety systems

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Formulating Mid-to-Long Term ESG Objectives

"Kyo-sei Life Vision 2030"



◆20 key themes of initiatives to realize "Cohesive Society (Social Inclusion)"

Safeguarding the well-being of individuals

- Extension of healthy life expectancy and improvement of QOL
- Support for a society where gender and sexual orientation do not restrict people's activities
- Coexistence with pets
- Improvement of childcare
- Improvement of public hygiene

Safeguarding the well-being of society

- Innovations to achieve "NOLA&DOLA"
- Practicing sustainable lifestyles
- Construction of value chains that take account of sustainability
- Improvement of customer satisfaction
- Provision of safe, reliable products

Safeguarding the well-being of our planet

- Development of eco-friendly products
- Addressing climate change
- Expanding our line of recycled models
- Promotion of product recycling
- · Reduction of the amount of plastic materials used

Unicharm Principles

- Management practices that take sustainability into account
- Practice of appropriate corporate governance
- Promotion of diversity management
- Fostering the development of competent human resources
- Construction of healthier workplaces and workplace safety systems

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Key initiatives, indicators, and target values



♦ Safeguarding the well-being of individuals

Key initiatives	Indicators	Results			Mid- and long- term goals		
		2021	2022	2023	Target value	Target year	
Our aim is to provide products and services that contribute to the realization of a society where all people can have a sense of individuality and enjoy their daily lives.							
Extension of healthy life expectancy and improvement of QOL	Percentage of products and services that contribute to the realization of a society where everyone can have a sense of individuality.	Continue 100%	Continue 100%	Continue 100%	100%	2030	
Support for a society where gender and sexual orientation do not restrict people's activities	Percentage of products and services that contribute to a society where people around the world are free from discrimination by gender or sexual orientation (including products and services that contribute to the elimination of sexual discrimination still present in certain countries and regions).	Continue 100%	Continue 100%	Continue 100%	100%	2030	
Coexistence with pets	Percentage of products and services that contribute to the realization of a society where pets are welcomed by family members and community residents.	Continue 100%	Continue 100%	Continue 100%	100%	2030	
Improvement of childcare	Percentage of products and services that contribute to the realization of a society where infants and their families can live healthily and happily.	Continue 100%	Continue 100%	Continue 100%	100%	2030	
Improvement of public hygiene	Percentage of products and services that contribute to activities which can reduce the spread of preventable infectious diseases (contact transmission or droplet transmission).	Continue 100%	Continue 100%	Continue 100%	100%	2030	

(Safeguarding the well-being of each individual)

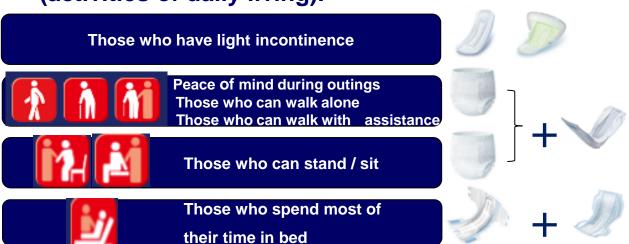
Support "lengthening healthy life expectancy" with products and services for the senior citizens



◆Extension of healthy life expectancy and improvement of QOLd



We propose optimal care based on the excretion care pattern that matches the user's ADL (activities of daily living).





Rollout of products and services that enable living with a sense of individuality

Using processing and molding technologies for nonwoven materials and absorbent cores to maintain and improve product functionality while reducing the amount of raw materials used







Rollout of activities tailored to national and regional characteristics to develop a society where women shine



◆ Support for a society where gender and sexualorientation do not restrict people's activities





Development of products and services that enable to be free from discrimination by gender or sexual orientation

Efforts to create a world where we feel free to talk about menstruation









Approx. 490 companies and organizations (as of end of June 2024)



> Promote women empowerment support







Menarche education / menstrual education

Participants: Approx. 640,000 in India (as of end of June 2024)





Female Entrepreneur Creation Project

Pink Ribbon Campaign: 2024 is the 17th year in Japan



With cultural considerations in mind, a women-only factory in Saudi Arabia

(Safeguarding the well-being of each individual)

Unique new value proposals that match the characteristics of each country and region



 Pants type napkin that to reduce leakage anxiety (developed by China subsidiary)





Cool napkin that feels less dampness and a cool, refreshing feeling and type of napkin that contains charcoal (developed by Thailand subsidiary)





Napkin featuring anti-bacterial sheet (developed by Indian subsidiary) and napkin containing olive oil (developed by Saudi Arabia subsidiary)





Pantiliners that can help you check your fertility timing, and various types of care products suited to women's lifestyles (developed in Japan)









Support improvement of childcare environment through products and services that eliminate discomfort and create the comfort of babies and parents



◆ Coexistence with pets



Foods and treats to meet diverse needs that is particular to quality, taste, and health



Development of products and services that enable pets to be welcomed by people

> Toiletry products that focus on being comfortable and convenient, utilizing non-woven materials and absorbent core processing and shaping technologies



























Support improvement of childcare environment through products and services that eliminate discomfort and create the comfort of babies and parents



♦ Improvement of childcare









Development of products and services that enable happy and healthy life of babies and families

"Tebura Toen", a subscription service (fixed charge system) for nursery schools can reduce the burden on parents and child care workers, as well as infection risk









Over 5,230 locations in 47 prefectures (as of the end of June 2024) Unique products that meet the needs of each country and region







 $\hbox{${}^{\circ}$} Fujiko-Pro, Shogakukan, TV-Asahi, Shin-ei, and ADK$

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Protect everyday health and support safe and comfortable living



♦Improvement of public hygiene



Pursuing comfort, functionality, and design, creating products that match consumers' actual usage and needs







Development of products and services
that enable each one of us to control infection

Boost high value-added masks development globally







Key initiatives, indicators, and target values



Safeguarding the well-being of society

3 - 3			Results		Mid- and long- term goals			
Key initiatives	Indicators	2021	2022	2023	Target value	Target year		
·	Our aim is to provide products and services that not only improve the safety, security, and satisfaction of our customers, but also contribute to solving social issues and promoting sustainability.							
Innovations to achieve "NOLA & DOLA"	Percentage of products and services that contribute to liberation from various burdens and finding enjoyment in life.	Continue 100%	Continue 100%	Continue 100%	100%	2030		
Practicing sustainable lifestyles	Percentage of products and services suitable for the "SDGs Theme Guideline", an internal guideline for contributing to sustainability.	100%*	10.5%	5.9%	50%	2030		
Construction of value chains that take account of sustainability	Percentage of products and services that use raw materials procured from "local production for local consumption", thereby contributing to local economies based on the perspectives of the environment, society, and human rights.	Under development	Under development	Under development	Double increase (Compared to 2020)	2030		
Improvement of customer satisfaction	Percentage of products and services supported by consumers (No. 1 market share).	23.5%	23.7%	23.2%	50%	2030		
Provision of safe, reliable products	Percentage of products to which a new internal guideline for safety and quality has been set and certification has been granted.	Continue 100%	Continue 100%	Continue 100%	100%	2030		

[%] Yr. 2021 results for "Practicing sustainable lifestyles" were changed from the number of operations to a percentage 38

Development of products and services toward the realization of social inclusion so that everyone can lead a healthy and sanitary life comfortably



♦Innovations to achieve "NOLA & DOLA"



Face masks that quickly utilize UC's own technology after listening to hearing impaired and speech impaired persons







Development of products and services that contribute to liberation from various burdens and finding joy in life

World's first* disposable diapers that keep mosquitoes away from diapers and protect babies from the threat of dengue fever, with the addition of an affordable pants type to support areas at high risk of infection



^{*} The tape part is coated with microcapsules containing fragrance.

Target infant disposable diapers for major global brands.

(Based on Unicharm research, February 2020)

Key initiatives, indicators, and target values



◆ Safeguarding the well-being of our planet

Vov initiativos	Indicators		Results	Mid- and long- term goals			
Key initiatives Indicators		2021	2022	2023	Target value	Target year	
Our aim is to provide prodenvironment.	Our aim is to provide products and services that are sanitary and convenient, as well as contribute to activities that improve our planet's environment.						
Development of eco- friendly products	Number of products and services that implement "3Rs + 2Rs" based on Unicharm's unique approach.	Under development	2	2	10 or more	2030	
Expanding our line of recycled models	Number of disposable paper diaper recycling facilities introduced.	Under development	1	1	10 or more	2030	
Addressing climate change	Percentage of renewable energy used for business operations in total.	7.3%	11.0%	22.8%	100%	2030	
Promotion of product recycling	Material recycling of non-woven products using recycling resources	Under development	Under development	Under development	Start of commercial usage	2030	
Reduction of the amount of plastic materials used	Percentage of virgin plastics to total plastics.	Under development	Under development	Under development	Reduced by half (Compared to 2020)	2030	

(Safeguarding the well-being of our planet)

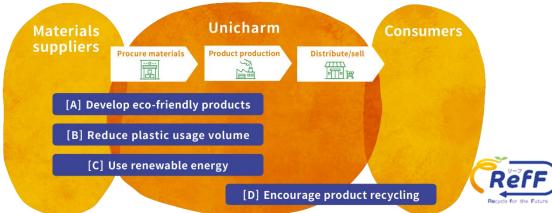
Accelerating "comfort" for the global environment and promoting sustainability that can be done now



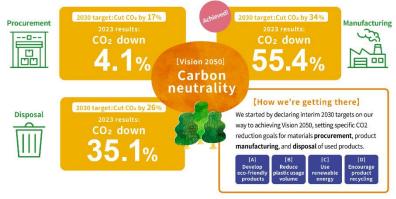
Launch of "Choose, Use, Circulate" website to communicate global efforts aimed at realizing a sustainable society and move forward together



Promoting CO2 reduction activities in all processes, from material procurement, product production, distribution and sales



Promoting the mid-term goal "Environmental Goal 2030" to achieve "Vision 2050" with the aim of achieving "zero" CO2 emissions by 2050



Developing environmentally friendly products in each



Bio-material blended project products

(Safeguarding the well-being of our planet)

Promoting Three "0" by 2050

Γ"0" waste plastic, "0" CO₂ emission, "0" natural forest destruction



➤ 「Eco Plan 2030」

Environmental Targets 2030	Implementation iter	ns	Base year	2021 Results	2022 Results	2023 Results	2024 Targets	2030 Targets	2050 Vision	
	Reducing usage of packaging materials	Per unit of sales	2019 ^{※ 1}	▲0.2%	▲12.3%	▲18.4%	▲21.1%	▲ 30%		
Responding to	Selling products that contain no petroleum derived plastic	-	-	Development ongoing	Development ongoing	Development ongoing	Development ongoing	10 or more stock- keeping units (SKU) sold	Realizing a new	
the problem of plastic waste	Raising awareness about proper disposal of used products	-	_	38% (6countries/regions)	50% (8countries/regions)	56% (9countries/regions)	63% (10countries/regions)	Rolled out at all Group companies	society with zero plastic waste	
	Eliminating the use of plastic in sales promotional items	_	2019	▲ 8.9% (Japan)	▲81.8% (Japan)	▲86.9% (Japan) ▲76.5% (China)	▲88.8% (Japan) ▲79.9% (China)	In principle, reduced to zero at all Group companies		
	Reducing CO ₂ emissions associated with raw materials procurement	Per unit of sales	2016	9.7% (Japan)	▲12.6% (Japan)	▲4.1%	▲ 5.9%	▲17%	Realizing a	
Responding to climate change	Reducing CO ₂ emissions in manufacturing	Per unit of sales	2016	▲26.9%	▲35.2%	▲ 55.4%	▲ 57.8%	▲ 34%	society with net zero CO ₂	
	Reducing CO ₂ emissions associated with disposal of used products	Per unit of sales	2016	23.7% (Japan)	▲11.6% (Japan)	▲35.1%	▲37.0%	▲ 26%	emissions	
	Ensuring traceability to pulp and palm oil	Forest-derived raw materials ^{**2}	_	97.0%	97.1%	99.2%	100%	Completed	Realizing a society with zero	
	production locations (country/region)	Palm oil	_	77.2%	72.2%	68.0%	95%			
Not contributing to deforestation	Expanding the use of certified pulp	Percentage of Certified factories ^{**3}	_	52.0%	56.0%	64.0%	72%			
(response to procurement related issues)	(PEFC*3- and CoC-certified)	Percentage of certified materials procured ³⁴	_	76.0%	72.3%	72.6%	73%	100%	deforestation related to the purchasing	
	Expanding the use of certified palm oil (RSPO*6-certified) ³⁶	-	_	77.2%	72.2%	68.0%	95%	100%	of timber	
	Promoting the recycling of used disposable diapers	_	_	Development ongoing	2*6	2	2	Rolled out in at least 10 municipalities		

X1 Initially, the base year was set as 2016, but it was reconsidered in 2020 and changed to 2019

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X2 In addition to third-party certified materials, ratio of forest-derived raw materials (pulp) whose country/region of origin can be traced X3 Percentage of our factories that have acquired CoC certification

X4 Calculation method for the procurement ratio was changed from a shipping weight basis to a purchase weight basis, which is "Purchased weight of pulp with 100% PEFC-derived claim / Purchased weight of entire pulp"

^{X5 Certified palm oil is RSPO certified oil based on the mass balance method}

X6 Starting in 2022, recycling facilities will be operated in two municipalities in Kagoshima Prefecture: Shibushi City and Osaki Town (Verification research regarding the collection of used disposable pants will be conducted in Higashiyamato City in 2020 and Machida City in 2021)



➤ Initiatives towards a society with zero CO₂ emissions by 2050

Year	Status of Initiatives
2018	✓ Certified as the 17th 2.0°C target setting company in Japan
2020	✓ Setting of "Eco Plan 2030"
2022	 ✓ Start of deliberation on modification to 1.5°C target ✓ Start of a comprehensive GHG emission volume visualization project, including Scope 3.
2023	✓ Member of RE100
2024	 ✓ Started overseas expansion of GHG emissions visualization project (ASEAN) ✓ Obtained third-party approval of product-specific carbon footprint calculation rules (personal product calculation rules are based on SuMPO's Internal-PCR system) ✓ Obtained "1.5°C Target" certification from SBT

X SBTi (The Science Based Targets initiative): Encourage companies to set reduction targets that are consistent with scientific knowledge, with the goal of limiting the rise in global average temperatures due to climate change to 1.5 degrees Celsius compared to pre-industrial revolution levels.

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GHG (Green House Gas) emissions visualization and reduction initiatives

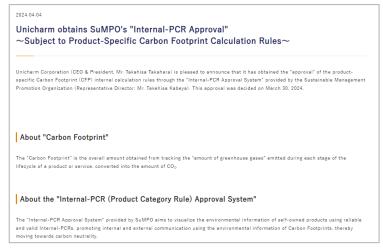


➤ Toward achieving "0 (net zero)" CO₂ emissions, will calculate carbon footprint value for each product, understand the emission status for each scope, and work with stakeholders to promote specific reduction measures

Establishment of calculation rules in accordance with global rules

Obtained approval for our internal calculation rules for productspecific carbon footprints (CFP) under the "Internal-PCR System" provided by Sustainable Management Promotion Organization (SuMPO)





For this release: https://www.unicharm.co.jp/en/company/news/2024/0404-01.html Copyright (c) Unicharm Corporation. All rights reserved.

Transition to highly accurate and up-to-date primary data

- A town hall meeting on GX/GHG was held on September 27, 2024, and public announcements was made regarding demonstration experiment of primary GHG data distribution in FMCG industry
- Aiming to build a platform for efficient and safe data distribution in order to measure emissions more accurately toward decarbonization

2024年09月27日

Joint demonstration experiment begins for "primary data distribution platform" to streamline GHG emission measurement in the supply chain across the entire industry

~ Participation by daily necessities manufacturers, materials manufacturers, IT companies, etc. ~

引きのある日用品メーカーと資材メーカーによる安全なデータ流通を目指しています。 本実証実験およびその後の実装に向けた取り組みを通じて、デジタル技術を活用して一次データの流通を促進し、GXやDXによってGHG排出量の削減を推進 します。

※算定主体である事業者が自らの責任で収集した自社で測定したデータ(例:自社製品製造の消費電力量等)や、外部ステークホルダーへの聞き取り調査を 通じて収集したデータ(例:取引先の自社関連排出量の直接把握)などのこと

For this release (Only in Japanese): https://www.unicharm.co.jp/ja/company/news/2024/0927-01.html

Aiming for a world with "zero waste" Taking on the Challenge of "Disposable Diapers to Horizontal Recycling from Disposable Diapers"



Development of environmentally friendly products



▶ Products that use recycled pulp treated with the world's first ^{※1} ozone technology as part of the absorbent core are now available at major retailer











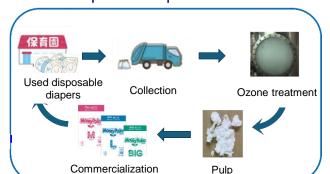
rs to disposable pants diapers

2030 Target
More than 10
cases

Number of products and services that implement 3Rs + 2Rs based on unique approach

For nursery schools that have implemented the "Tebura toen (Hands-Free Arrivals)"*2 have introduced "MamyPoko Pants RefF" for use at their facilities

Shibushi City / Osaki Town, Kagoshima Prefecture Collection of used disposable pants and introduction of specialized products



In Yokohama City, Kanagawa
Prefecture
Special products introduced to all
public nursery schools



X1 About horizontal recycling technology from disposable pants diapers to disposable pants diapers using ozone treatment technology (UC research, December 2020)

X2 Childcare facilities in Shibushi City, Kagoshima Prefecture that use the "Tebura toen" system, and all public childcare centers in Yokohama City

(Safeguarding the well-being of our planet)

History of challenge for "horizontal recycling from disposable pants to disposable pants"



Project history from launch to present



[Untreated pulp]

[Sanitary grade pulp]

"Establishment of technology to recycle waste to a level that can be used for sanitary products" and "Prototypes of disposable diapers made from recycled raw materials" have been completed



Start test use "Lifree RefF Side Leakage Peace of Mind tape type"







Introducing "MamyPoko Pants RefF" to nursery school that have adopted "Tebura toen" initiative*

※All childcare facilities in Shibushi City, Kagoshima Prefecture that use the "Tebura toen" program and all public childcare centers in Yokohama City

Yr. 2010

Started development

of disposable pants

recycling technology

Yr. 2016

Yr. 2018

Yr. 2019 Yr. 2020

Yr. 2021

Yr. 2022

Yr. 2023

Yr. 2024



Start of demonstration experiment Yr. 2016: Shibushi City, Kagoshima Prefecture, soo Recycling Center

Yr. 2018: Osaki Town, Soo County, Kagoshima Prefecture also joins in





Co-creation with local governments and companies

Yr. 2020: Tokyo / Higashiyamato City

Yr. 2021: Tokyo /Odakyu Electric Railway / Machida city













Reduce waste disposal cost and environmental burden through recycling used disposable diaper



◆Expand our line of recycle model







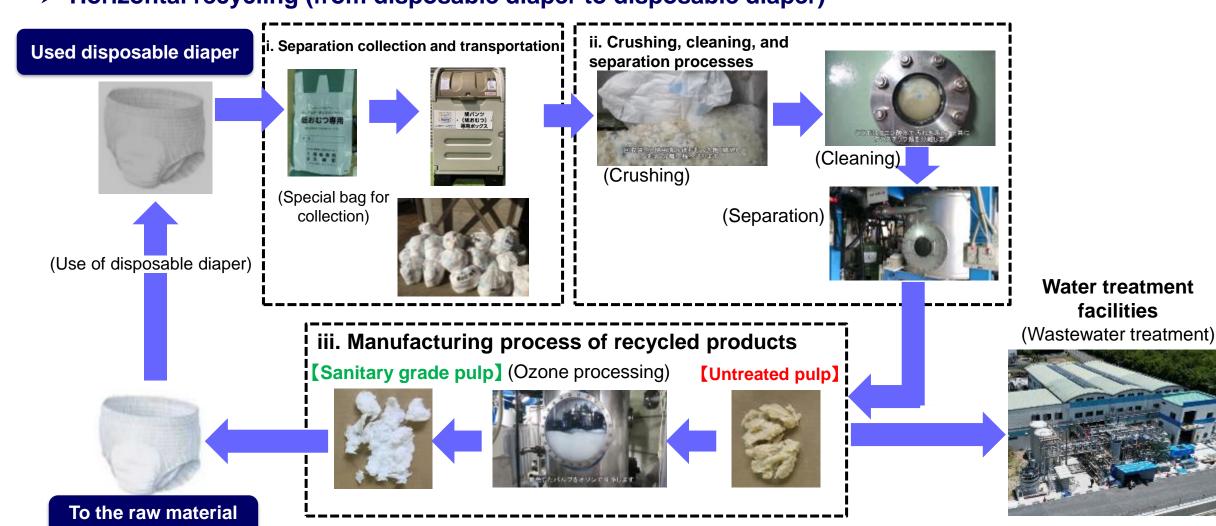
Keep it safe and convenient, toward the future where recycling is the norm



Flow of recycling process of used disposable diapers



Horizontal recycling (from disposable diaper to disposable diaper)



(Safeguarding the well-being of our planet)

Demo-project to promote recycling used disposable diapers



Creating opportunities to experience quality, safety, and environmental friendliness of recycled pulp, and





https://www.unicharm.co.jp/en/csr-eco/reff.html https://note.com/unicharm_reff

https://e-nepia.com/learn/reff2406.html









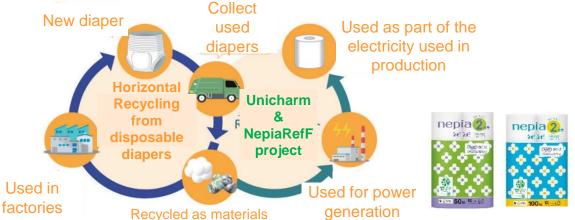
To expand the supply of disposable pants using recycled pulp, developed processing technology for converting recycled pulp into base paper for disposable pants with Havix Corporation, and started commercial use of recycled pulp

Collection bags and collection boxes made from recycled plastic which was derived from used disposable diapers



> Oji Nepia to sell RefF-marked toilet paper made from RPF derived from used disposable diapers

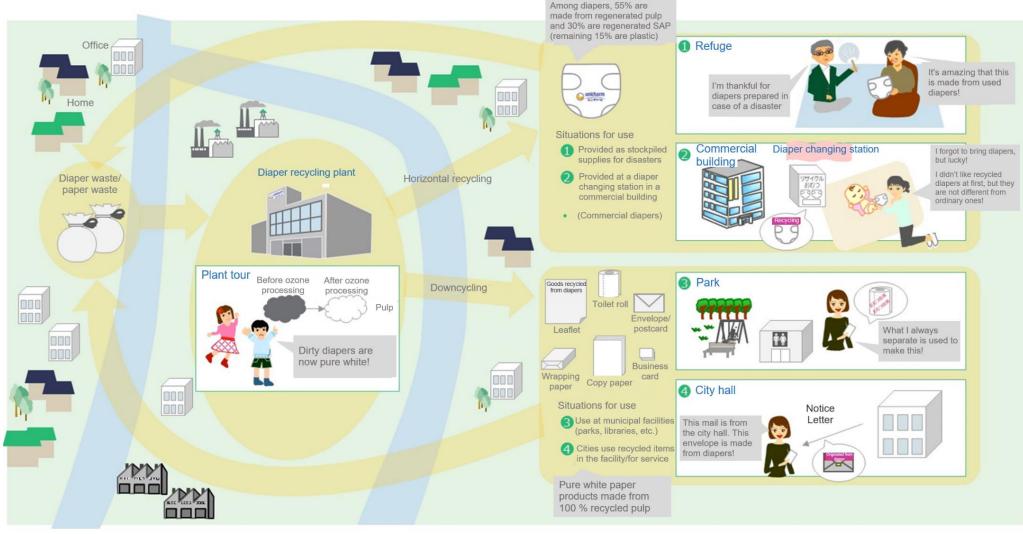
Crushing, washing, sorting,



(Safeguarding the well-being of our planet) Make more opportunities to experience recycling Create the society where "Disposable diaper recycling is a natural matter"



> Future vision using recycled materials (image)



Switch all electric power used at factories to green electric power* aiming to reduce CO₂ emission



◆ Addressing climate change



Ratio of renewable electricity: 23% (as of December 31, 2023); Expected to be approximately 30% in year 2024

Top five nations	Percentage of renewable electric power
Brazil	100%
U.S.A.	100%
China	About 57%
Japan	About 30%
Malaysia	About 21%



Percentage of renewable electric power used for business operation

Offices with 100% of renewable electric power used



Brazil (Jaguariuna Factory)



US (Hartz Pleasant Plain Factory)







Japan (UCP Mie, Itami, Saitama, Kyushu, Toyohama, UC Kokko Nonwoven Kawanoe, Toyohama, Kokko, Cosmotec, Peparlet, Kinsei Products)

(Safeguarding the well-being of our planet)

Initiatives for building an environmentally friendly and sustainable logistics system



Expansion of modal shift through separation of cargo handling operations, consolidated transportation, and utilizing swap body containers with different industries by railways, and ships



By improving transport efficiency through the development of logistics hubs near consumption areas, total truck travel distances can be reduced

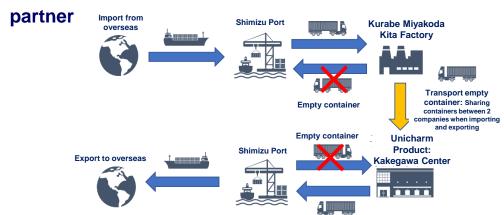
Osaka



Saitama



Joint logistics through round transportation* with each business partner | Import from | Shimizu Port | Kurahe Miyakoda



- * Form of transportation in which trucks that have unloaded goods do not run empty, but instead load other goods and return to the starting point, thereby increasing the loading rate
- Products with improved comfort and compression ratio using patented ultrasonic bonding technology, as well as products that reduce food loss and contribute to long-term preservation, improve the efficiency of logistics delivery and reduce greenhouse gas emissions







absorbent backing paper

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Recycling Initiatives at Production Bases



Advancing Product Recycling











Advancing waste reduction by reusing product loss from disposable diapers as raw material for cat excretion care products (Paper Litter®)













Unicharm Affiliated Production Companies

Efforts that consider safety and the environment



Reducing usage volume of plastic



Switched to paper materials for sales promotion materials to reduce the usage volume of plastic



Reduction rate of plastic usage in promotional materials* (Yr.2023 results)						
Japan						
China	▲ 76.5%					



> Began recycling plastic "trim loss" emitted in the manufacturing process as raw material





Use of recycled raw materials for processing manufacturing and plastic bags

Trim loss emitted during processing processes

Recycling raw materials

* Base year: Yr.2019

Trim loss emitted at the factory

Recycling-oriented system

Key initiatives, indicators, and target values



♦ Unicharm Principles

			Results		Mid- and long- term goals		
Key initiatives	Indicators	2021		2023	Target value	Target year	
Our aim is to pursue fairne	Our aim is to pursue fairness and transparency in order to establish and retain stakeholder trust.						
Management practices that take sustainability into	Maintain and improve ratings by external evaluation agencies.	_	_	_	Highest level	Every year starting from 2026	
account	Number of serious human rights violations in the value chain.	Zero occurrences	1 (Corrected)	1 (Corrected)	Zero occurrences	Every year	
Practice of appropriate corporate governance	Number of serious compliance violations.	Zero occurrences	Zero occurrences	Zero occurrences	Zero occurrences	Every year	
Promotion of diversity management	Percentage of female managers driven by the provision of various opportunities for women.	22.5%	23.2%	24.7%	30% or more	2030	
Fostering the development of competent human resources	Percentage of positive answers received for the "Growth through Work" employee awareness survey.	81.4% (Japan)	89.2%	88.7%	80% or more	2030	
Construction of healthier workplaces and workplace safety systems	Reduction in the percentage of employees on leave for mental or physical health reasons by improving the workplace environment so that employees can work with peace of mind and maintain mental and physical health.	7 people (Japan)	7 people (Japan)	9 people (Japan)	Reduced by half (Compared to 2020)	2030	

Introduction of ESG evaluation system for all employees following on from executive evaluation to maximize social and economic value



◆ Management practices that take sustainability into account

Purpose

Contribution to achievement of SDGs





We support the Sustainable Development Goals (SDGs)

- Toward executive evaluation (directors*, executive officers)
 Introduced ESG evaluation in Yr. 2020
 - ✓ Consolidated earnings: consolidated net sales, core operating income, earnings per share attributable to owners of parent (weight: 20% - 50%)
 - ✓ Division earnings: division sales, division profit (weight: 0% 40%)
 - ✓ Company strategy: priority strategy, ESG performance (ratings of ESG rating agencies, etc.) (weight: 20% -50%)
 - ✓ Division strategy: division priority strategy (weight: 0% 40%)

*Except for directors who are audit and supervisory committee members



Maintain and improve ratings by external evaluation agencies.

Introduce an ESG evaluation system for all employees from 2023 to realize creating new value through individual growth and visualization of contributions to society

ESG objective



"Cohesive Society (Social Inclusion)"



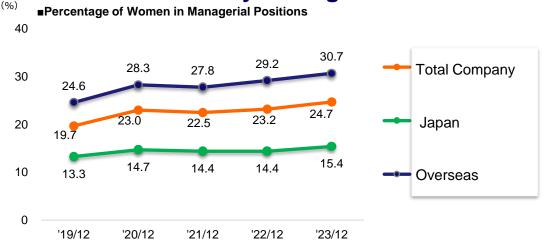
HR system

Encourage individual growth to become a global No. 1 company

Further strengthening efforts to promote active participation of women



◆Promotion of diversity management



Supporting the diverse life planning of each and every employee through systems and frameworks that enable them to proactively chart their own careers (Japan)

careers (Japan)			
Room L+	A women's community that enhances a sense of security and motivation to work		
Empowerment system	One-on-one meetings with executive officers bring out leaders' strengths		
Maternity leave Room L+	This program is aimed at employees preparing to return to work after maternity or childcare leave and fosters a sense of security after returning to work.		
Oocyte (egg) Freezing Safety Bank	Introduced a service into the welfare system that enables egg freezing storage to support each employee's diverse life plans		



The ratio of female employees in managerial positions by providing various opportunities to female employees

 Supporting women's economic independence by overcoming issues faced by countries and regions (overseas)

Creating Women Entrepreneurs in Rural India

Providing New Opportunities for Women in Saudi Arabia









Strengthen "human capital management" to maximize value of employees



♦ Fostering the development of competent human resources

2023 Employee satisfaction (Entire company)

Max. score 5

4.42

2022 4.39 (Japan)

 Achieving a compensation increase rate that exceeds the CPI (Consumer Price Index) globally





Ratio of positive responses to "Real feeling of growth through work" in employee awareness survey

Introduction of a personnel system that emphasizes employee growth and job satisfaction, and role allowances to strengthen human capital (Japan)

Increase in annual salary	Increased compensation range for each qualification
Revision of starting salaries	Encouraging self-help efforts even before joining the company
Revision of evaluation system	Recognize employees who take on high goals and achieve results, regardless of age or length of being in the company
Role Allowance	Scrum leader allowance, brother and sister allowance, career navigator allowance, new employee starting salary variable allowance, skill allowance

Developing human resources globally who create unique value that is closely connected to local area



Discovering consumer needs and creating globally "resonant personnel" who lead innovation











































Training and nomination of successors (Corporate governance report: Succession planning)



Management practices that take sustainability into account

- (1) Each executive officers periodically conducts interviews with future director candidates and future executive officer candidates based on their career visions and career plans, and carries out human resource mapping.
- (2) The Representative Director, President & CEO conducts quarterly interviews with executive officers; and gives guidance and training by setting measurable goals and objectives for executive officers and their organizations, and evaluating their achievements.
 - Outside directors have at least one opportunity per year to hold individual meetings with executive officers, in which they check the status of execution of business and problems in work, and provide guidance and training to help management solve problems and gain a wider, more comprehensive view by giving advice from a broad perspective.
- (3) The status of this process is regularly reported to the Nomination Committee and the Compensation Committee for deliberation.
- (4) The board of directors nominates candidates for directors and executive officers based on the opinion of the Nomination Committee.
- (5) With the aim of discovering and developing candidates for directors and executive officers over the medium-to-long term, mid-career employees in their 30s will be transferred from their divisions to the Corporate Planning Office for two months to serve as secretary to Representative Director, President & CEO. We have implemented a "Strategy Secretary system" to learn thinking and behavioral characteristics of managers through on-the-job training.

 In addition, starting in Yr. 2024, we will launch the Global 30 Program, a next-generation global leader development program that
 - aims to develop at least 50 senior executives who will demonstrate general management skills and play a central role in management by Yr. 2030. (This is a three-year program in which one representative from each country and region gathers to acquire general knowledge through group training and direct communication with the Representative Director, President, and CEO, and to pass on the Unicharm Spirits. Upon completion, this will lead to the formulation of medium-term management plans for each affiliated company.)



Fostering DX human resources toward new value creation

Achieve sustainable enhancement of corporate value and strengthen competitiveness by creating absolute value for consumers through use of digital technology





Use digital technology to understand the psychology of customers and provide unique products and services

Collection of customer data and development of digital infrastructure for data utilization

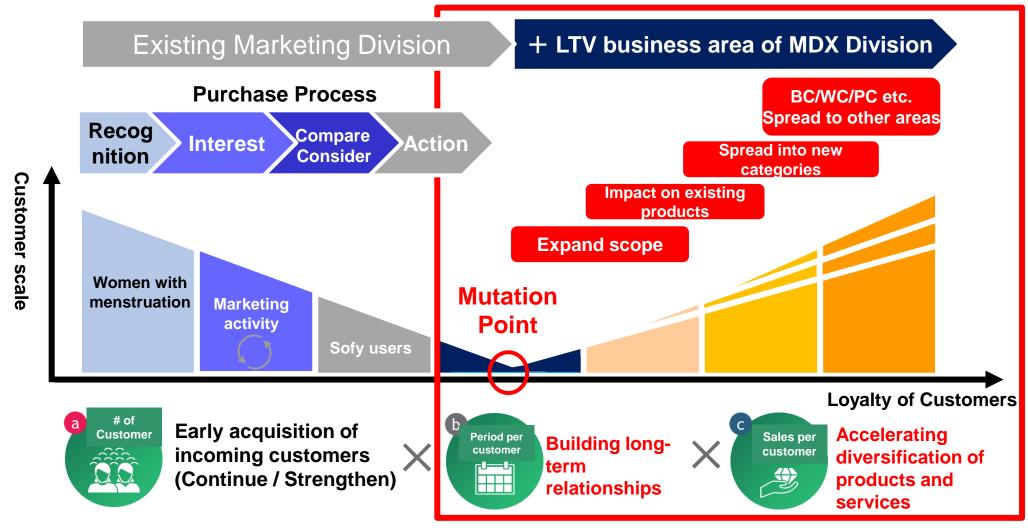
Developing digital human resources to accelerate digital utilization

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Creating a model to maximize Life Time Value (LTV) based on women Building long-term relationships with customers and accelerating the diversification of products and services



LTV business area of MDX Division (Marketing by DX)



With a focus on women, maximize LTV by crossing businesses to BC, WC, etc.



Examples of specific initiatives by MDX Division















Menstruation

Trying to get pregnant (Ninkatsu)

Pregnancy

Giving birth

After birth

Child rearing

Menopause

























CRM Linkage





Sofy APP Sofy Be App Each Business Division /
Service



Moony APP



Sofy Be App

Initiatives to develop "DX human resources" globally to maximize customer lifetime value



Create specialized learning opportunities through training sessions such as "DX Basic Study Group" to acquire basic digital knowledge



"EC Trainee System" is a program to develop EC human resources who can play an active role globally







Online self-study on a global basis, "LinkedIn Learning"

	Number of users	Login ratio
Global	Approx.2,000	100%
Japan	Approx.1,000	100%



Introduced UniChat (Unicharm version generative Al Chat), a digital tool that helps save time and improve work efficiency





Examples of initiatives using digital technology

Initiatives to foster "resonant personnel" who can realize "BOP Ship" on a global scale using digital technology



> "BOP-Ship", Unicharm's corporate culture that has been inherited from the establishment

and evolving



➤ Utilize the "KYOSHIN" system to infiltrate "The Unicharm Way" and strengthen human resource development capabilities globally through "Management with Resonance"





National and international initiatives using digital technology



Improve the quality of operations, increase efficiency, improve the accuracy of management figures, and strengthen market competitiveness by renewing the core system



Improving customer service levels

Improving work quality

Shift to value-added operations by improving operational efficiency

Realize profit management

Strengthening the Foundation for ESG Enhancement

- ✓ Improvement of delivery date response level
- ✓ Reducing sales staff workload
- ✓ Expansion of D2C
- ✓ Creation of new sales, etc.
- ✓ Strengthen cost management
- ✓ Standardization of core operations between companies and businesses
- Unification of master data to monitor global performance, etc.
- ✓ Paperless, input-less
- ✓ Reduction of man-hours through automation and efficiency
- ✓ Reduction of orders, production and sales inventory adjustment work, etc.
- ✓ Improved accuracy of profit-and-loss management and sales forecasting
- ✓ Improving the efficiency of mainline transportation, etc.
- ✓ Improving logistics efficiency through intercompany collaboration
- ✓ Centralization of non-financial data and masters
- √ Strengthening governance
- ✓ Multi-language support, etc.

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Believing in the unlimited potential of all people and contributing to the realization of a "cohesive society" in which people support each other by demonstrating a compassionate and altruistic spirit

> Provide unique one and only products and services that lead to our corporate brand essence "Love Your Possibilities"



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Creating the Corporate Brand Essence "Love Your Possibilities" Domestic Initiatives Using Digital Technology -1



➤ "Sofy Girl" supports worries related to menstruation, and "Sofy" is a menstrual management app that adds a function to notify the optimal start date for using "Sofy Ninkatsu Pantiliners (Check Fertility Timing*)"



Number of registered users:
Approx. 2.35 million (as of June 2024)





*Best time for getting pregnant which is "about 6 days"

Sofy Be" is a one-step-ahead health management app (hormone care with Al consultation) proposed by "Sofy",

which has been continuously addressing menstruation

and condition relationship



R

Ride the hormone wave

Can understand hormone and condition relationship

Sofy Be





Sometimes there are





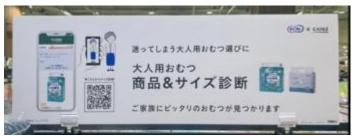








▶ "Adult diaper counseling" that helps select the best > "Team moony point program", "Online moony choice of disposable diaper



No. of Users: Approx. 30,000 (As of the end of June, 2024)





classes", "moony-chan toilet training app" can ease the anxiety about childbirth and childcare

"Food Matching* 2" service that uses AI to suggest food







Number of registered members: Approx. 2.04 million members (as of end of June 2024)

that your cat will enjoy

> Troubles about doggies and kitties are shared in **DOQAT***



DOQAT https://doqat.jp/

> Registrants: 50,000 (total) (as of the end of June 2024)

I want you to release delicious, nutritionally balanced wet food that uses domestic ingredients!

> size that is appropriate for the body shape of my very small dog or puppy!









½2 Food matching https://jp.unicharmpet.com/ja/food matching/index.html



Develop health care support service for kitties through business and capital tie-up with RABO,



*1 RABO, Inc. https://rabo.cat/company/

Promote a good sleeping environment and appropriate care for babies through joint research with CHaiLD Co., Ltd. *3



➤ Accelerate the realization of a healthy childrearing environment through a capital and business alliance with First-Ascent Inc.*2 Unicharm × First Ascent

*2 A company that creates new services to enrich the childrearing environment with cutting-edge technology utilizing Al and IoT

"Tebura Touen", which is a disposable diaper subscription service for nursery schools, can reduce the burden on parents and nursery teachers and infection risk



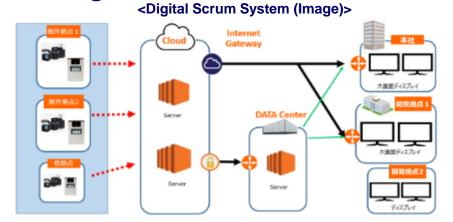
5230+ across 47 prefectures (as of end of June2024)



Evolved value transmission through digital measures outside the store before visiting stores



Developed "Digital Scrum System" to discover customer insights



"Shop search system" can help find shops carrying products to improve customer satisfaction



> Strengthening "Direct Shop" system to meet various needs of customers in all categories





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State-of-the-art smart factory (Kyushu) utilizing a variety of self-operating machines and IoT



Industrial Robot



SCADA*1

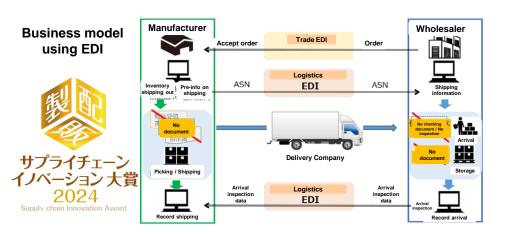


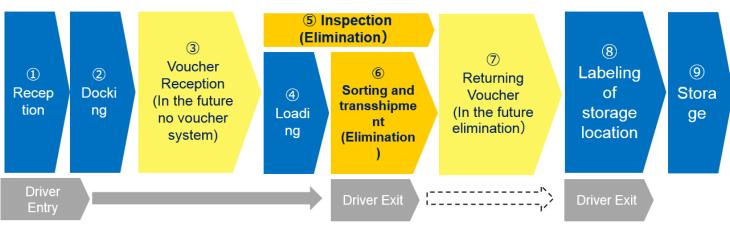
Smart Logistics



*1 Abbreviation for Supervisory Control And Data Acquisition

> Promoting collaboration for logistics digitalization and efficiency through ASN*3 distribution using logistics EDI*2 **Business Reforms Utilizing Logistics EDI** Business model that eliminates inspection using ASN





Overseas initiatives utilizing digital technology



> Pet growth, health record tool + hospital introduction, and product purchasing platform "Pet note"



➤ An app "Sofy Girl Talk" that supports women's physiological knowledge and worries









"Mamypoko Club" that realizes a unique customer experience for baby diapers











Evaluation by external organizations and coordination (FY 2024)



2024 January	 ✓ Received Grand Prize at "Nikkei Excellent Products and Services Awards 2023" with "Fresh Pro" launched by Cosmotec ✓ Obtained "CoC Certification" under PEFC (Program for the Endorsement of Forest Certification) at Unicharm Brazil factory ✓ Certified as "Reiwa 5th year (2023) Tokyo Sports Promotion Company" by Tokyo Metropolitan Government ✓ Certified as "Sports Yell Company 2024+ (Plus)" promoted by the Japan Sports Agency
February	 ✓ Achieved highest rating of "A List" in two areas of CDP ✓ Selected for "Human Capital Management Quality 2023 Gold Award" ✓ Selected as "Environmentally Sustainable Company" in "5th ESG Finance Award Japan" ✓ Received the "Consumer Affairs Agency Commissioner's Award" in Reiwa 5th year (2023)Consumer-Oriented Management Excellence Award
March	 ✓ Received the "Promotion Award" at the "Women's Health Management® Awards" ✓ Certified as "2024 Health and Productivity Management Organization (White 500)"
April	 ✓ Obtained SuMPO's "Internal-PCR approval" for Unicharm's product-specific carbon footprint calculation rules ✓ Received "Japan Business Federation Chairman's Award" at 32nd Global Environment Awards ✓ Selected as "SX Stock 2024" by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange
June	✓ Manner Wear wins "Grand Prize" in the hygiene category at the Nikkei Trendy "Pet Products Awards" ✓ Selected as a constituent stock of "SOMPO Sustainability Index"
July	 ✓ Received "Special Award" at 25th Logistics Environment Awards ✓ 13 daily necessities manufacturers, including our company, and 12 logistics companies won the "Grand Prize" at the Supply Chain Innovation Awards 2024
August	✓ Selected as a constituent stock of all ESG indices adopted by GPIF
September	✓ Certified as "Himeboss Declaration Business" by Ehime Prefecture

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Index inclusion and evaluation

























Japan Sector Relative Index

MSCI ESG Leaders Indexes Constituent







Japan ex-REIT Gender Diversity Tilt Index

TOP CONSTITUENT 2024



Sompo Sustainability Index

2024 CONSTITUENT MSCIジャパン ESGセレクト・リーダーズ指数

2024 CONSTITUENT MSCI日本株 ESGセレクト・リーダーズ指数

* Disclaimer is available on the following website: https://www.unicharm.co.jp/en/company/news/2024/0816-01.html



2024 CONSTITUENT MSCI日本株 女性活躍指数 (WIN)









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人的資本リーダーズ 2023



人的資本経営品質 2023











Coordination with external organizations



WE SUPPORT



SUSTAINABLE GOALS



OEKO

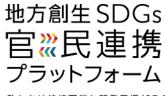
TEX®























Support 10 principles of the "United Nations Global Compact" and have been participating since May 2006



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS 1.5°C

Total GHG emissions reduction target **STANDARD** 100 Base year: 2021 Target year: 2031

Scope 1, 2: 46.20% reduction Scope 3: 27.50% reduction























CLIMATE GROUP





























Collaboration with external organizations Local community contribution activities at Ehime Prefecture, the birthplace of Unicharm



Support activities for children who are responsible for the future of the

region through corporate hometown tax payments







Purchase children's books for Shikokuchuo
City Digital Library

Next Generation Baseball Player Development Project

As a "partner for realizing a cohesive society", we will contribute to regional revitalization through sports business together with FC Imabari players, staff, and supporters



Sponsoring "Unicharm Trophy 2023 Ehime International Open", officially authorized by Men's Professional Tennis Association





Evaluation by external organizations and coordination with them



Selected in 6 ESG investment indices of stock composites adopted by GPIF

Integrated Index Thematic Index S&P/JPX カーボン エフィシェント FTSE Blossom **FTSE Blossom** Japan **Japan Sector** Relative Index 2024 CONSTITUENT MSCI日本株 女性活躍指数 (WIN) 2024 CONSTITUENT MSCI日本株 M RNINGSTAR GenDi J FSGセレクト・リーダーズ指数 Japan ex-REIT Gender Diversity Tilt Index TOP CONSTITUENT 2024 * The inclusion of Unicharm Corporation in any MSCI index, and the use of MSCI logos,

Other ESG Index





2024 MSCI ESG Leaders Indexes Constituent

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ESG-related scores and ratings



		2019	2020	2021	2022	2023
CDP SCORES	Climate change	В	Α-	Α-	Α-	Α-
	Forest (timber)	В	B-	В	В	A
	Water security	B-	B-	В	В	A
MSCI ESG RATINGS		BBB 5.3	A 5.3	BBB 4.7	A 5.1	AA 5.7
FTSE ESG RATINGS		3.5	3.7	3.9	4.0	4.2

"Kyo-sei Life Vision 2030" Examples of initiatives related to important themes



Examples of initiatives	 実績
"Excretion care" course	Excretion care: 340 times in total (as of the end of June 2024)
Number of users for "Adult Diaper Counseling"	Approx. 30,000 people (as of the end of June 2024)
Number of times the video "Menstruation Study for Everyone" was provided https://www.sofy.jp/ja/campaign/minnanoseirikensyu.html	Approx. 490 companies and organizations (as of the end of June 2024)
Sofy apps: https://s.sofy.jp/sofybeapp "Sofy Girl" (menstrual management app) / "Sofy" (menstrual management app) "Sofy Be" (menstrual management app that shows the relationship between hormones and physical condition)	Approx. 2,350,000 people in total (as of the end of June 2024)
Number of views for TikTok "Sarakeda-so (Let's talk it out room)" https://www.tiktok.com/@sofy_official_7days/	Approx. 32 million views (as of the end of June 2024)
Education of first menstruation/period (including online)	India: approx. 635,000 people (as of the end of June 2024)
Education of first menstruation/period (mother-daughter learning sessions)	India: approx. 361 sessions, about 11,000 mother-daughter groups (as of the end of June 2024)
Number of registrations for first menstruation site "Charm Girls Talk"	Indonesia: approx. 83,600 people (as of the end of June 2024)
Number of registered members for "Team moony point program" https://jp.moony.com/ja/apps/moonypoint.html	Cumulative total of approx. 2,040,000 members (as of the end of June 2024)
Nursery schools using "Tebura Touen (service delivering diapers to nursery schools so that parents don't have to bring diapers)"	5,230+ across 47 prefectures (as of the end of June 2024)
Number of registrations with "DOQAT", Q&A service for pets https://doqat.jp/	Approx. 50,000 people (as of the end of June 2024)

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We support the Sustainable Development Goals (SDGs)

