

**Second Quarter of Fiscal Year  
Ending December 31, 2025**  
(Jan 1, 2025 to Jun 30, 2025)  
**Unicharm Investor Meeting  
Presentation Materials**

**August 5, 2025**

**Unicharm Corporation**



**unicharm**  
**Love Your Possibilities**



## **Second Quarter of Fiscal Year Ending December 31, 2025 (January 1 to June 30) Financial Performance Summary**

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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.



#### Consolidated

**Sales**     **¥464.2 billion** (YoY -4.8%)

**Core Operating Income**     **¥57.0 billion** (YoY -22.0%)

- Reactionary impact on the previous year's record-high business performance and strategic investments in Asia resulted in a reduction in operating profit. Interim profit attributable to owners of parent increased, driven by improvements in net financial income and insurance benefit income.
- The effects of strategic investments are expected to become visible from Q3 onwards.

#### Japan

**4.1% sales increase, 2.9% profit increase**

- Record high net sales and profits. The penetration and expansion of value-shifting has been successful, and driven by wellness care and feminine care, we have maintained a high profit margin and continued stable growth.

#### Overseas

**9.2% sales reduction, 42.1% profit reduction**

- Asian region recorded a decline in both sales and profit, impacted by reputational damage in China. Despite temporary pressure on earnings, we advanced initiatives to establish a foundation for medium- to long-term growth through key strategic investments aimed at responding to the competitive environment and enhancing brand value.
- Other regions resulted in an increase in both sales and profit. In North America, through the penetration of value-shifting resulted in improved profitability through high growth in the pet care segment.  
In the Middle East, growth remained stable with the popularity of passing on value. Egypt's business performance contributed to increased sales and profits. Brazil is showing signs of improvement.

#### Shareholder Returns

**Annual dividend- ¥18**

**Increased dividend for 24 consecutive years**

Buy-back our own shares: approx. 12 billion yen as of end of July 2025 (Approx.10.09 million shares)



Amid a reaction to the previous year's record business performance and temporary pressure on earnings due to strategic investments, we secured an increase in interim profit attributable to owners of parent

● Consolidated account highlights  
(from Jan. to Jun.)

(Unit: 100 million yen)

|   | 2Q of<br>FY Ended Dec.31,<br>2024 | 2Q of FY Ending<br>Dec. 31, 2025 | Gap(yen) | Gap in %<br>(actual gap %) <sup>*1</sup> | (Forecast)<br>FY ending Dec. 31,<br>2025 | Achievement<br>(%) |
|---|-----------------------------------|----------------------------------|----------|--|--|--------------------|
| Net sales   | 4,877                             | <b>4,642</b>                     | -236     | -4.8%<br>[-2.7%]                         | 9,740                                    | 47.7%              |
| Core operating income<br>(margin-%)                           | 731<br>(15.0%)                    | <b>570<br/>(12.3%)</b>           | -161     | -22.0%<br>[-21.3%]<br>(-2.7P)            | 1,200<br>(12.3%)                         | 47.5%              |
| Profit before tax<br>(margin-%)                               | 734<br>(15.0%)                    | <b>625<br/>(13.5%)</b>           | -109     | -14.8%<br>(-1.5P)                        | 1,270<br>(13.0%)                         | 49.2%              |
| Profit attributable to owners of<br>Parent company (margin-%) | 396<br>(8.1%)                     | <b>418<br/>(9.0%)</b>            | +22      | +5.5%<br>(+0.9P)                         | 851<br>(8.7%)                            | 49.1%              |
| EBITDA(profit before tax + depreciation/<br>amortization)     | 962                               | <b>861</b>                       | -100     | -10.4%                                   | 1,740                                    | 49.5%              |
| Base earnings per share (JPY)                                 | 22.42                             | <b>23.84</b>                     | +1.42    | +6.3%                                    | 48.63                                    | 49.0%              |
| USD Rate (JPY)  | 152.25                            | <b>148.60</b>                    | -3.65    | -2.4%                                    | 148.00                                   | —                  |
| CNY Rate (JPY)  | 21.05                             | <b>20.47</b>                     | -0.58    | -2.8%                                    | 20.50                                    | —                  |

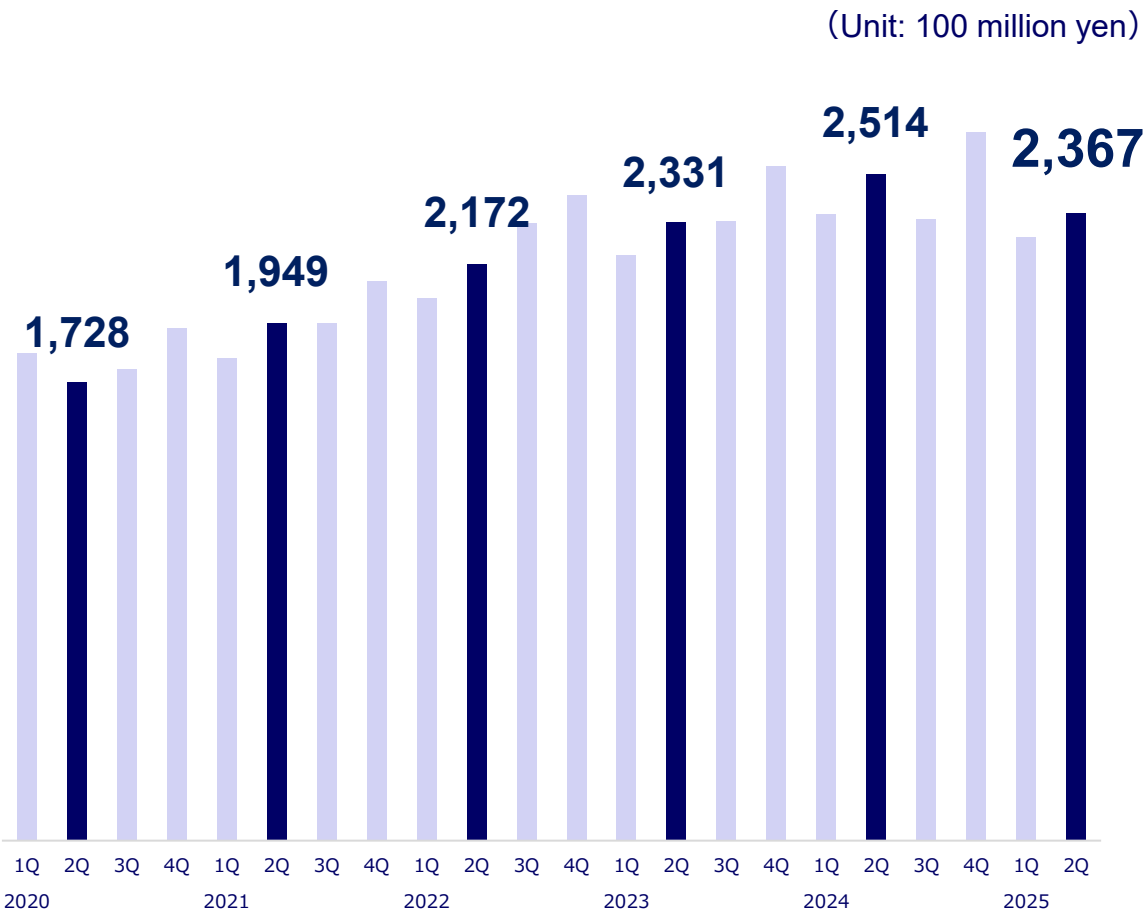
\*1 Actual gap (%) excluding foreign exchange effects



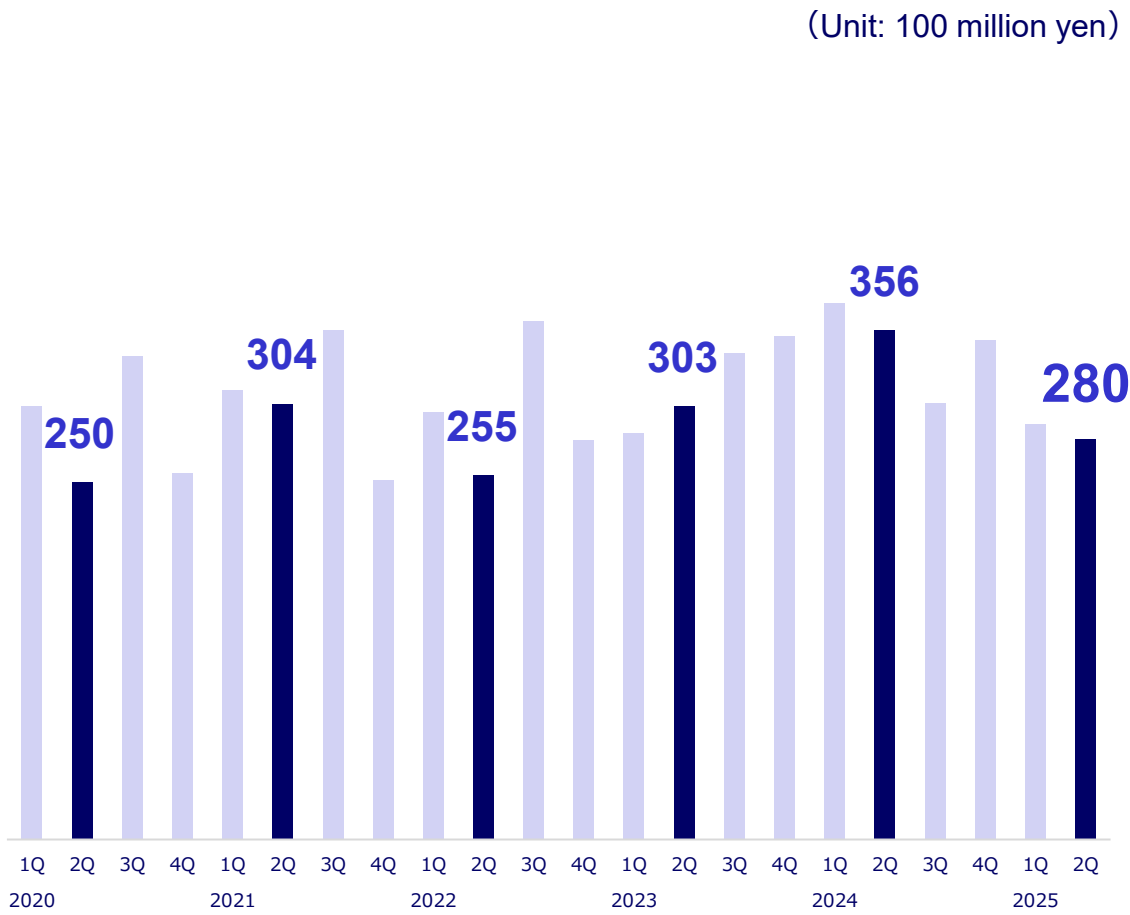
Sales in Q2 (Apr-Jun) were consistent and strong when excluding the reactionary impact of last year's high-level of performance.  
Core operating income is expected to improve from Q3 onward due to strategic investments in Asia



● Sales trend (quarterly)



● Core operating income trend (quarterly)



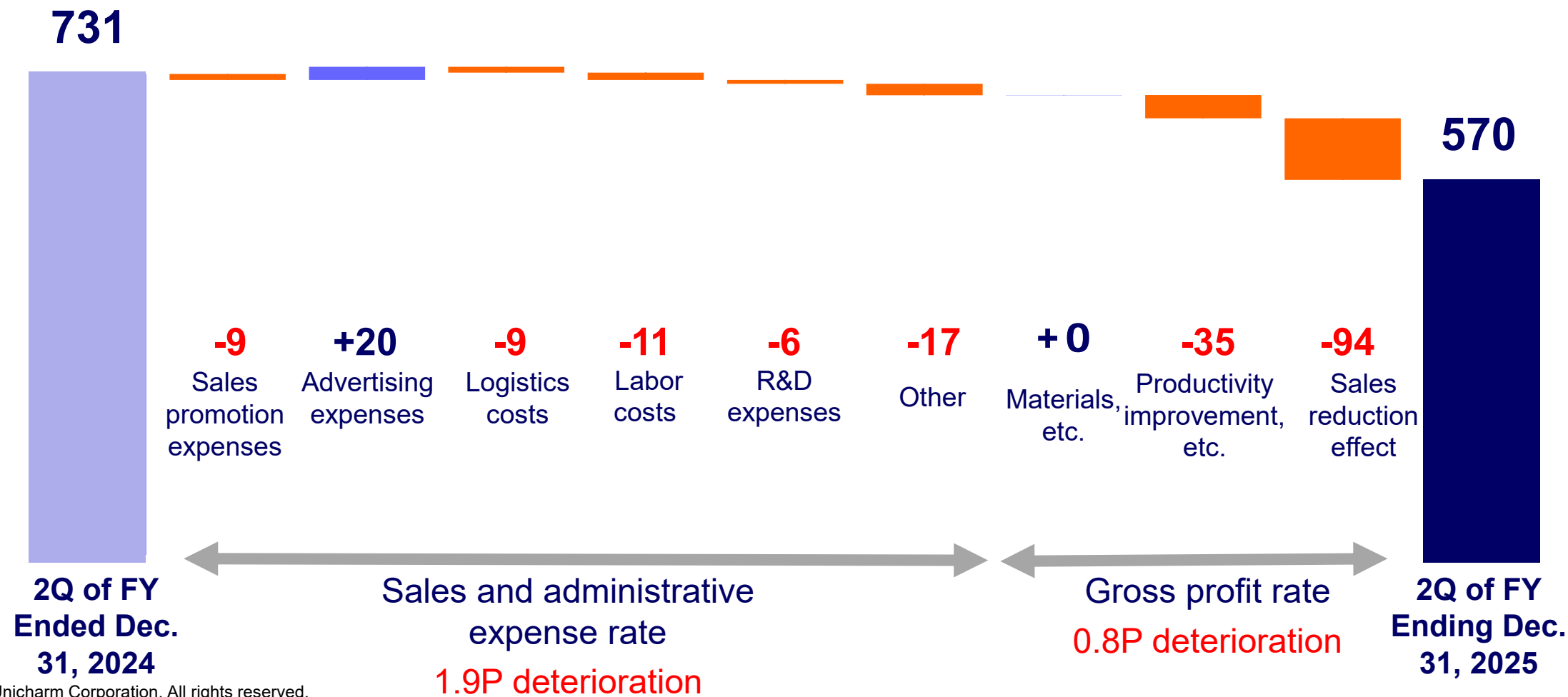


Operating profit declined due to the impact of aggressive strategic investments aimed at establishing a foundation for medium- to long-term growth, and the reactionary impact on the previous year's strong performance. Effects of these investments are expected to appear in Q3 and onward



(Unit: 100 million yen)

● Core operating income fluctuation (from Jan. to Jun.)





Positive performance remained stable in Japan, North America, and the Middle East. In Asia, although the impact of repeated damage to business performance due to reputational damage in China remains, strategic investments tailored to changes in the market environment have been successful, and signs of a gradual recovery is emerging

## ● Geographical segment information (from Jan. to Jun.)

(Unit: 100 million yen)

|                      |                       | 2Q of FY Ended<br>Dec.31, 2024 | 2Q of FY Ending<br>Dec. 31, 2025 | Gap (yen) | Gap (%)        | (Ref.)<br>Actual*1<br>gap rate |
|----------------------|-----------------------|--------------------------------|----------------------------------|-----------|----------------|--------------------------------|
| Japan                | Net sales             | 1,610                          | <b>1,676</b>                     | +66       | +4.1%          | —                              |
|                      | Core operating income | 323                            | <b>332</b>                       | +9        | +2.9%          | —                              |
|                      | (margin-%)            | (20.1%)                        | <b>(19.8%)</b>                   |           | <b>(-0.3P)</b> |                                |
| Asia                 | Net sales             | 2,248                          | <b>1,923</b>                     | -325      | -14.5%         | -12.0%                         |
|                      | Core operating income | 271                            | <b>83</b>                        | -188      | -69.4%         | -69.2%                         |
|                      | (margin-%)            | (12.1%)                        | <b>(4.3%)</b>                    |           | <b>(-7.8P)</b> |                                |
| Others <sup>*2</sup> | Net sales             | 1,018                          | <b>1,042</b>                     | +24       | +2.3%          | +6.9%                          |
|                      | Core operating income | 135                            | <b>153</b>                       | +17       | +12.7%         | +15.9%                         |
|                      | (margin-%)            | (13.3%)                        | <b>(14.6%)</b>                   |           | <b>(+1.3P)</b> |                                |
| Consolidation        | Net sales             | 4,877                          | <b>4,642</b>                     | -236      | -4.8%          | -2.7%                          |
|                      | Core operating income | 731                            | <b>570</b>                       | -161      | -22.0%         | -21.3%                         |
|                      | (margin-%)            | (15.0%)                        | <b>(12.3%)</b>                   |           | <b>(-2.7P)</b> |                                |

【Actual gap rate of sales in main countries】 \*management accounting base

China **-29%** Indonesia **-15%** Thailand **-16%** India +1% Vietnam +7% Middle East +6% North America +15% Brazil **-6%** Egypt +16%

\*1 Actual gap rate excluding foreign exchange effects

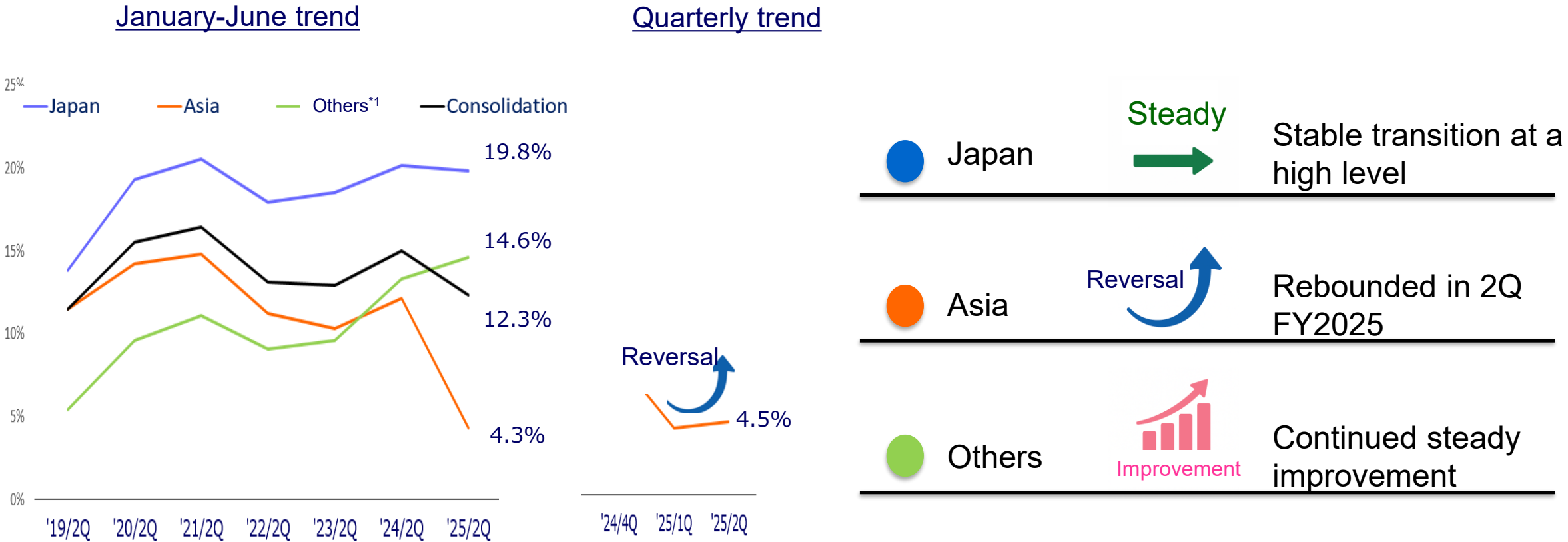
\*2 Others: main regions are North America, Saudi Arabia, Brazil and Netherlands



While Japan maintained high profit margins and other regions continued to show steady improvement, Asia's performance was revised to a turnaround due to the effects of strategic investments.



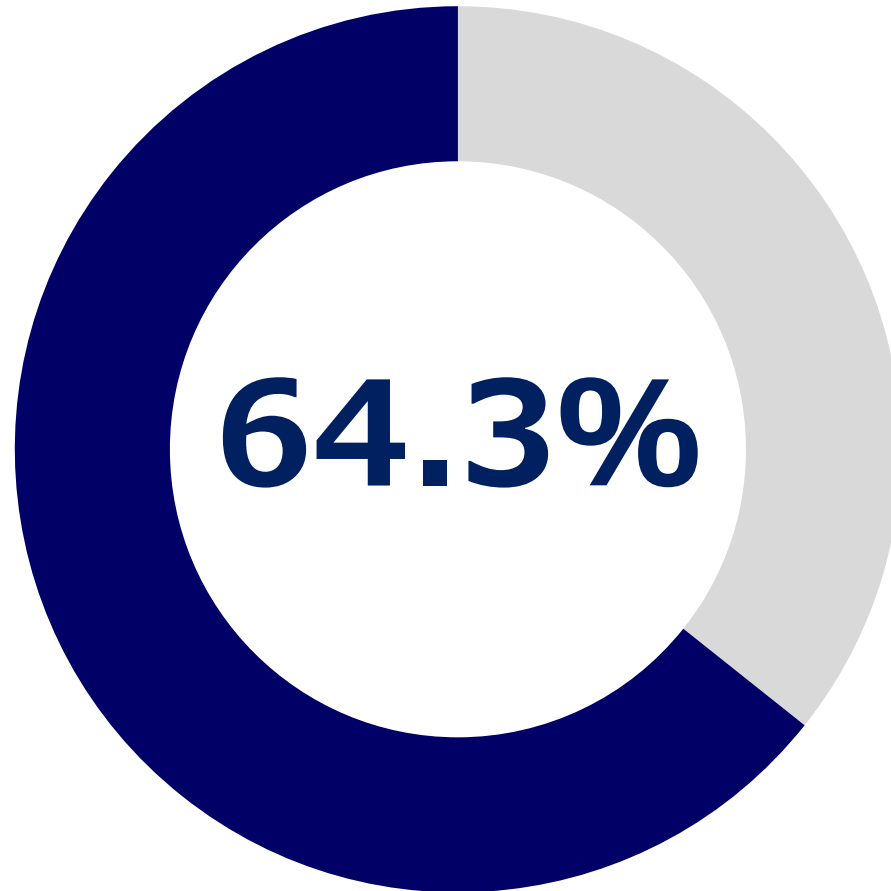
●Core operating income margin by geographical segment



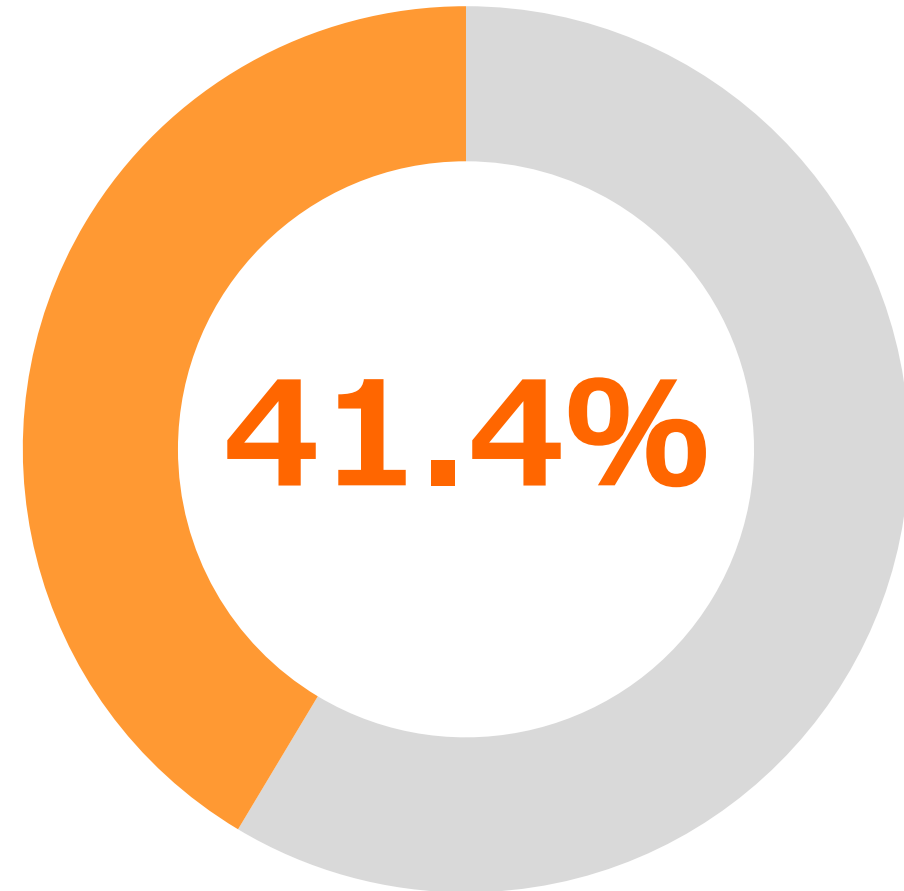
\*Others: Main regions are North America, Saudi Arabia, Brazil and the Netherlands



- Sales ratio of overseas markets



- Sales ratio of Asian markets





Personal care maintained strong in Japan, while strategic marketing investments continued in Asia. Pet care saw sales and profits increase in North America due to effective tariff measures and passing on value, driving business performance

(Unit: 100 millions of yen)

## ● Business Segment Information (from Jan. to Jun.)

|                     |                       | 2Q of FY Ended<br>Dec. 31, 2024 | 2Q of FY Ending<br>Dec. 31, 2025 | Gap(yen) | Gap(%)         |
|---------------------|-----------------------|---------------------------------|----------------------------------|----------|----------------|
| Personal Care       | Net sales             | 4,099                           | <b>3,817</b>                     | -282     | -6.9%          |
|                     | Core operating income | 594                             | <b>434</b>                       | -260     | -26.9%         |
|                     | (margin-%)            | (14.5%)                         | <b>(11.4%)</b>                   |          | <b>(-3.1P)</b> |
| Pet Care            | Net sales             | 711                             | <b>756</b>                       | +45      | +6.3%          |
|                     | Core operating income | 129                             | <b>129</b>                       | +0       | +0.1%          |
|                     | (margin-%)            | (18.2%)                         | <b>(17.1%)</b>                   |          | <b>(-1.1P)</b> |
| Others <sup>*</sup> | Net sales             | 68                              | <b>69</b>                        | +1       | +1.7%          |
|                     | Core operating income | 8                               | <b>7</b>                         | -1       | -14.2%         |
|                     | (margin-%)            | (12.2%)                         | <b>(10.3%)</b>                   |          | <b>(-1.9P)</b> |
| Consolidation       | Net sales             | 4,877                           | <b>4,642</b>                     | -236     | -4.8%          |
|                     | Core operating income | 731                             | <b>570</b>                       | -161     | -22.0%         |
|                     | (margin-%)            | (15.0%)                         | <b>(12.3%)</b>                   |          | <b>(-2.7P)</b> |

<sup>\*</sup> Other products refer to those related to industrial materials, etc.



The impact of exchange rate fluctuations resulted in a decrease of approximately ¥10.2 billion in sales and approximately ¥0.5 billion in core operating income

● Rate fluctuations by currency (Jan. to Jun. average rate)

| Currency           | 2Q of '24/12 rate | 2Q of '25/12 rate | Rate Change |
|--------------------|-------------------|-------------------|-------------|
| USA (USD)          | 152.25            | <b>148.60</b>     | ▲ 2.4%      |
| Saudi Arabia (SAR) | 40.65             | <b>39.68</b>      | ▲ 2.4%      |
| Vietnam (VND)      | 0.0061            | <b>0.0058</b>     | ▲ 4.9%      |
| China (CNY)        | 21.05             | <b>20.47</b>      | ▲ 2.8%      |
| Thailand (THB)     | 4.21              | <b>4.43</b>       | +5.2%       |
| Taiwan (TWD)       | 4.79              | <b>4.67</b>       | ▲ 2.5%      |
| India (INR)        | 1.84              | <b>1.74</b>       | ▲ 5.4%      |
| Indonesia (IDR)    | 0.0096            | <b>0.0091</b>     | ▲ 5.2%      |
| Brazil (BRL)       | 29.92             | <b>25.80</b>      | ▲ 13.8%     |
| Australia (AUD)    | 100.20            | <b>94.16</b>      | ▲ 6.0%      |
| Malaysia (MYR)     | 32.19             | <b>33.92</b>      | +5.4%       |
| Korea (KRW)        | 0.1129            | <b>0.1043</b>     | ▲ 7.6%      |
| Egypt (EGP)        | 3.79              | <b>2.94</b>       | ▲ 22.4%     |
| Netherland (EUR)   | 164.60            | <b>162.15</b>     | ▲ 1.5%      |



# **Summary of Performance Forecast FY ending December 31, 2025**

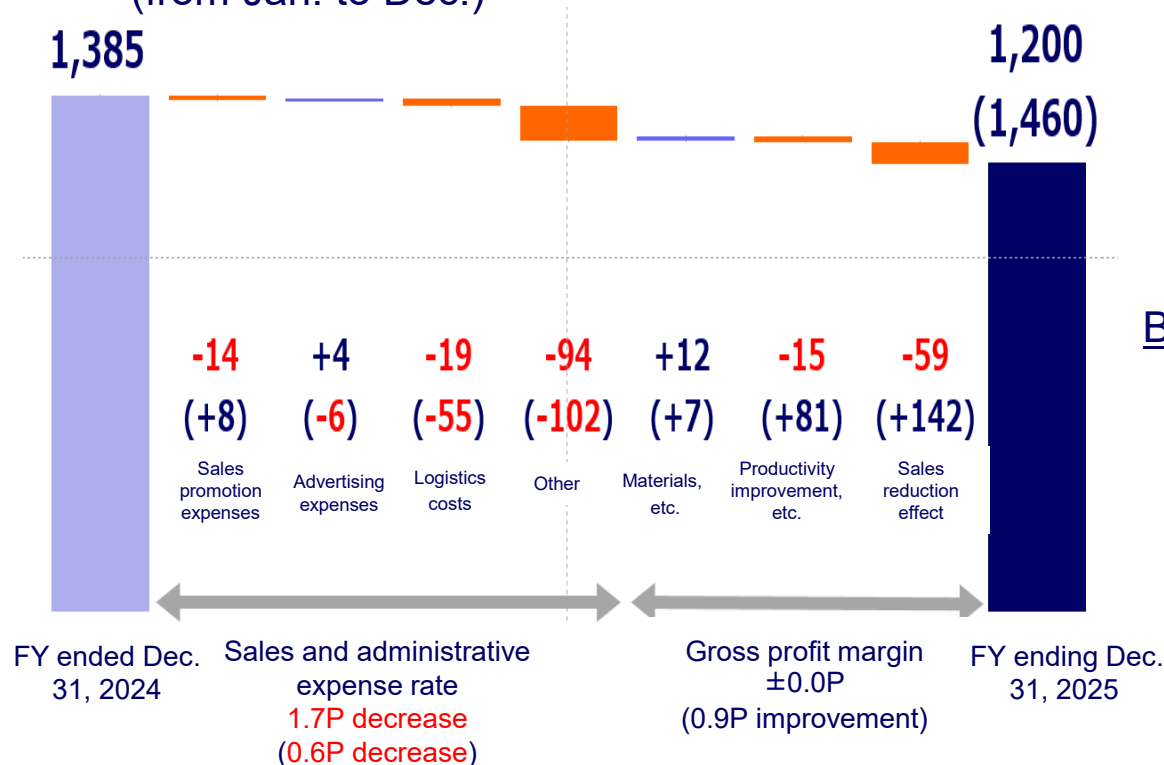
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## Consolidated

**Net Sales** **¥974.0 billion** (-1.5% YoY)  
**Core Operating Income** **¥120.0 billion** (-13.3% YoY)

- Increases and decreases in core operating income (from Jan. to Dec.)



### Factors causing a difference in performance from initial forecasts

- Impact of negative publicity surrounding feminine care products in China/Delay in responding to diversifying consumer needs.
- Accelerating trend towards downgrading (lower-priced products) and faster than expected contraction in the Asian baby care market.
- Increased costs of pioneering e-commerce in Asia.

### Breakdown of factors contributing to the difference in performance

- Gross profit decreased significantly due to a 5% drop in sales from the initial forecast, further impacted by the expanding effect of reduced revenue. Raw material-related costs declined as market conditions improved more than expected.
- SG&A expenses decreased due to a reduction in variable costs accompanying the decline in sales.

\*1 Figures in parentheses are initial forecasts



Performance forecasts have been revised to factor in challenges in Asia and our response will be accelerated with a view to recovery in the second half onwards

(Unit: 100 million yen)

●Consolidated account highlights(From Jan. to Dec.)

|   | FY Ended<br>Dec. 31, 2024 | <b>FY Ending<br/>Dec. 31, 2025</b> | Gap(yen) | Gap(%)            | (Ref.)<br>Initial forecast |
|---|---------------------------|------------------------------------|----------|-------------------|----------------------------|
| Net sales   | 9,890                     | <b>9,740</b>                       | -150     | -1.5%             | 10,250                     |
| Core operating income<br>(margin-%)                           | 1,385<br>(14.0%)          | <b>1,200<br/>(12.3%)</b>           | -185     | -13.3%<br>(-1.7P) | 1,460<br>(14.2%)           |
| Profit before tax<br>(margin-%)                               | 1,345<br>(13.6%)          | <b>1,270<br/>(13.0%)</b>           | -75      | -5.6%<br>(-0.6P)  | 1,420<br>(13.9%)           |
| Profit attributable to owners of<br>Parent company (margin-%) | 818<br>(8.3%)             | <b>851<br/>(8.7%)</b>              | +33      | +4.0%<br>(+0.4P)  | 864<br>(8.4%)              |
| Base earnings per share (JPY)                                 | 46.41                     | <b>48.63</b>                       | +2.22    | +4.8%             | 49.30                      |
| USD Rate (JPY)  | 151.58                    | <b>148.00</b>                      | -3.58    | -2.4%             | 150.00                     |
| CNY Rate (JPY)  | 21.02                     | <b>20.50</b>                       | -0.52    | -2.5%             | 20.80                      |



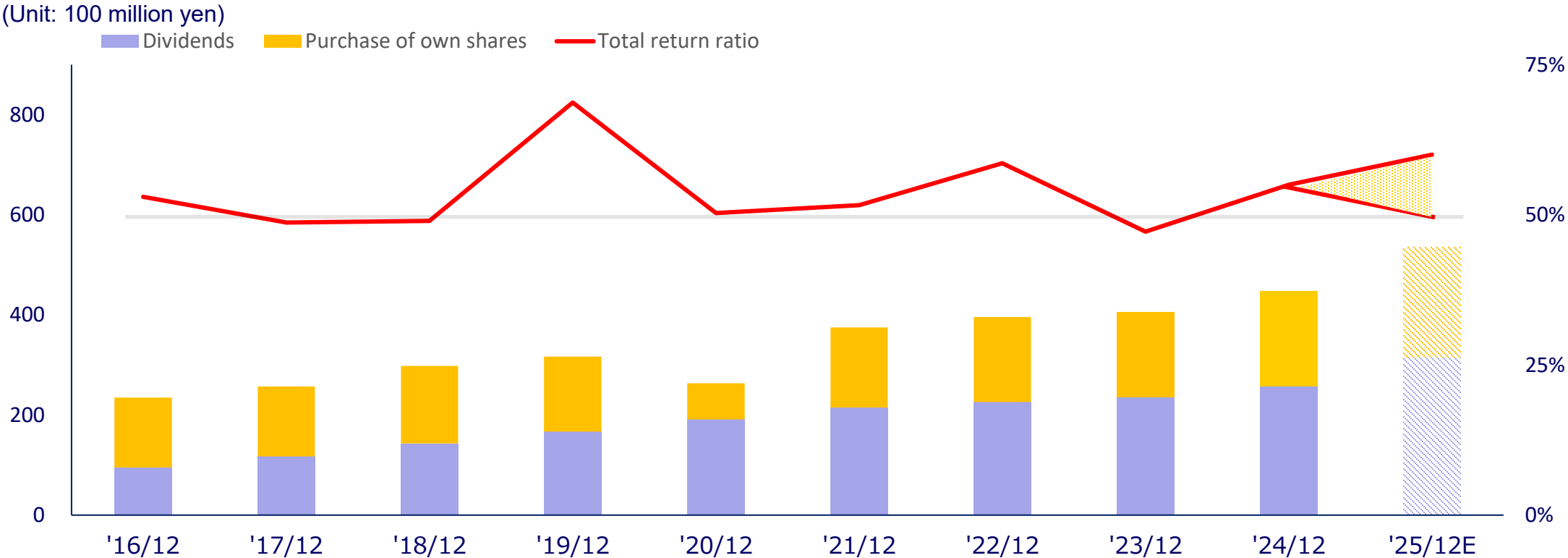
## Shareholders Return Policy

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In order to achieve the 2030 ROE target of 17%, we plan to maintain a total return ratio of over 50% in fiscal year 2025, taking into account the current market environment and financial conditions.

● Shareholders return policy



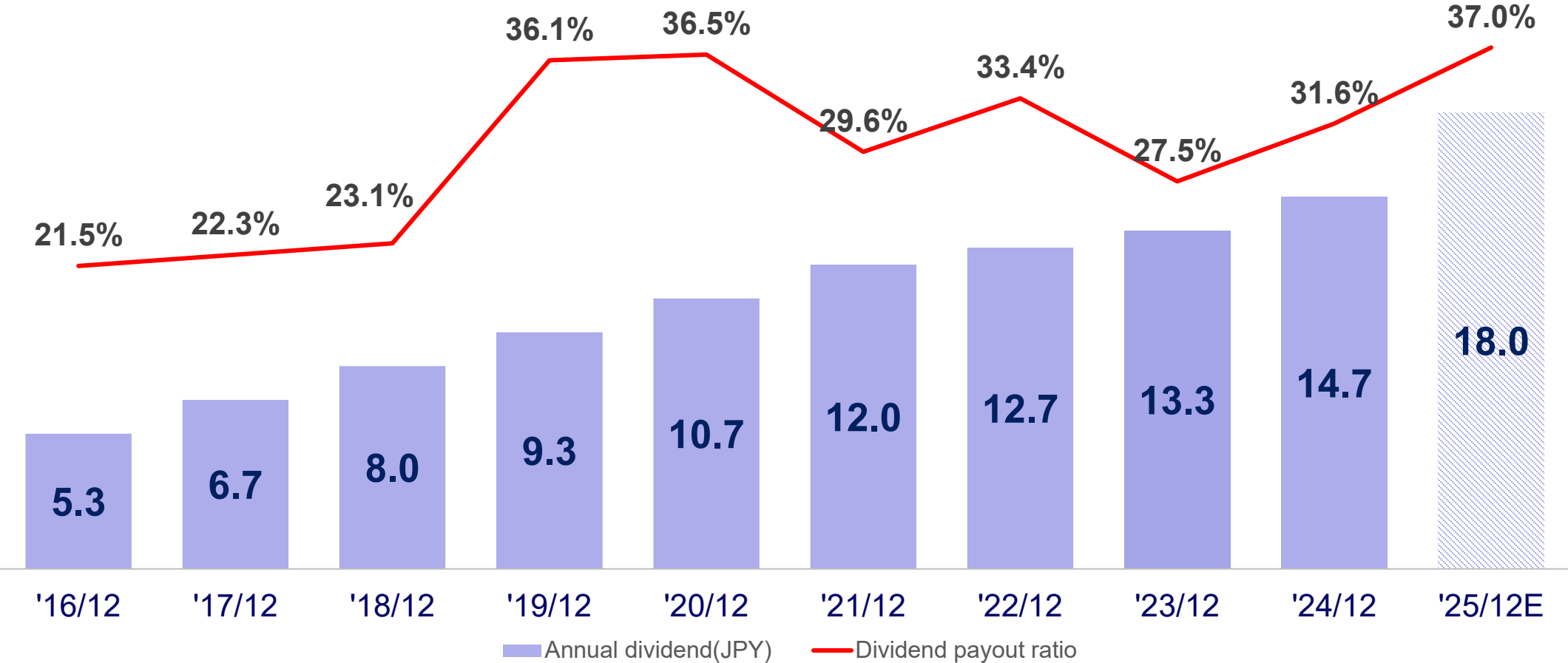
As a basic policy, we aim for a total return ratio of 50% or more, and are committed to returning profits through stable and continuous dividends and flexible share buybacks as necessary.



Dividend payout ratio target raised from 30% to 35%  
Dividends per share are planned to increase for 24 consecutive term (18 yen per year)



● Dividends per share (JPY)

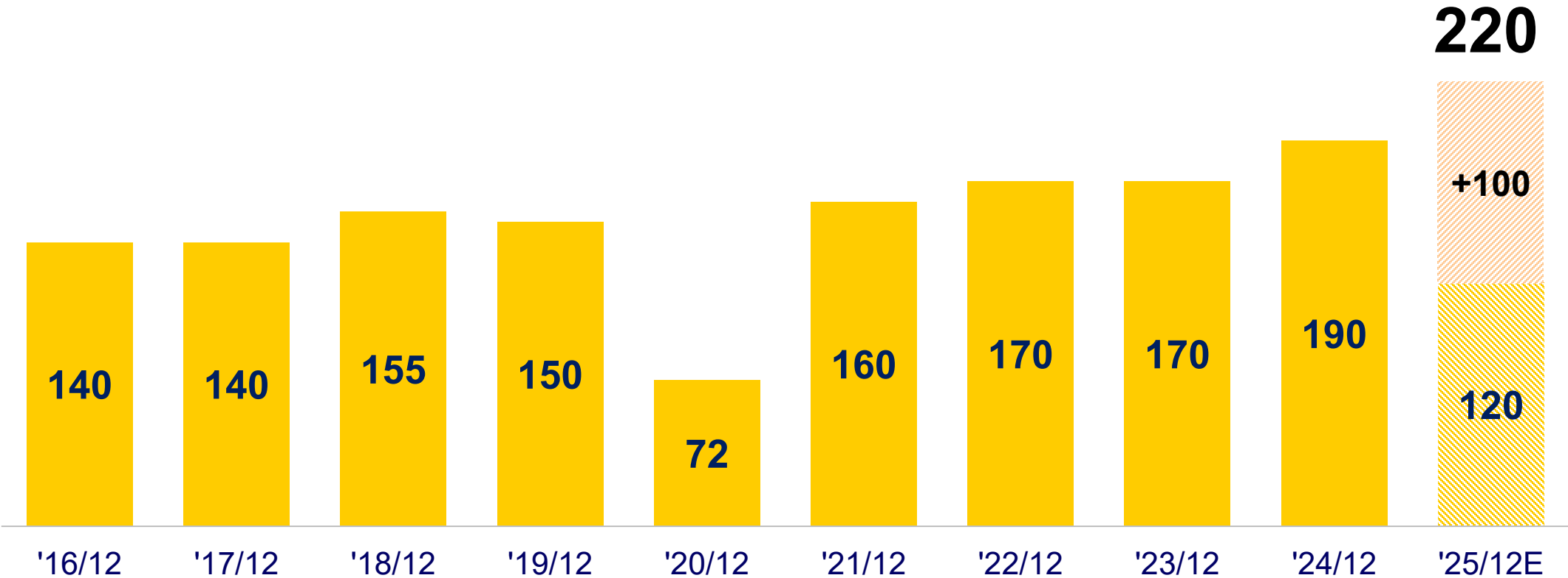




In fiscal year 2025, in addition to the 12 billion yen already acquired, plan to acquire an additional 10 billion yen in treasury stock.



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





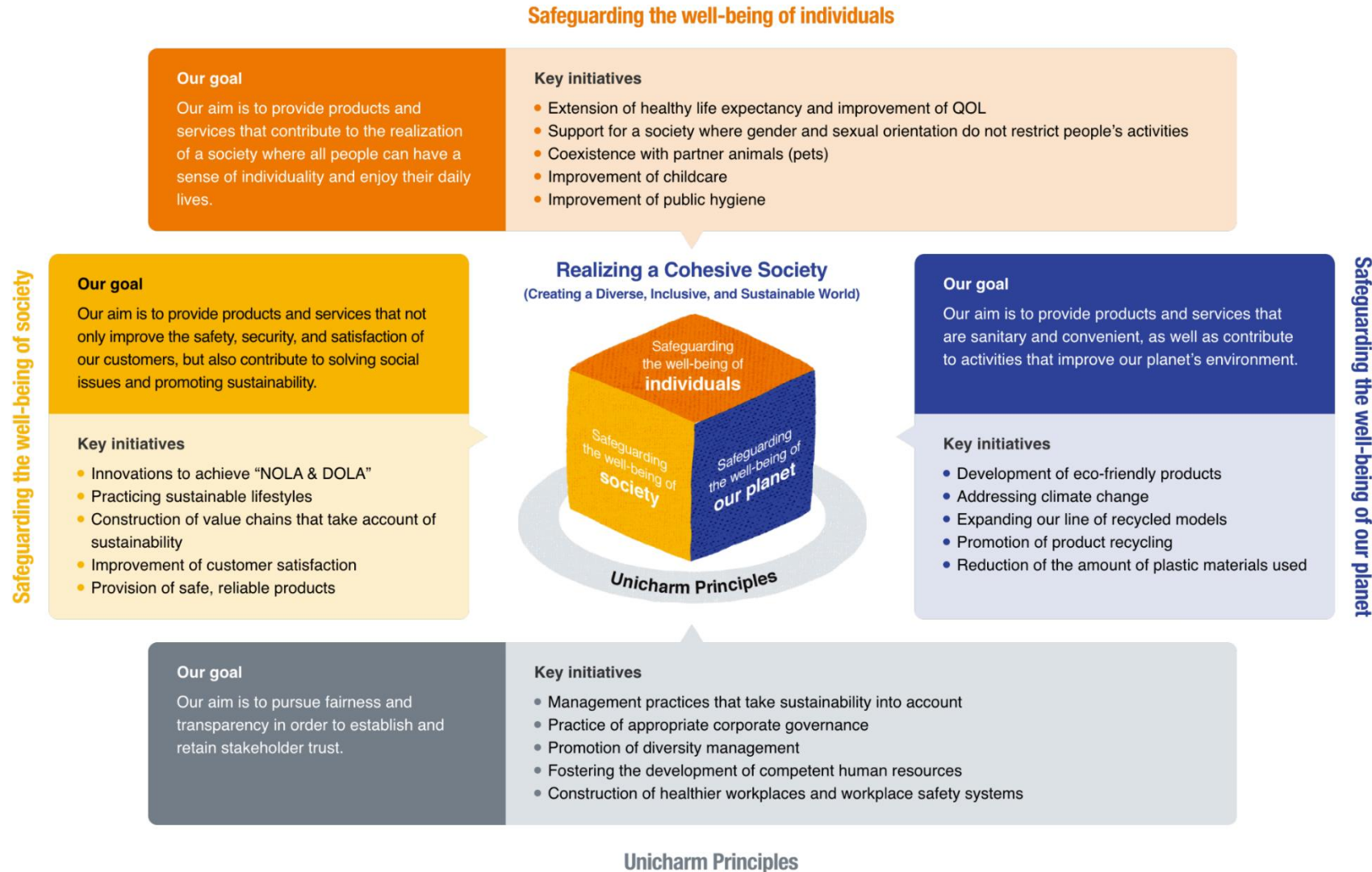
# **Approach to realize a “Cohesive Society (Social Inclusion)”**

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# Formulating Mid-to-Long Term ESG Objectives “Kyo-sei Life Vision 2030”

## ◆ 20 key themes with the goal in 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



# Key initiatives, indicators, and target values

## ◆ Safeguarding the well-being of individuals

| Key initiatives   | Indicators  | Results       |               |               |               | Mid- and long- term goals |             |
|---|---|---------------|---------------|---------------|---------------|---------------------------|-------------|
|   |   | 2021          | 2022          | 2023          | 2024          | 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% | 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% | 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% | 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% | 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% | 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 QOL



Year 2030 Goal  
Continuation  
of 100%



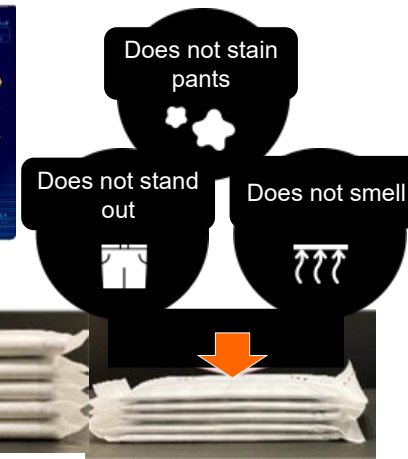
Rollout of products and services that enable living with a sense of individuality

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

|   |  |
|---|--|
|   | Those who have light incontinence  |
|   | Peace of mind during outings<br>Those who can walk alone<br>Those who can walk with assistance |
|   | Those who can stand / sit  |
|  | Those who spend most of their time in bed  |



- 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





(Safeguarding the well-being of each individual)

## 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



Year 2030 Goal  
Continuation  
of 100%



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

### ➤ Initiatives to aim at creating a world where people can feel free and open to talk about their menstruation or “*ninkatsu*” (active pregnancy)



Number of training videos provided:  
Approx. 530 companies and organizations  
(as of end of June 2025)



TikTok views:  
approx. 60 million  
(as of end of June 2025)



### ➤ Promote women empowerment support



Menarche education /  
menstrual education  
Participants:  
Approx. 760,000 in India  
(as of end of June 2025)



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

Female Entrepreneur  
Creation Project



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



# 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)**



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- **Antibacterial sheets, long-lasting napkins that reduce waste (invented by India subsidiary), and napkins containing olive oil (invented by Saudi Arabia subsidiary)**

Tri-fold type  
Individually wrapped



Flat type  
No individual packaging



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



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





(Safeguarding the well-being of each individual)

Support everyday health of pets and the mind of owners with original technology

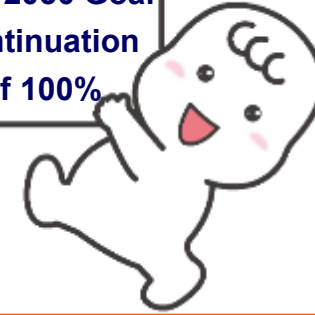


## ◆ Coexistence with pets



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

Year 2030 Goal  
Continuation  
of 100%



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

デオトイレ 脱臭ファンサ





(Safeguarding the well-being of each individual)

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

## ◆ Improvement of childcare



Year 2030 Goal  
Continuation  
of 100%



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



- Unique products that meet the needs of each country and region





(Safeguarding the well-being of each individual)

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



Year 2030 Goal  
Continuation  
of 100%



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

| Key initiatives   | Indicators  | Results           |                   |                   |                   | Mid- and long- term goals          |             |
|---|---|-------------------|-------------------|-------------------|-------------------|------------------------------------|-------------|
|   |   | 2021              | 2022              | 2023              | 2024              | 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%     | 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%              | 15.4%             | 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 | 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%             | 24.0%             | 23.6%             | 23.1%             | 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%     | Continue 100%     | 100%                               | 2030        |

\* Yr. 2021 results for “Practicing sustainable lifestyles” were changed from the number of operations to a percentage 29



◆ Innovations to achieve “NOLA & DOLA”



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



Year 2030 Goal  
Continuation  
of 100%



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)



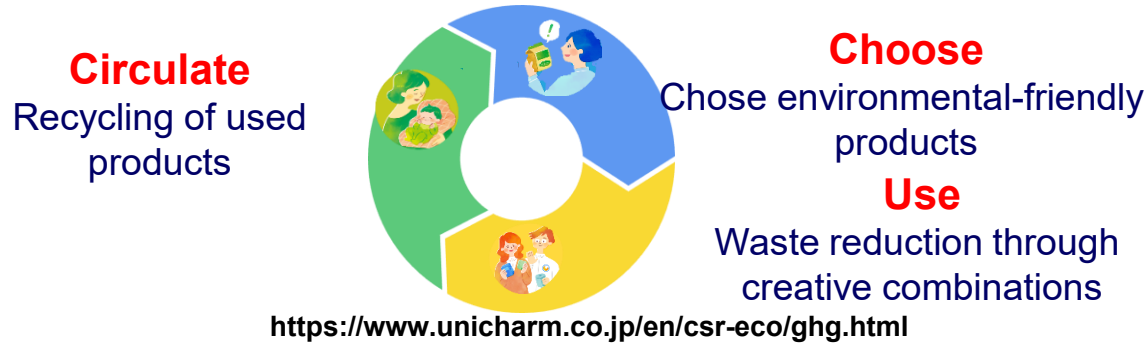
# Key initiatives, indicators, and target values

## ◆ Safeguarding the well-being of our planet

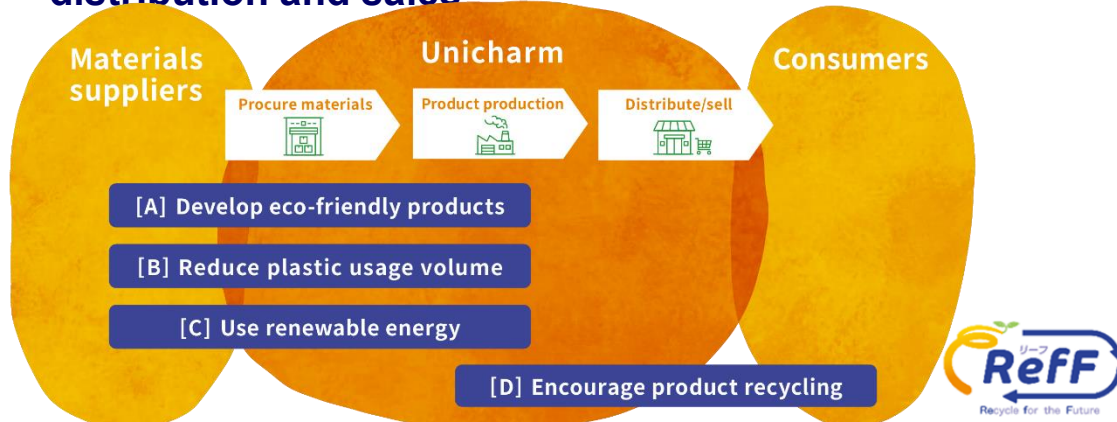
| Key initiatives  | Indicators  | Results           |                   |                   |                   | Mid- and long- term goals          |             |
|--|---|-------------------|-------------------|-------------------|-------------------|------------------------------------|-------------|
|  |   | 2021              | 2022              | 2023              | 2024              | Target value                       | Target year |
| 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                 | 5                 | 10 or more                         | 2030        |
| Expanding our line of recycled models  | Number of disposable paper diaper recycling facilities introduced.                              | Under development | 1                 | 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%             | 25.8%             | 100%                               | 2030        |
| Promotion of product recycling   | Material recycling of non-woven products using recycling resources                              | Under development | 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 | Under development | Reduced by half (Compared to 2020) | 2030        |



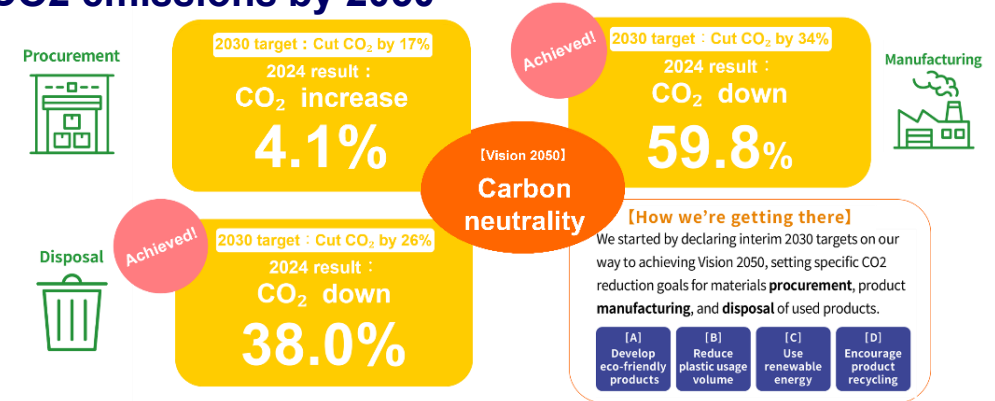
- Launch of “Choose, Use, Circulate” website to communicate global efforts aimed at realizing a sustainable society and move forward together



- 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 country and region





(Safeguarding the well-being of our planet)

## Promoting Three “0” by 2050

“0” waste plastic, “0” CO<sub>2</sub> emission, “0” natural forest destruction

### ➤ 「Eco Plan 2030」

| Environmental Targets 2030   | Implementation items  |  | Base year                                      | 2021 Results                | 2022 Results                | 2023 Results                           | 2024 Results   | 2025 Targets  | 2030 Targets   | 2050 Vision   |
|--|---|--|--|-----------------------------|-----------------------------|--|--|---|--|---|
| Responding to the problem of plastic waste                                 | Reducing usage of packaging materials   | Per unit of sales  | 2019 <sup>*1</sup>                             | ▲0.2%                       | ▲12.3%                      | ▲18.4%                                 | ▲26.5%   | ▲27.0%  | ▲30%   | Realizing a new society with zero plastic waste                                 |
|  | Selling products that contain no petroleum derived plastic                            | —  | —  | Development ongoing         | Development ongoing         | Development ongoing                    | Development ongoing  | Development ongoing   | 10 or more stock-keeping units (SKU) sold            |   |
|  | Raising awareness about proper disposal of used products                              | —  | —  | 38%<br>(6countries/regions) | 50%<br>(8countries/regions) | 56%<br>(9countries/regions)            | 63%<br>(10countries/regions)   | 69%<br>(11countries/regions)  | Rolled out at all Group companies                    |   |
|  | Eliminating the use of plastic in sales promotional items                             | —  | 2019:Japan/China<br>2022:Vietnam<br>2023:India | ▲8.9%<br>(Japan)            | ▲81.8%<br>(Japan)           | ▲86.9%<br>(Japan)<br>▲76.5%<br>(China) | ▲94.7% (Japan)<br>▲93.7% (China)<br>▲37.4% (Vietnam)<br>▲21.7% (India) | ▲95.6% (Japan)<br>▲94.8% (China)<br>▲47.8 % (Vietnam)<br>▲34.8% (India) | In principle, reduced to zero at all Group companies |   |
| Responding to climate change   | Reducing CO <sub>2</sub> emissions associated with raw materials procurement          | Per unit of sales  | 2016   | 9.7%<br>(Japan)             | ▲12.6%<br>(Japan)           | +5.9% <sup>*2</sup>                    | +4.1%  | +0.6%   | ▲17%   | Realizing a society with net zero CO <sub>2</sub> emissions                     |
|  | Reducing CO <sub>2</sub> emissions in manufacturing                                   | Per unit of sales  | 2016   | ▲26.9%                      | ▲35.2%                      | ▲55.4%                                 | ▲59.8%   | ▲62.2%  | ▲34%   |   |
|  | Reducing CO <sub>2</sub> emissions associated with disposal of used products          | Per unit of sales  | 2016   | 23.7%<br>(Japan)            | ▲11.6%<br>(Japan)           | ▲35.8% <sup>*2</sup>                   | ▲38.0%   | ▲39.9%  | ▲26%   |   |
| Not contributing to deforestation (response to procurement related issues) | Ensuring traceability to pulp and palm oil production locations (country/region)      | Forest-derived raw Materials <sup>*3</sup>               | —  | 97.0%                       | 97.1%                       | 99.2%                                  | 99.1%  | 100%  | Completed  | Realizing a society with zero deforestation related to the purchasing of timber |
|  |   | Palm oil   | —  | 77.2%                       | 62.8%                       | 58.5%                                  | 99.4%  | 100%  |  |   |
|  | Expanding the use of certified pulp (PEFC <sup>*3</sup> - and CoC-certified)          | Percentage of Certified factories <sup>*4</sup>          | —  | 52.0%                       | 48.4%                       | 58.6%                                  | 58.1%  | 75.0%   | 100%   |   |
|  |   | Percentage of certified materials procured <sup>*5</sup> | —  | 76.0%                       | 72.3%                       | 65.3%                                  | 70.3%  | 75.0%   |  |   |
|  | Expanding the use of certified palm oil (RSPO <sup>*6</sup> -certified) <sup>*6</sup> | —  | —  | 77.2%                       | 62.8%                       | 58.5%                                  | 99.4%  | 100%  | 100%   |   |
|  | Promoting the recycling of used disposable diapers                                    | —  | —  | Development ongoing         | 2 <sup>*7</sup>             | 2                                      | 2  | 2   | Rolled out in at least 10 municipalities             |   |

\*1 Initially, the base year was set as 2016, but it was reconsidered in 2020 and changed to 2019. Vietnam and India set fiscal year 2022 and 2023, respectively, as their base year. \*2 Calculations were conducted based on version 3.4 of the Inventory Database for Environmental Analysis (AIST-IDEA v3.4), a life cycle inventory database developed by the IDEA Laboratory of the Research Institute of Science for Safety and Sustainability at the National Institute of Advanced Industrial Science and Technology (AIST), and the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report (AR6), including land use, land-use change, and forestry (LULUCF). The methodology for calculating activity data was also revised. \*3 In addition to third-party certified materials, ratio of forest-derived raw materials (pulp) whose country/region of origin can be traced \*4 Percentage of our factories that have acquired CoC certification \*5 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" \*6 Certified palm oil is RSPO certified oil based on the mass balance method \*7 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)



(Safeguarding and sustaining the well-being of our planet)  
**From SBTi\* obtained certification as a new “1.5°C Target”**

➤ **Initiatives towards a society with zero CO<sub>2</sub> 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<br>✓ 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)<br>✓ Obtained third-party approval of product-specific carbon footprint calculation rules (personal product calculation rules are based on SuMPO’s Internal-PCR system)<br>✓ Obtained “1.5°C Target” certification from SBT |

\* 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.



# 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



- Product using the recycled pulp treated with the world first <sup>\*1</sup> ozone technology and recycled polymer absorbent for a part of its absorbent material has been launched.

Available in the Kyushu region

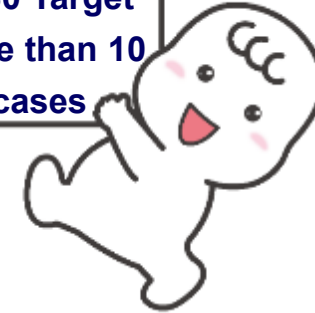
Available nationwide in Japan



©Fujiko-Pro, Shogakukan, TV-Asahi, Shin-ei, and ADK

<sup>\*1</sup> About horizontal recycling technology from disposable pants diapers to disposable pants diapers using ozone treatment technology (UC research, December 2020)

2030 Target  
More than 10  
cases

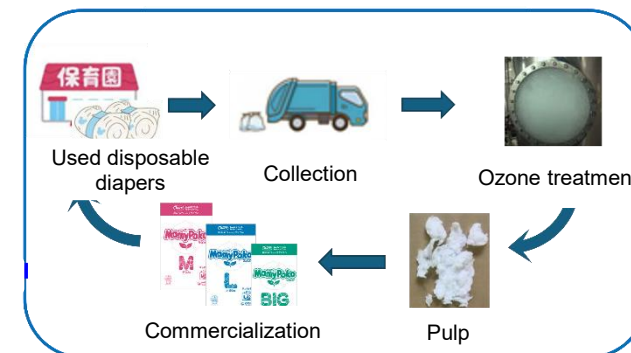


Number of products and services that implement  
3Rs + 2Rs based on unique approach

- For nursery schools that have implemented the “Tebura toen (Hands-Free Arrivals)” <sup>\*2</sup> 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

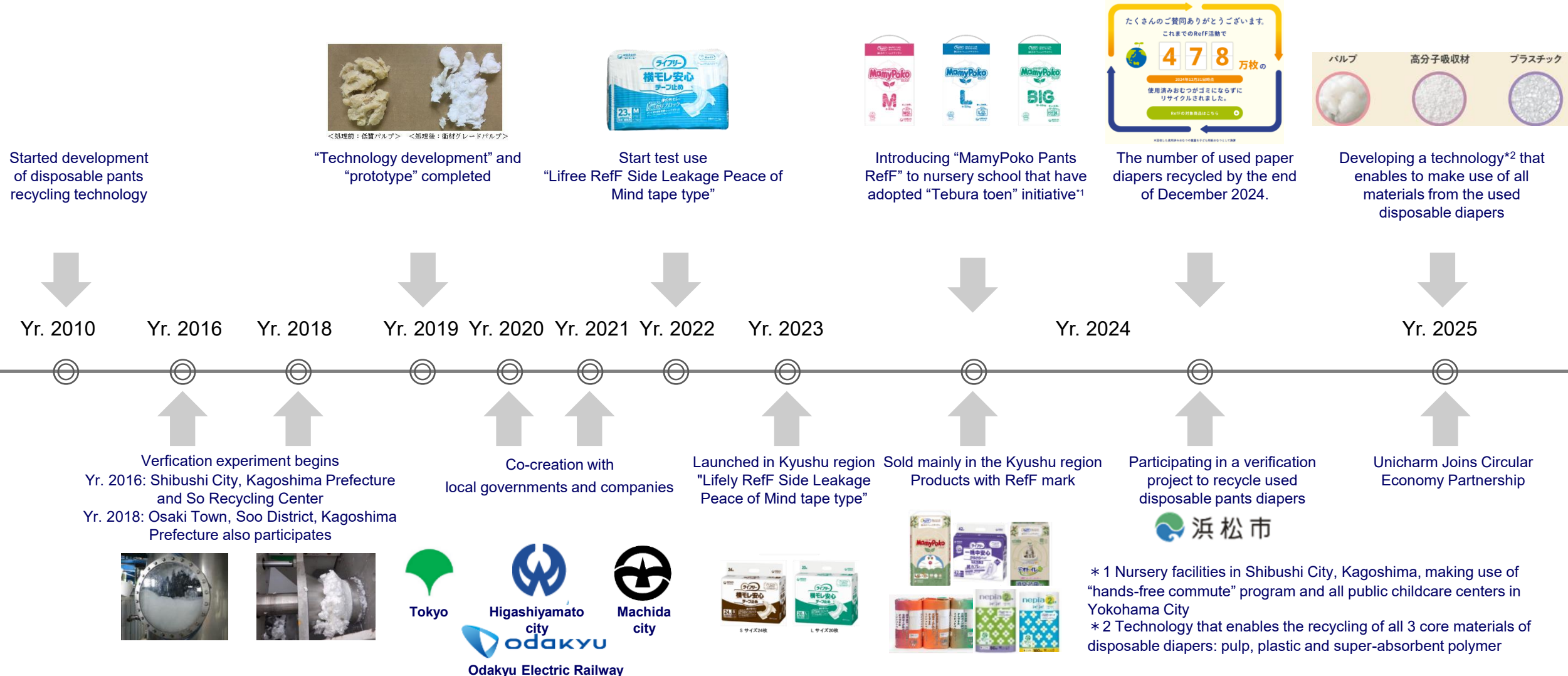


<sup>\*2</sup> Childcare facilities in Shibushi City, Kagoshima Prefecture that use the “Tebura toen” system, and all public childcare centers in Yokohama City



# History of challenge for “horizontal recycling from disposable pants to disposable pants”

## ➤ Project history from launch to present





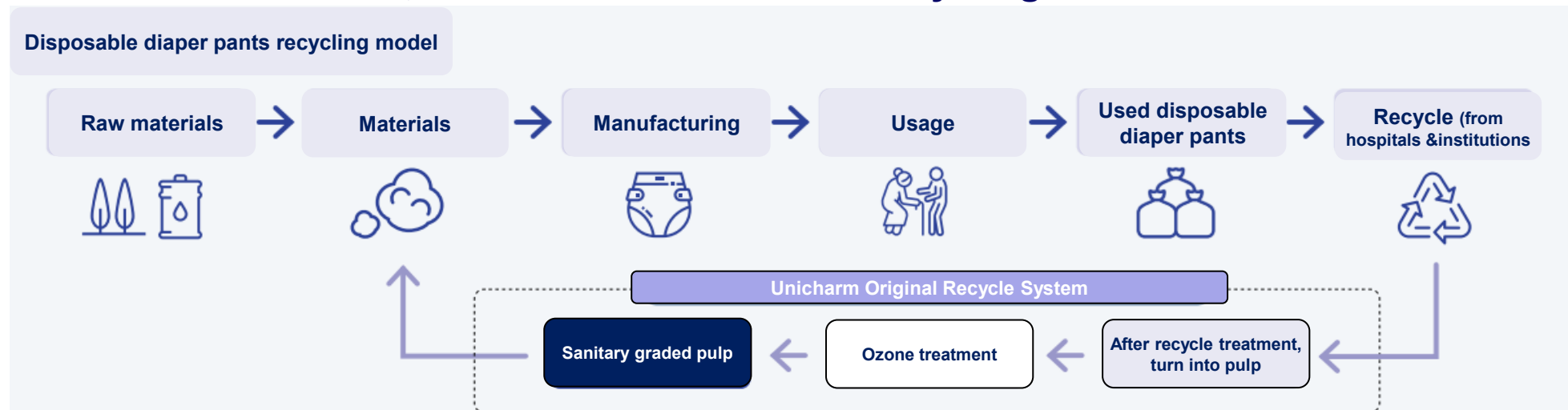
# Reduce waste disposal cost and environmental burden through recycling used disposable diaper

## ◆ Expand our line of recycle model



**Installations number of disposable pants  
(disposable diapers) recycling facilities**

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





(Safeguarding the well-being of our planet)

# Developing a technology\*1 that enables to make use of all materials from the used disposable diapers

## ➤ Products using recycled pulp



©Fujiko-Pro, Shogakukan, TV-Asahi, Shin-ei, and ADK

## ➤ Products using recycled plastics



Collection box  
customized for  
disposable diaper

Collection bag  
customized for  
disposable diaper

RefF-marked toilet tissue  
manufactured by Oji Nepia  
as a part of solid fuel

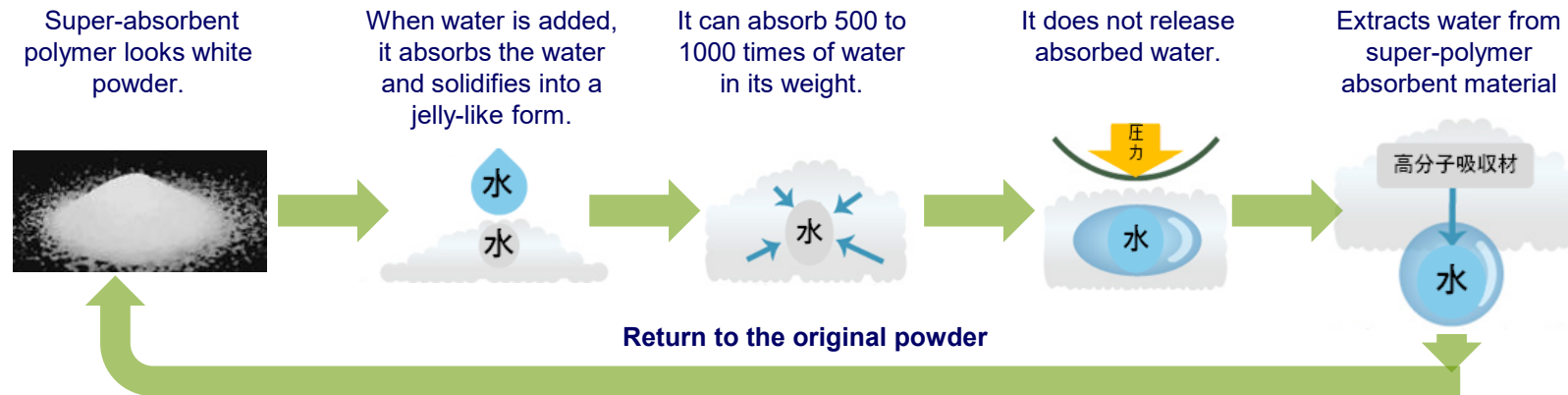
Shipping pallets  
made from  
recycled materials

## ➤ Products using recycled super-absorbent polymers



**Deo-Sand Scented Deodorizing  
Paper Litter RefF**

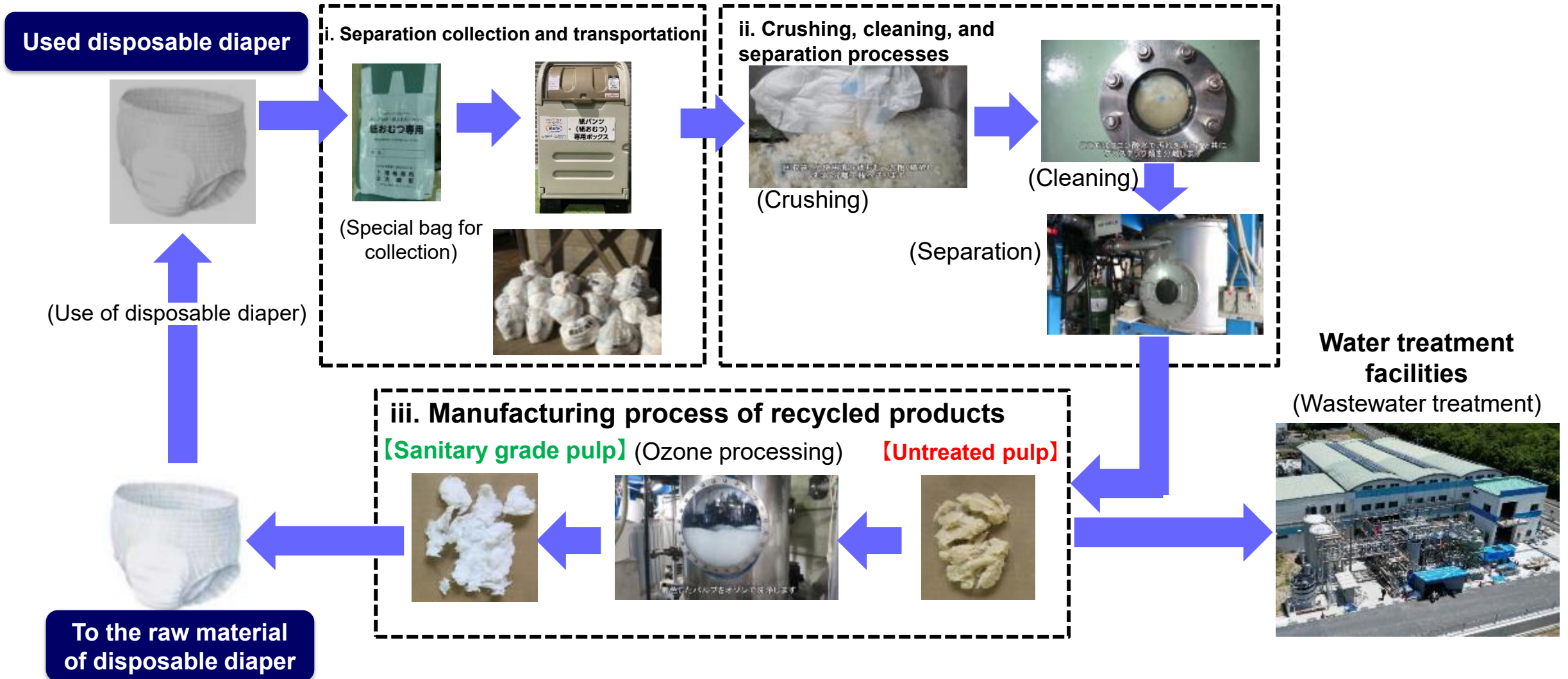
### Functions of super-absorbent polymer and its recycling mechanism



\*1 Technology that enables the recycling of all 3 core materials of disposable diapers: pulp, plastic and super-absorbent polymer



## ➤ Horizontal recycling (from disposable diaper to disposable diaper)





(Safeguarding the well-being of our planet)

# Providing the occasions to spread an information and go through an experience in extending an opportunity to come into contact with recycling



- Spread an information through SNS to deepen the understanding of “horizontal recycling of disposable pant-type diapers into disposable pant-type diapers”



reflecting on the future of disposable diapers - note  
[https://note.com/unicharm\\_reff](https://note.com/unicharm_reff)

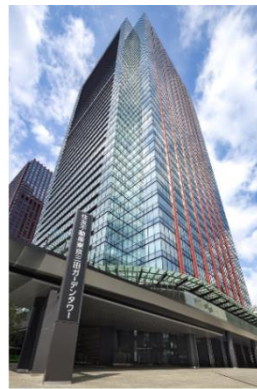


“ReFF” brand site  
Together we create a future cycle  
<https://www.unicharm.co.jp/en/csr-eco/reff.html>

- Create opportunities to experience the quality, safety and environmental mind of recycled pulp



- Introduce toilet tissues made from the recycled pulp\*1 at the office buildings\*2 managed by Sumitomo Realty & Development Co., Ltd

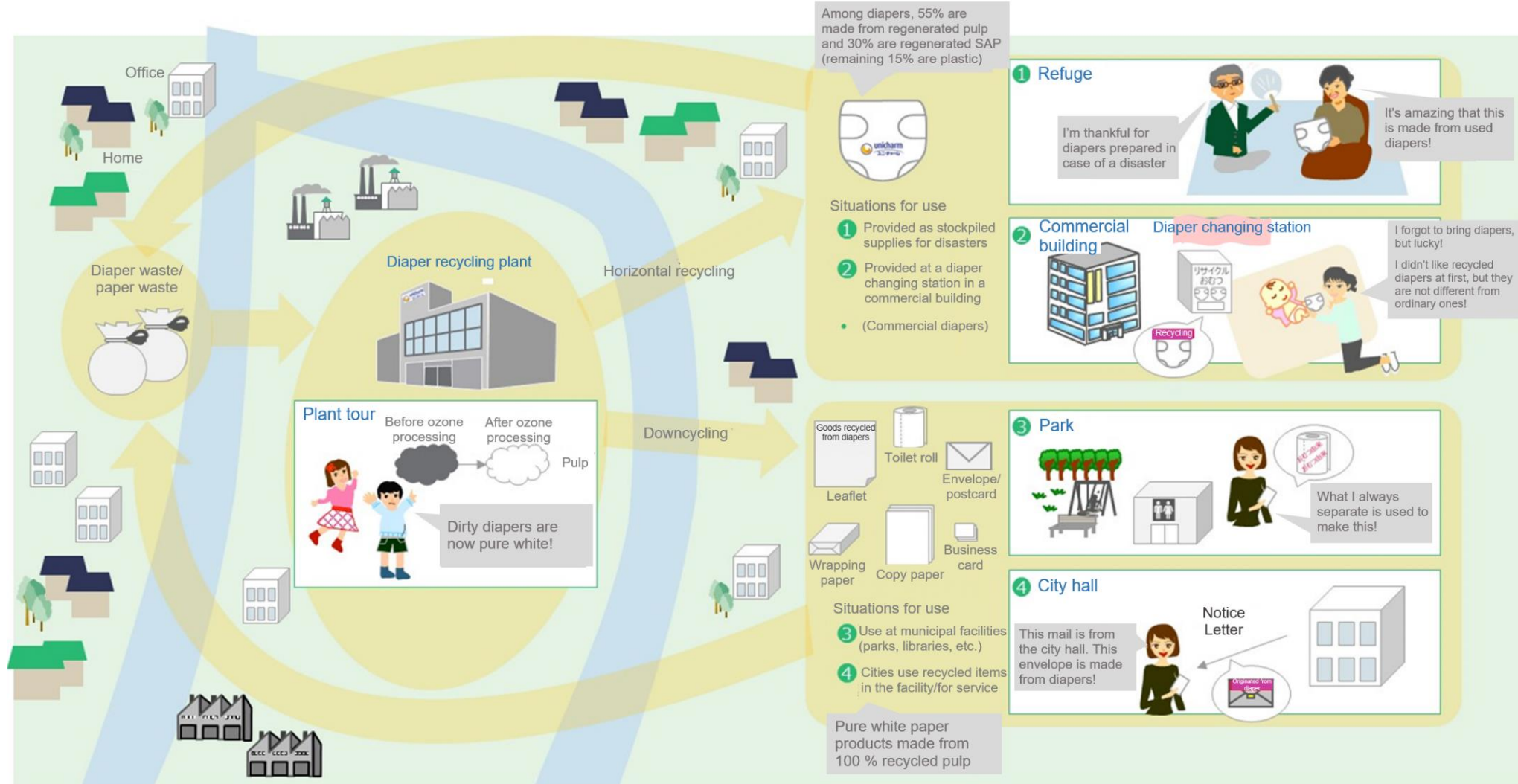


\* 1 Manufactured by Poppy Paper Mfg. Co., Ltd.  
\* 2 Sumitomo Fudosan Tokyo Mita Garden Tower 40



(Safeguarding the well-being of our planet)  
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 CO<sub>2</sub> emission

## ◆ Addressing climate change



**Percentage of renewable electric power used for business operation**

➤ **Ratio of renewable electricity: 25.8%**  
(as of December 31, 2024)

| Top five nations | Percentage of renewable electric power |
|------------------|--|
| Brazil           | 100%                                   |
| U.S.A.           | 100%                                   |
| China            | About 55%                              |
| Japan            | About 35%                              |
| Malaysia         | About 23%                              |

➤ **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 Kawano, Toyohama, Kokko, Cosmotec, Peparlet Shimada, Kinsei Products)



# 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

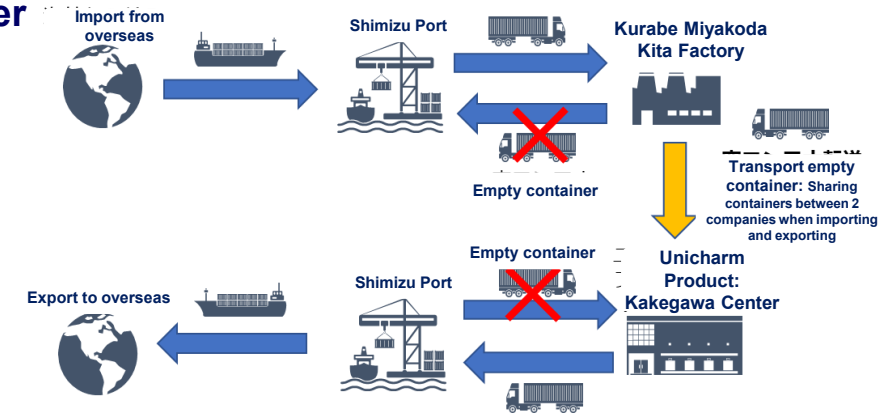
Osaka



Saitama

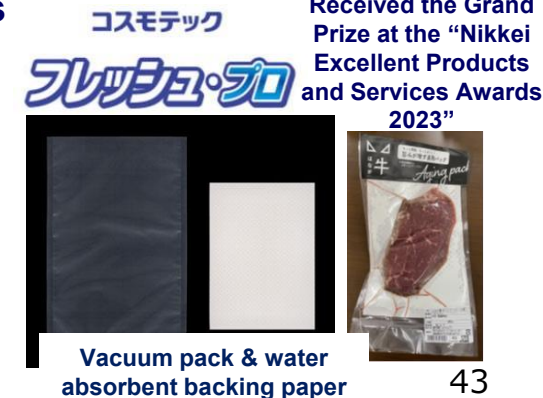


- Joint logistics through round transportation\* with each business partner



\* 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





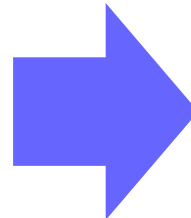
(Safeguarding the well-being of our planet)  
**Recycling Initiatives at Production Bases**

◆ **Advancing Product Recycling**



**Implementation of material recycling for non-woven material products using recycled resources**

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



**Unicharm Affiliated Production Companies**

**Pet Care Product Affiliated Production Company: Peparlet company new factory**



◆ Reducing usage volume of plastic



**2030 Target**  
 Reduced by half  
 (Compared to 2020)



**Ratio of virgin petrochemical-derived plastics to plastics**

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



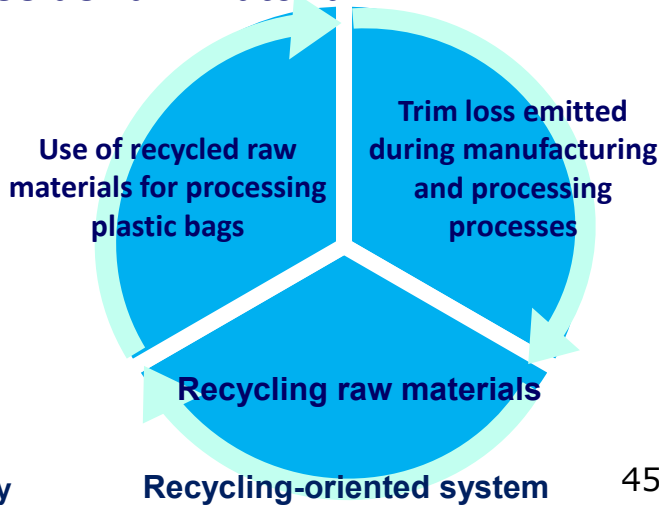
| Reduction rate of plastic usage in promotional materials* (Yr.2024 results) |         |
|---|---------|
| Japan*1   | ▲ 94.7% |
| China*1   | ▲ 93.7% |
| Vietnam*2   | ▲ 37.4% |

\*1 Base year: Yr.2019  
 \*2 Base year: Yr.2022

➤ Began recycling plastic “trim loss” emitted in the manufacturing process as raw material



Trim loss emitted at the factory



Recycling-oriented system



### ◆ Unicharm Group Biodiversity Declaration to be released on February 10, 2025

Unicharm is committed to conserving biodiversity and the natural environment in all aspects of its corporate activities, based on the following principles:

#### **Understanding Our Dependence and Impact on Biodiversity:**

We will strive to deeply understand the relationship between our business activities and biodiversity. We will continuously identify and assess our dependence and impact on biodiversity throughout the entire lifecycle of our products, from raw material procurement to manufacturing, use, and disposal.

#### **Minimizing Our Environmental Footprint:**

We will endeavor to minimize our impact on biodiversity throughout the entire lifecycle of our products. This includes addressing deforestation, water resource consumption, and climate change.

#### **Utilizing Sustainable Resources:**

We will use sustainably sourced raw materials throughout our supply chain. For raw materials that have a significant impact on biodiversity, such as pulp, palm oil, and wood-derived fibers, we will promote the use of certification systems and improve traceability.

#### **Promoting Biodiversity Conservation Activities:**

We will actively engage in forest conservation, water resource protection, ecosystem restoration, and other activities in cooperation with local communities where we operate.

#### **Coexisting with Local Ecosystems:**

We will respect the ecosystems in the areas where we operate and aim to coexist with local communities and the natural environment without causing biodiversity loss.

#### **Empowering Our Employees:**

We will implement educational and awareness-raising activities to encourage all Unicharm Group employees to embrace this declaration and take positive action to conserve biodiversity and the natural environment.

#### **Collaborating with Stakeholders:**

We will promote collaboration in conserving biodiversity and the natural environment by working with various stakeholders, including government agencies, international organizations, NGOs/NPOs, local communities, and business partners.



## ◆ Unicharm Principles

| Key initiatives  | Indicators  | Results          |                  |                  |                   | Mid- and long- term goals          |                               |
|--|---|------------------|------------------|------------------|-------------------|------------------------------------|-------------------------------|
|  |   | 2021             | 2022             | 2023             | 2024              | Target value                       | Target year                   |
| Our aim is to pursue fairness and transparency in order to establish and retain stakeholder trust. |   |                  |                  |                  |                   |                                    |                               |
| Management practices that take sustainability into account   | Maintain and improve ratings by external evaluation agencies.   | —                | —                | —                | —                 | Highest level                      | Every year starting from 2026 |
|  | Number of serious human rights violations in the value chain.   | Zero occurrences | 1 (Corrected)    | 1 (Corrected)    | Zero              | Zero occurrences                   | Every year                    |
| Practice of appropriate corporate governance   | Number of serious compliance violations.  | Zero occurrences | 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%            | 25.5%             | 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%            | 90.1%             | 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) | 13 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)

Every year starting  
from 2026:  
Max level



Maintain and improve ratings by  
external evaluation agencies.

## ➤ 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

## ➤ 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

Realize a  
“Cohesive Society  
(Social Inclusion)”

HR system

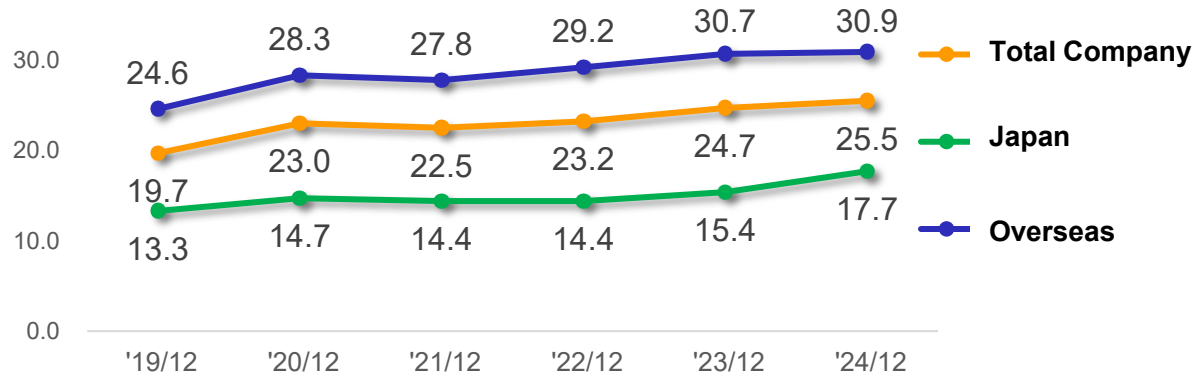
Encourage individual  
growth to become a  
global No. 1 company





## ◆ Promotion of diversity management

### ■ Percentage of Women in Managerial Positions



2030 Target  
Over 30%



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

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

|                                   |  |
|-----------------------------------|--|
| Empowerment system                | One-on-one meetings with executive officers bring out leaders' strengths   |
| President/Leader Lunch Meetings   | Developing female leaders through dialogue with top management   |
| Room L+                           | A women's community that enhances a sense of security and motivation to work   |
| Maternity leave Room L+           | Supports employees returning from maternity or childcare leave by fostering peace of mind. The Program                       |
| 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 |

- 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

2024 Employee satisfaction  
(Entire company)

Max. score 5

4.40

2023 4.42 (Company-wide)



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

- Looking ahead to the ideal image of their career in 10 years and 3 years    A unique format that encourages independent career planning utilizing “My Career Vision & Career Plan”
- 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 “resonant personnel” who possess both the ability to formulate highly effective plans and the ability to steadily implement them to a successful conclusion.**

- **Aiming to realize a cohesive society through “management with resonance” through two-way communication between management and employees**

## **The wisdom of frontline employees is utilized by management**

### **Global OODA Caravan**

Leads to improved motivation to achieve goals through dialogue between the President & CEO and employees

### **The Unicharm Awards**

Recognizes teams that have achieved results and, as a learning forum, leads to resonance among employees

### **Global Conference**

Using examples of activities in various countries and regions, aims to share knowledge and strengthen organizational capabilities

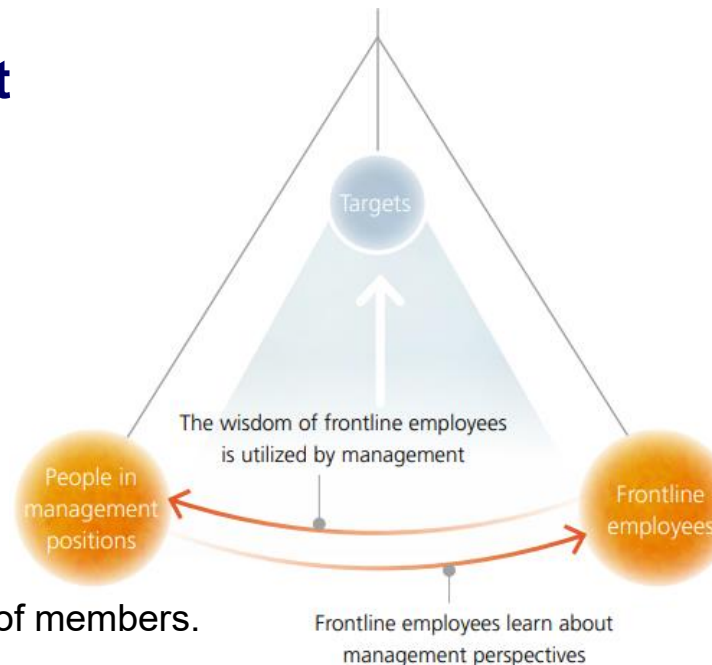
## **Frontline employees learn about management perspectives**

### **Management with Resonance Implementation Meeting**

Communication of will from management to leader-class employees

### **Weekly Scrum Meeting**

Discussions based on the OODA Loop accelerate both the achievement of performance goals and the development of members.



### **Global 30**

A three-year program aimed at developing senior executive employees by cultivating comprehensive management skills

### **Strategy Secretary to CEO Program**

For two months, employees shadow the President & CEO as his secretary, learning how executives think and act



- 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

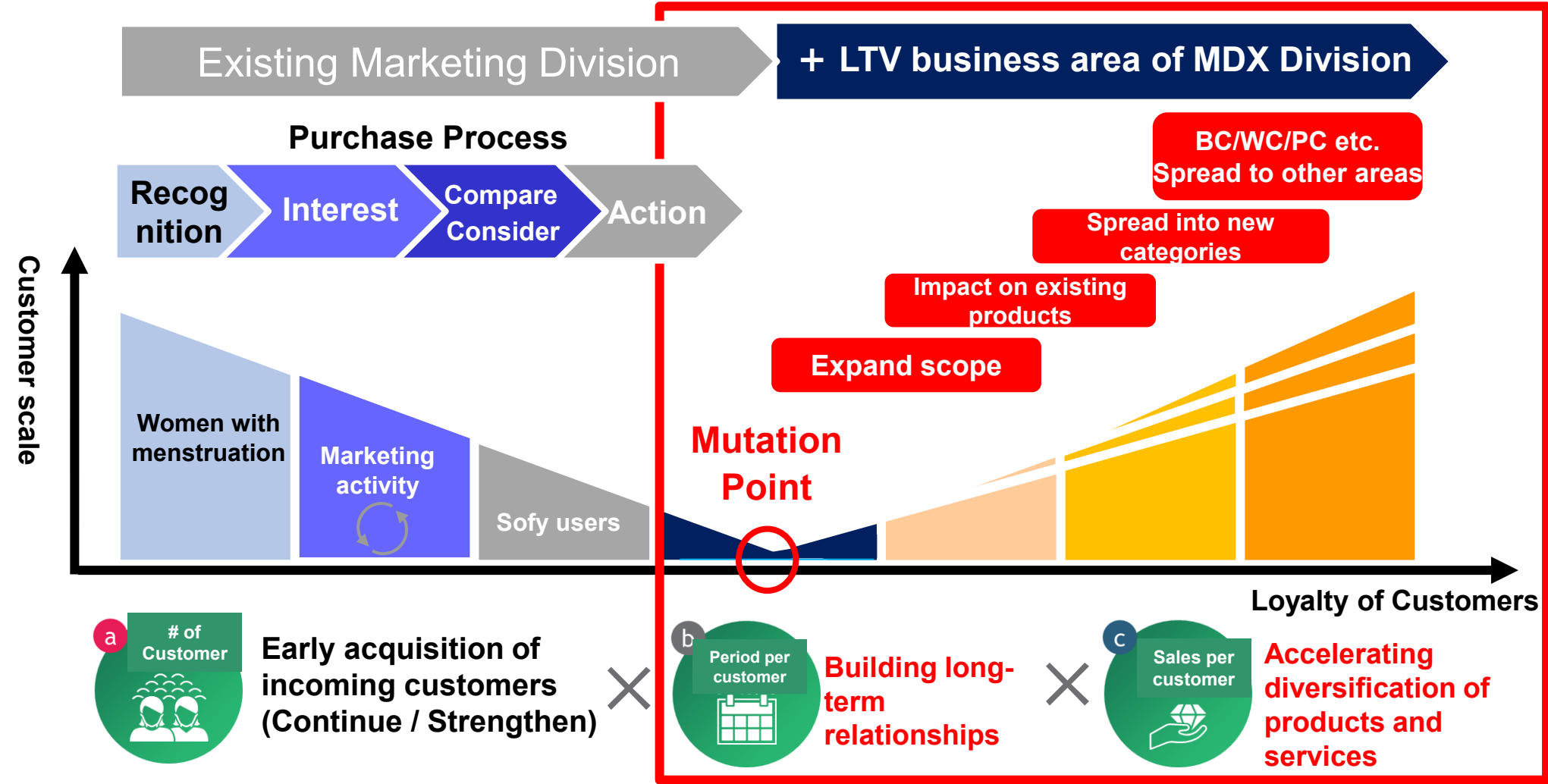
Developing digital human resources to accelerate digital utilization



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





# Initiatives to develop “DX human resources” globally to maximize customer lifetime value



- Introduced the digital tool UniChat (Unicharm version generated AI Chat) to improve efficiency and shorten work time.



| Selected as a finalist for the Generative AI Innovation Awards hosted by Google Cloud Japan                |  |
|--|--|
| ～Patent/Utility Model Publication x Generation AI Initiatives to improve operational efficiency and value～ |  |
| When using the in-house FAQ function   | Max <b>97%</b> improvement <sup>*1</sup> |
| When using the patent summary generation function  | Max <b>83%</b> improvement <sup>1</sup>  |

<sup>\*1</sup> Example of improvement in work time before and after use

- To accelerate the effective use of generative AI in business, held a “Generative AI Study Group”



Over **600** people attended<sup>\*2</sup>

<sup>\*2</sup> As of the end of December 2024

- High login rates, repeat usage, and independent learning are achieved with LinkedIn Learning, a globally deployed online self-study platform



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



## 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”





- **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

- ✓ Improvement of delivery date response level
- ✓ Reducing sales staff workload
- ✓ Expansion of D2C
- ✓ Creation of new sales, etc.

## Improving work quality

- ✓ Strengthen cost management
- ✓ Standardization of core operations between companies and businesses
- ✓ Unification of master data to monitor global performance, etc.

## Shift to value-added operations by improving operational efficiency

- ✓ Paperless, input-less
- ✓ Reduction of man-hours through automation and efficiency
- ✓ Reduction of orders, production and sales inventory adjustment work, etc.

## Realize profit management

- ✓ Improved accuracy of profit-and-loss management and sales forecasting
- ✓ Improving the efficiency of mainline transportation, etc.

## Strengthening the Foundation for ESG Enhancement

- ✓ Improving logistics efficiency through inter-company collaboration
- ✓ Centralization of non-financial data and masters
- ✓ Strengthening governance
- ✓ Multi-language support, etc.



**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”**





# Initiatives in Japan utilizing digital technology for accelerating “Love Your Possibilities”, our corporate brand essence - 1

- Sofy’s 3 menstrual and physical condition management apps that provide the customized information for each user such as menstrual cycle management, product proposal, health advice, etc.

## “Sofy Girl”

Easy-to-manage menstruation & menarche predictions that can be used by pre-menarche teenagers



## “Sofy”

Manage the menstrual cycle according to the purposes such as prediction of period or mode of desiring pregnancy



## “Sofy Be”

Manage menstruation, “*ninkatsu* (active pregnancy)” or physical condition by focusing on hormonal changes



※The service will be discontinued on October 31, 2025, and will be integrated with "Sofy Be" app

Number of downloads: Approx. 3.37 million  
(as of June 2025)



- AI chatbot “Charm-san” that provides products & relevant information and “incontinent adult diaper counseling” that helps select the best choice of disposable diaper

AI chatbot: “Charm-san”



Incontinent adult diaper counseling



No. of Users: Approx. 100,000  
(As of the end of June 2025)

- Troubles about doggies and kitties are shared in DOQAT\*



\*1 DOQAT <https://doqat.jp/>

Registrants: 58,000 (total)  
(as of the end of June 2025)

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

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



- “Team moony point program”, “Online moony classes”, “moony-chan toilet training app” can ease the anxiety about childbirth and childcare



Number of cumulative  
registered members  
Approx. 2.20 million members  
(as of end of June 2025)

- “Food Matching\*2” service that uses AI to suggest food that your cat will enjoy



\*2 Food matching  
[https://jp.unicharmpet.com/ja/food\\_matching/index.html](https://jp.unicharmpet.com/ja/food_matching/index.html)



## Japan initiatives utilizing digital technology-3

- Develop health care support service for kitties through business and capital tie-up with RABO, Inc.\*1



\*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



\*3 CHaiLD Co., Ltd. <https://c-c-s.jp/>

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



\*2 A company that creates new services to enrich the childrearing environment with cutting-edge technology utilizing AI 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

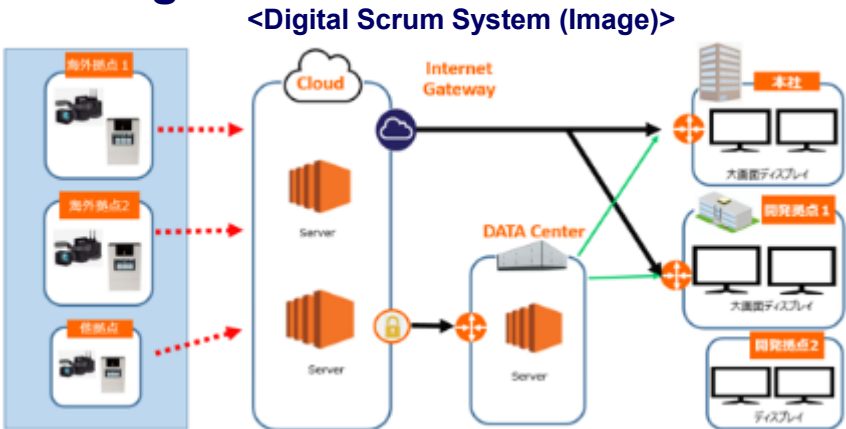




- Evolved value transmission through digital measures outside the store before visiting stores
- “Shop search system” can help find shops carrying products to improve customer satisfaction



- Developed “Digital Scrum System” to discover customer insights



- Strengthening “Direct Shop” system to meet various needs of customers in all categories



RENEWAL  
ユニ・チャームダイレクトショップ  
OPEN



デオトイレの交換用スノコパーツ  
ユニ・チャーム  
ダイレクトショップ  
限定発売

| ユニ・チャームダイレクトショップのサービス   |   |   |
|---|---|---|
| <p>POINT 1 /</p>  <p>メーカー直販で安心！</p>                  | <p>POINT 2 /</p>  <p>いつもの商品が手に入る！</p>              | <p>POINT 3 /</p>  <p>うれしい特典も！</p>  |
| <p>POINT 4 /</p>  <p>まとめて3,980円以上<br/>お買い上げで送料無料</p> | <p>POINT 5 /</p>  <p>平日午後3時までの<br/>ご注文で翌出荷日に発送</p> | <p>POINT 6 /</p>  <p>便利なクレジットカード<br/>代金引換も対応<br/><small>※一部商品にはご利用いただけず<br/>決済手段に制限があります</small></p> |



- State-of-the-art smart factory in Kyushu utilizing a variety of autonomic machines and IoT and Logistics Center in Toyohama which has introduced automated equipment



Kyushu Factory



Toyohama Logistics Center

### Industrial Robot



### SCADA \*1



### Smart Logistics

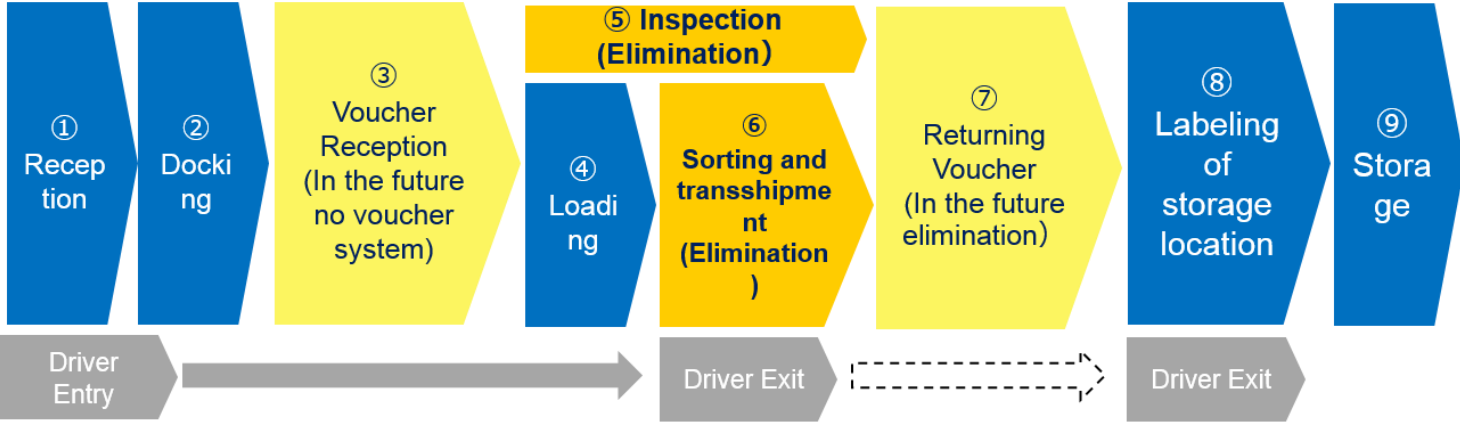
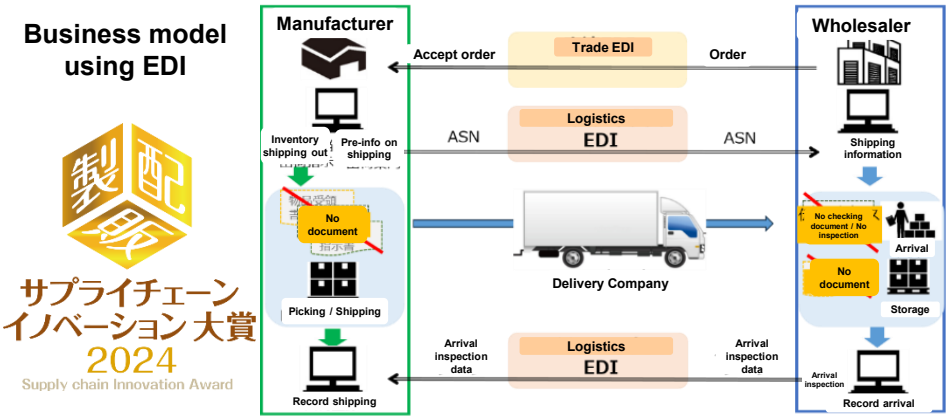


\*1 Abbreviation for Supervisory Control And Data Acquisition

- Promoting collaboration for logistics digitalization and efficiency through ASN \*2 distribution using logistics EDI \*3

### Business Reforms Utilizing Logistics EDI

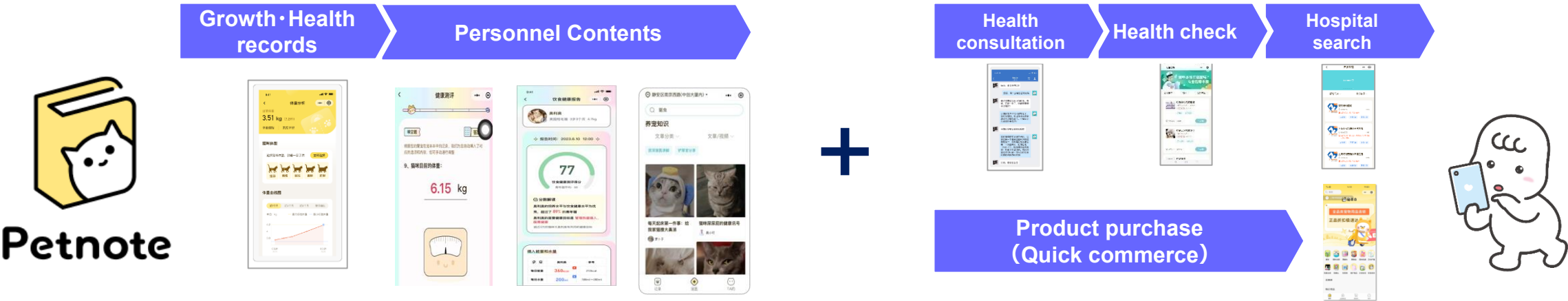
### Business model that eliminates inspection using ASN





# Overseas initiatives utilizing digital technology

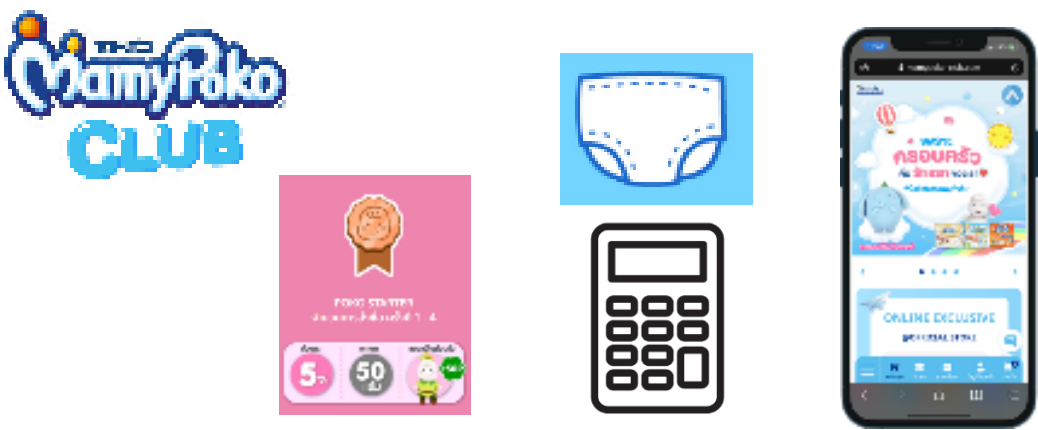
➤ Pet growth, health record tool + hospital introduction, and product purchasing platform “Pet note”



➤ 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 2025)

|                         |  |
|-------------------------|--|
| <b>2025<br/>January</b> | ✓ Received “BRONZE” award at “Japan Branding Awards 2024”  |
| <b>February</b>         | ✓ Acquired highest rating of “A List” in 3 segments of “CDP2024”<br>✓ Selected for “Human Capital Management Quality 2024 Silver Award”<br>✓ Selected as “Environmentally Sustainable Company” in “The 6 <sup>th</sup> ESG Finance Award Japan”              |
| <b>March</b>            | ✓ Certified as “2025 Health & Productivity Management Outstanding Organization (White 500)”  |
| <b>May</b>              | ✓ Received the National Commendation for Invention, Asahi Prize, and the Invention Implementation Achievement Award for the first time<br><br>~Invention of the technology for recycling high-purity pulp from used disposable diapers (Patent No. 6290475)~ |
| <b>June</b>             | ✓ Selected as a constituent stock of “SOMPO Sustainability Index”<br>✓ Acquired “CoC Certification” issued by PEFC, an International Forest Certification System, at three factories in China  |
| <b>July</b>             | ✓ Selected as a “CDP 2024 Supplier Engagement Leader”  |



# Index inclusion and evaluation



\* Disclaimer is posted on the following website  
[https://www.unicharm.co.jp/content/dam/sites/www\\_unicharm\\_co\\_jp/pdf/csr-eco/report/E\\_disclaimer\\_ms.pdf](https://www.unicharm.co.jp/content/dam/sites/www_unicharm_co_jp/pdf/csr-eco/report/E_disclaimer_ms.pdf)



2025 CONSTITUENT MSCIジャパン  
ESGセレクト・リーダーズ指数

2025 CONSTITUENT MSCI日本株  
女性活躍指数 (WIN)

2025 CONSTITUENT MSCI日本株  
ESGセレクト・リーダーズ指数



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# Coordination with external organizations



地方創生SDGs  
官民連携  
プラットフォーム



私たちは持続可能な開発目標 (SDGs) を支援しています。



TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS  
AMBITION FOR 1.5°C

GHG排出量総量削減目標  
基準年:2021年 目標年:2031年  
スコープ1,2:46.20%削減  
スコープ3:27.50%削減



JAPAN  
CLIMATE  
INITIATIVE

Sedex Member



Green x Digital  
Consortium



In support of

WOMEN'S  
EMPOWERMENT  
PRINCIPLES

Established by UN Women and the  
UN Global Compact Office



ひめボス

認証事業所





# Coordination with external organizations

## Community contribution activities in Ehime Prefecture, the birthplace of Unicharm and support for disaster-stricken areas



- Support activities for children who are responsible for the future of the region through corporate hometown tax payments



Next Generation Baseball Player Development Project

Purchase children's books for Shikokuchuo City Digital Library

- Sponsoring “Unicharm Trophy 2024 Ehime International Open”, officially authorized by Men's Professional Tennis Association



- 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



- Employee-participation in disaster relief efforts  
Continuation of “Matching Funds\*”



Participating employees: Total 31,744 people (as of the end of December 2024)

\* An employee-participation initiative in which original polo shirts, jackets, etc. that can be worn during work are sold within the company, and the equivalent amount of the purchase price is donated to disaster-stricken areas as a "matching fund."



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

Integrated Index



FTSE Blossom  
Japan



FTSE Blossom  
Japan Sector  
Relative Index

2025 CONSTITUENT MSCI日本株  
ESGセレクト・リーダーズ指数

Thematic Index



S&P/JPX  
カーボン  
エフィシエント  
指数

2025 CONSTITUENT MSCI日本株  
女性活躍指数 (WIN)



MORNINGSTAR GenDi J

Japan ex-REIT Gender Diversity  
Tilt Index

TOP CONSTITUENT 2025

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Other ESG Index





|                  |                 | 2019    | 2020  | 2021    | 2022  | 2023   | 2024   |
|------------------|-----------------|---------|-------|---------|-------|--------|--------|
| CDP SCORES       | Climate change  | B       | A-    | A-      | A-    | A-     | A      |
|                  | Forest (timber) | B       | B-    | B       | B     | A      | A      |
|                  | Water security  | B-      | B-    | B       | B     | A      | A      |
| MSCI ESG RATINGS |                 | BBB 5.3 | A 5.3 | BBB 4.7 | A 5.1 | AA 5.7 | AA 5.4 |
| FTSE ESG RATINGS |                 | 3.5     | 3.7   | 3.9     | 4.0   | 4.2    | 4.4    |



# “Kyo-sei Life Vision 2030” Examples of initiatives related to important themes

| Examples of initiatives   | Results   |
|---|---|
| “Excretion care” course   | Excretion care: 362 times in total (as of the end of June 2025)                               |
| Number of users for “Adult Diaper Counseling”   | Approx. 100,000 people (as of the end of June 2025)   |
| Number of times the video “Menstruation Study for Everyone” was provided<br><a href="https://www.sofy.jp/ja/campaign/minnanoseirikensyu.html">https://www.sofy.jp/ja/campaign/minnanoseirikensyu.html</a>   | Approx. 530 companies and organizations as of the end of June 2025)                           |
| “Sofy Girl” (menstrual management app) / <a href="https://www.sofy.jp/ja/app/sofygirl.html">https://www.sofy.jp/ja/app/sofygirl.html</a><br>“Sofy Be” (menstrual management app that shows the relationship between hormones and physical condition)<br><a href="https://www.sofy.jp/ja/app/sofybe.html">https://www.sofy.jp/ja/app/sofybe.html</a> | Approx. 3,370,000 downloads in total (as of the end of June 2025)                             |
| Number of views for TikTok “Sarakeda-so (Let’s talk it out room)” <a href="https://www.tiktok.com/@sofy_official_7days/">https://www.tiktok.com/@sofy_official_7days/</a>   | Approx. 60 million views (as of the end of June 2025)   |
| Education of first menstruation/period (including online)   | India: approx. 760,000 people (as of the end of June 2025)                                    |
| Education of first menstruation/period (mother-daughter learning sessions)  | India: approx. 418 sessions, about 14,750 mother-daughter groups (as of the end of June 2025) |
| Number of registrations for first menstruation site “Charm Girls Talk”<br>* Scheduled to be renamed “power CHARM girls” at the end of August 2025   | Indonesia: approx. 86,500 people (as of the end of June 2025)                                 |
| Number of registered members for “Team moony point program”<br><a href="https://jp.moony.com/ja/apps/moonypoint.html">https://jp.moony.com/ja/apps/moonypoint.html</a>  | Cumulative total of approx. 2,200,000 members (as of the end of June 2025)                    |
| Number of registrations with “DOQAT”, Q&A service for pets<br><a href="https://doqat.jp/">https://doqat.jp/</a>   | Approx. 58,000 people (as of the end of June 2025)  |
| Employee-participation support for disaster-stricken areas: “Matching Funds”  | Participating employees: Total 31,744 people (as of the end of Dec 2024)                      |