

**Fiscal Year Ended  
December 31, 2025  
(Jan 1, 2025 to Dec 31, 2025)  
Unicharm Investor Meeting  
Presentation Materials**

February 12, 2026

Unicharm Corporation





## **Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 2025) 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.



**Fiscal Year Ended December 31, 2025 (FY2025)**  
**(January 1, 2025 to December 31, 2025)**  
**Financial Results Summary**



<b>Consolidated</b>	<b>Sales</b>	<b>945.3 billion yen (YoY -4.4%)</b>
	<b>Core Operating Income</b>	<b>108.9 billion yen (YoY -21.4%)</b>

- In response to the reactionary impact of the previous year's record-high business performance and intensifying competition in Asia, accelerating “proactive investment” and “structural reforms” with an eye toward the 13th Mid-term Management Plan starting in fiscal year 2026. Steadily advancing the establishment of a robust foundation for sustainable growth.

<b>Japan</b>	<b>0.8% sales increase, 0.9% profit reduction</b>
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- Recorded high sales. Amid inflation, robust brand power has supported consumers' “well-modulated spending behavior,” leading to stable market share. While actively investing in DX for medium-to-long-term growth, continued penetration and expansion of value shifting has been successful in maintaining a high profit margin.

<b>Overseas</b>	<b>7.1% sales reduction, 41.1% profit reduction</b>
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- Asian region saw declines in both sales and profit. Focusing on establishing new winning strategies in response to changes in market structure. In China, efforts are centered on restoring brand trust, while in Indonesia shipments are being adjusted following a distributor change. Prioritizing the foundation for sustainable growth toward the next medium-term plan over short-term top-line growth.
- Other regions resulted in an increase in both sales and profit. In North America, pet care business continues to show high growth in response to effective tariff measures.

<b>Shareholder Returns</b>	<b>Annual dividend: 18 yen, increased dividend for 24 consecutive years</b>
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- Despite the profit reduction, implemented the planned dividend of 18 yen per share and the purchases of own shares worth 22 billion yen.



**Making focused investments in Asia e-commerce and addressing market bipolarization in preparation for the next medium-term plan, temporary expenses related to India's GST amendment and impairment charges weighed on profits. Future risks were fully addressed in the current period and steadily building the foundation for renewed growth.**

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

(Unit: 100 million yen)

	FY Ended Dec. 31, 2024	FY Ended Dec. 31, 2025	Gap(yen)	Gap(%)	actual gap rate <sup>*1</sup>
Net sales	9,890	<b>9,453</b>	-437	-4.4%	-3.5%
Core operating income (margin-%)	1,385 (14.0%)	<b>1,089 (11.5%)</b>	-296	-21.4% (-2.5pp)	-21.4%
Profit before tax (margin-%)	1,345 (13.6%)	<b>1,054 (11.1%)</b>	-292	-21.7% (-2.5pp)	
Profit attributable to owners of parent company (margin-%)	818 (8.3%)	<b>652 (6.9%)</b>	-166	-20.3% (-1.4pp)	
EBITDA (profit before tax + depreciation/ amortization)	1,820	<b>1,661</b>	-159	-8.7%	
Base earnings per share (JPY)	46.41	<b>37.30</b>	-9.11	-19.6%	
USD Rate (JPY)	151.58	<b>149.71</b>	-1.87	-1.2%	
CNY Rate (JPY)	21.02	<b>20.82</b>	-0.20	-1.0%	

\*1 Actual gap rate excluding foreign exchange effects



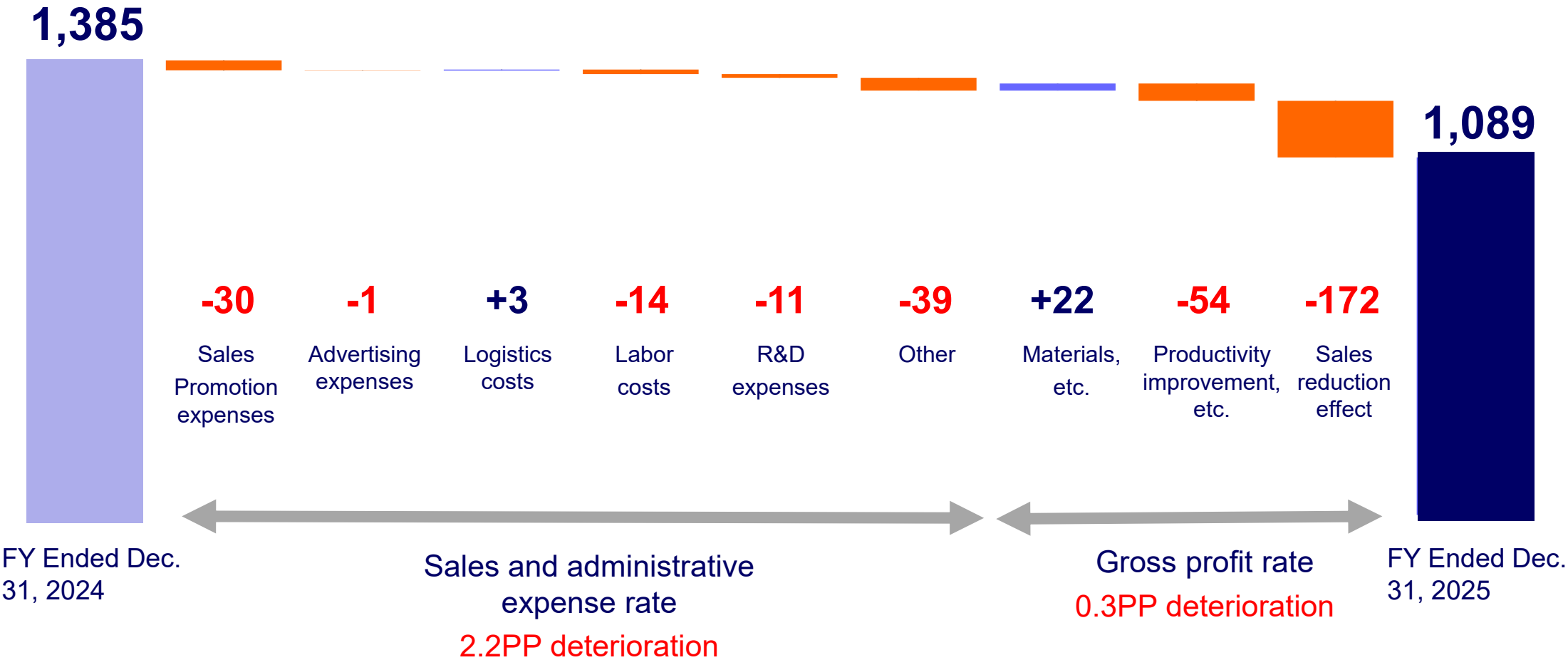
Profits are being squeezed by reputational damage in China and reduced revenue due to increased competitive costs in Indonesia

Marketing expenses are being invested to build a medium-to-long-term growth foundation and promote structural reforms



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

(Unit: 100 million yen)



\* 1 SG&A expenses for 2024 were retroactively adjusted to better align with the actual R&D structure for comparison purposes.



Maintaining market share in Japan despite inflation, while North America and the Middle East continue strong performance and active investments are being developed in Africa. China and Indonesia face difficult conditions, but Thailand and Vietnam showing signs of recovery as competitive countermeasures take effect.

● Geographical segment information  
(from Jan. to Dec.)

(Unit: 100 million yen)

		FY Ended Dec. 31, 2024	FY Ended Dec. 31, 2025	Gap (yen)	Gap (%)	(Ref.) Actual <sup>*1</sup> gap rate
Japan	Net sales	3,399	<b>3,425</b>	+26	+0.8%	—
	Core operating income	680	<b>674</b>	-6	-0.9%	—
	(margin-%)	(20.0%)	<b>(19.7%)</b>		<b>(-0.3pp)</b>	
Asia	Net sales	4,431	<b>3,893</b>	-538	-12.1%	-10.8%
	Core operating income	429	<b>114</b>	-315	-73.4%	-74.4%
	(margin-%)	(9.7%)	<b>(2.9%)</b>		<b>(-6.8pp)</b>	
Others <sup>*2</sup>	Net sales	2,059	<b>2,135</b>	+75	+3.7%	+5.2%
	Core operating income	274	<b>300</b>	+26	+9.6%	+11.2%
	(margin-%)	(13.3%)	<b>(14.0%)</b>		<b>(+0.7pp)</b>	
Consolidation	Net sales	9,890	<b>9,453</b>	-437	-4.4%	-3.5%
	Core operating income	1,385	<b>1,089</b>	-296	-21.4%	-21.4%
	(margin-%)	(14.0%)	<b>(11.5%)</b>		<b>(-2.5pp)</b>	

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

China -27% Indonesia -18% Thailand -9% India +1% Vietnam +8% Middle East +5% North America +12% Brazil -2% Egypt +16%

\*1 Actual gap rate excluding foreign exchange effects

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

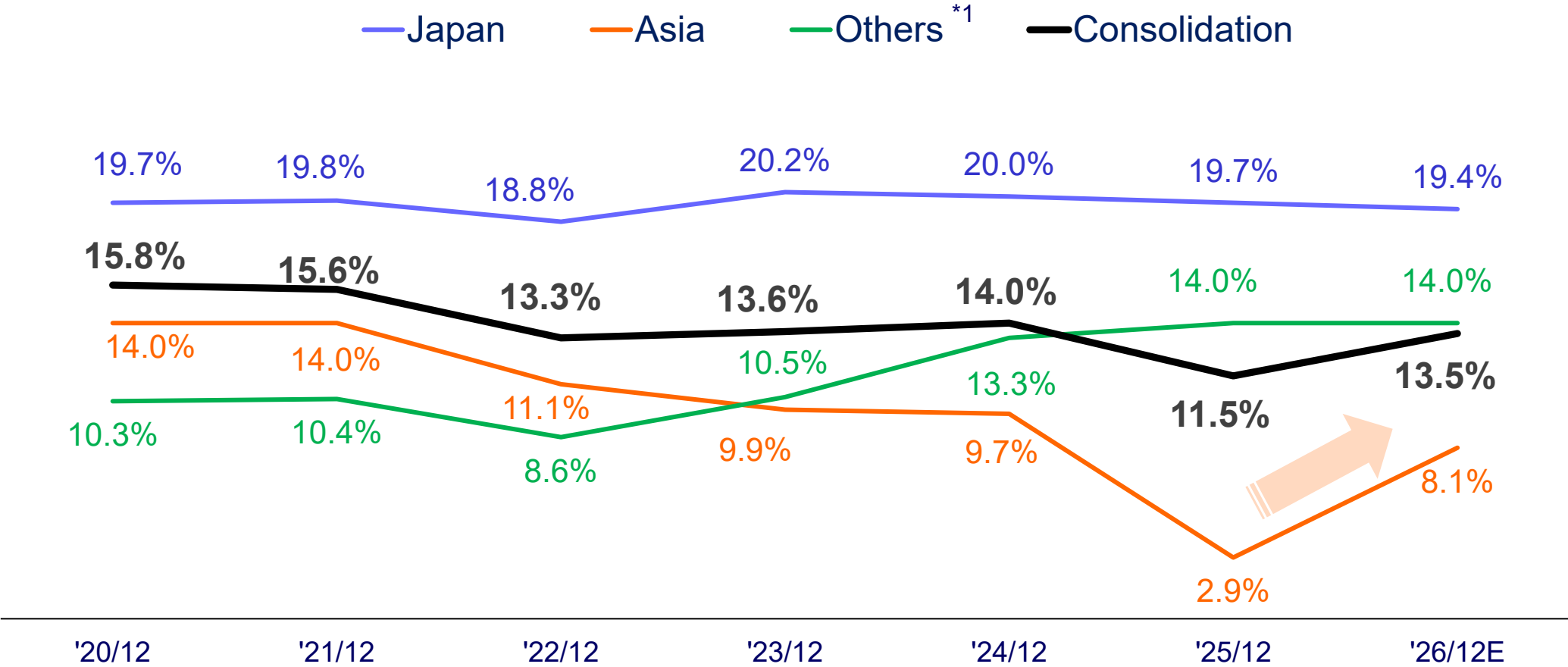


Japan and other regions are solidifying their high revenue structure around 20% thanks to the widespread adoption of high value-added products

Asia is entering a recovery phase in profitability, driven by the passing of one-time profit-reducing factors and the effects of structural reforms becoming apparent



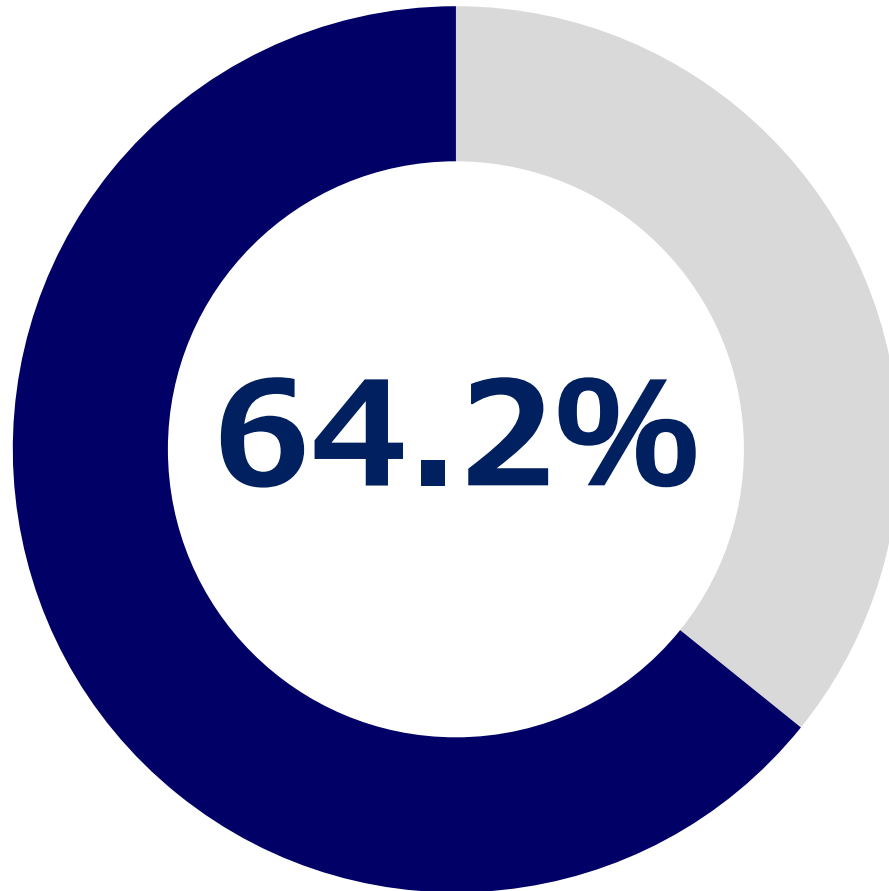
●Core operating income margin by geographical segment (from Jan. to Dec.)



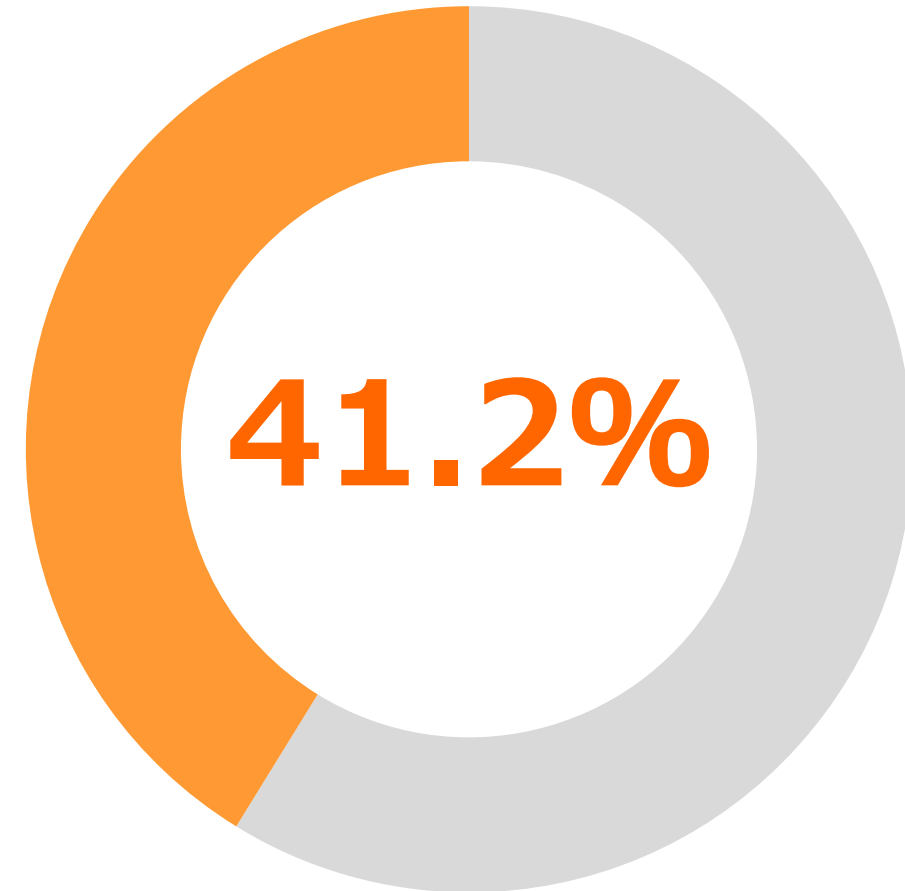
\*Others: Main regions are North America, Saudi Arabia, Brazil and the Netherlands



- Sales ratio of overseas markets



- Sales ratio of Asian markets





Personal care is focusing on establishing new winning strategies to respond to market changes (bipolarization and shift to e-commerce shift). Progress in addressing risks in China and Indonesia to build a solid structure for a reversal of our position and going on the offensive in fiscal year 2026. Pet care: Strong performance in North America drives earnings; in Asia, prioritizing prior investment in markets poised to become future mainstays.



(Unit: 100 million yen)

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

		FY Ended Dec. 31, 2024	FY Ended Dec. 31, 2025	Gap (yen)	Gap (%)
Personal Care	Net sales		<b>7,744</b>	<b>-517</b>	<b>-6.3%</b>
	Core operating income	8,261 1,109 (13.4%)	<b>832</b> <b>(10.7%)</b>	<b>-277</b>	<b>-25.0%</b> <b>(-2.7pp)</b>
	(margin-%)				
Pet Care	Net sales		<b>1,561</b>	<b>+74</b>	<b>+5.0%</b>
	Core operating income	1,487 258 (17.4%)	<b>241</b> <b>(15.4%)</b>	<b>-18</b>	<b>-6.9%</b> <b>(-2.0pp)</b>
	(margin-%)				
Others <sup>*1</sup>	Net sales		<b>148</b>	<b>+5</b>	<b>+3.9%</b>
	Core operating income	142 17 (12.2%)	<b>16</b> <b>(11.0%)</b>	<b>-1</b>	<b>-6.9%</b> <b>(-1.2pp)</b>
	(margin-%)				
Consolidation	Net sales		<b>9,453</b>	<b>-437</b>	<b>-4.4%</b>
	Core operating income	9,890 1,385 (14.0%)	<b>1,089</b> <b>(11.5%)</b>	<b>-296</b>	<b>-21.4%</b> <b>(-2.5pp)</b>
	(margin-%)				

\* Other products refer to those related to industrial materials, etc.



Impact of exchange rate fluctuations resulted in a decrease of approximately 9.4 billion yen in sales and approximately 0.0 billion yen in core operating income

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

Currency	Exchange rate for FY ended December 31, 2024	Exchange rate for FY ended December 31, 2025	Rate change
USA(USD)	151.58	<b>149.71</b>	-1.2%
Saudi Arabia(SAR)	40.46	<b>39.98</b>	-1.2%
Vietnam(VND)	0.0060	<b>0.0058</b>	-3.3%
China(CNY)	21.02	<b>20.82</b>	-1.0%
Thailand(THB)	4.30	<b>4.55</b>	+5.8%
Taiwan(TWD)	4.73	<b>4.81</b>	+1.7%
India(INR)	1.82	<b>1.73</b>	-4.9%
Indonesia>IDR)	0.0096	<b>0.0091</b>	-5.2%
Brazil(BRL)	28.20	<b>26.81</b>	-4.9%
Australia(AUD)	99.97	<b>96.49</b>	-3.5%
Malaysia(MYR)	33.14	<b>34.97</b>	+5.5%
Korea (KRW)	0.1113	<b>0.1054</b>	-5.3%
Egypt (EGP)	3.43	<b>3.04</b>	-11.4%
Netherland(EUR)	163.95	<b>169.00</b>	+3.1%



## Summary of Performance Forecast FY Ending December 31, 2026

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### ◆ Document notations

WC: Wellness Care Business

FC: Feminine Care Business

BC: Baby Care Business

PC: Pet Care Business



Consolidated	<b>Net Sales</b> <b>1,010 billion yen</b> (YoY +6.8%) <b>Core Operating Income</b> <b>136.0 billion yen</b> (YoY +24.9%)
Consolidated	<ol style="list-style-type: none"> <li>1. Sales are projected to exceed 1 trillion yen for the first time.</li> <li>2. Recovery in Asia will drive the entire company, ensuring steady increase both in sales and profit from the previous period.</li> <li>3. Raw material-related costs are expected to decrease by approximately 13.0 billion yen annually. Capital expenditure of 40.0 billion yen and depreciation expenses of 47.0 billion yen are planned.</li> </ol>
Japan	<ol style="list-style-type: none"> <li>1. High value-added products in the WC growth area will accelerate. Expand the light incontinence care market and drive functional innovation in incontinent adult diapers.</li> <li>2. PC will enhance profitability through aggressive expansion of the premium market and creation of new markets.</li> <li>3. Pioneer the femtech market using “Sofy Be.” Deepen high-value-added proposals in baby care.</li> </ol>
Asia	<ol style="list-style-type: none"> <li>1. (China) Experience fundamental reform of its revenue structure and renewed growth. Brand restoration through differentiated FC products. Profitability improvement in EC will be promoted.</li> <li>2. (India) Accelerate growth through the expansion and high value-added transformation of BC, FC, and WC, along with new PC market entry.</li> <li>3. (Southeast Asia) Focus on high value-added transformation and a fundamental review of its cost structure. Strengthening EC. Concentrated investment in WC and PC.</li> </ol>
Others	<ol style="list-style-type: none"> <li>1. (Middle East) Key shift to FC and WC. Expand exports to neighboring countries to achieve regional dominance.</li> <li>2. (North America) Continued high-profit and stable growth through expansion of high-value-added products (treats, toiletries).</li> <li>3. (Brazil) Newly enter into FC and PC. Africa will continue building a business foundation to support future growth.</li> </ol>

[Local currency change rate gap of sales in main countries] \*Management accounting base

**Japan +5-7%** **Asia +6-8%** (China +14-16% Indonesia +8-10% Thailand +4-6% India +6-8% Vietnam +4-6%)

**Others +2-4%** (Middle East +1-3% North America +7-9% Brazil +18-20%)



**Consolidated sales are projected to exceed 1 trillion yen for the first time**  
**In addition to the solid earnings foundation in Japan and North America, the recovery in Asia, where the effects of structural reforms are becoming apparent, will strongly drive overall business performance**



(Unit: 100 million yen)

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

	FY Ended Dec. 31, 2025	<b>FY Ending Dec. 31, 2026</b>	Gap(yen)	Gap(%)	actual gap rate <sup>*1</sup>
Net sales	9,453	<b>10,100</b>	+647	+6.8%	+6.4%
Core operating income (margin-%)	1,089 (11.5%)	<b>1,360 (13.5%)</b>	+271	+24.9% (+2.0pp)	+24.5%
Profit before tax (margin-%)	1,054 (11.1%)	<b>1,358 (13.4%)</b>	+304	+28.9% (+2.3pp)	
Profit attributable to owners of parent company (margin-%)	652 (6.9%)	<b>865 (8.6%)</b>	+213	+32.6% (+1.7pp)	
Base earnings per share (JPY)	37.30	<b>49.71</b>	+12.41	+33.3%	
USD Rate (JPY)	149.71	<b>150.00</b>	+0.29	+0.2%	
CNY Rate (JPY)	20.82	<b>21.50</b>	+0.68	+3.3%	

\* Actual gap rate excluding exchange effects



## Shareholders Return Policy

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## Guidelines for PBR maximization: Achieve a V-shaped recovery in corporate value through the dual approach of business growth and capital policy restructuring (Rebirth)

Increase **total return ratio** from 50% to 65% to achieve **structural improvement in ROE**, while **curbing net assets (denominator)**

### Previous Capital Policy

Total payout ratio

**50%** or more

- PBR at 2x and stagnating
- ROE around 10%

**Rebirth**  
(Fundamental review)

### 13th Mid-term Management Plan Capital Policy Guidelines

Total payout ratio

**65% or more**

(5 continuous years)

DOE

of over **4.5%**

(Continue consecutive dividend increases)

**Maximizing capital efficiency /  
Improve PBR**

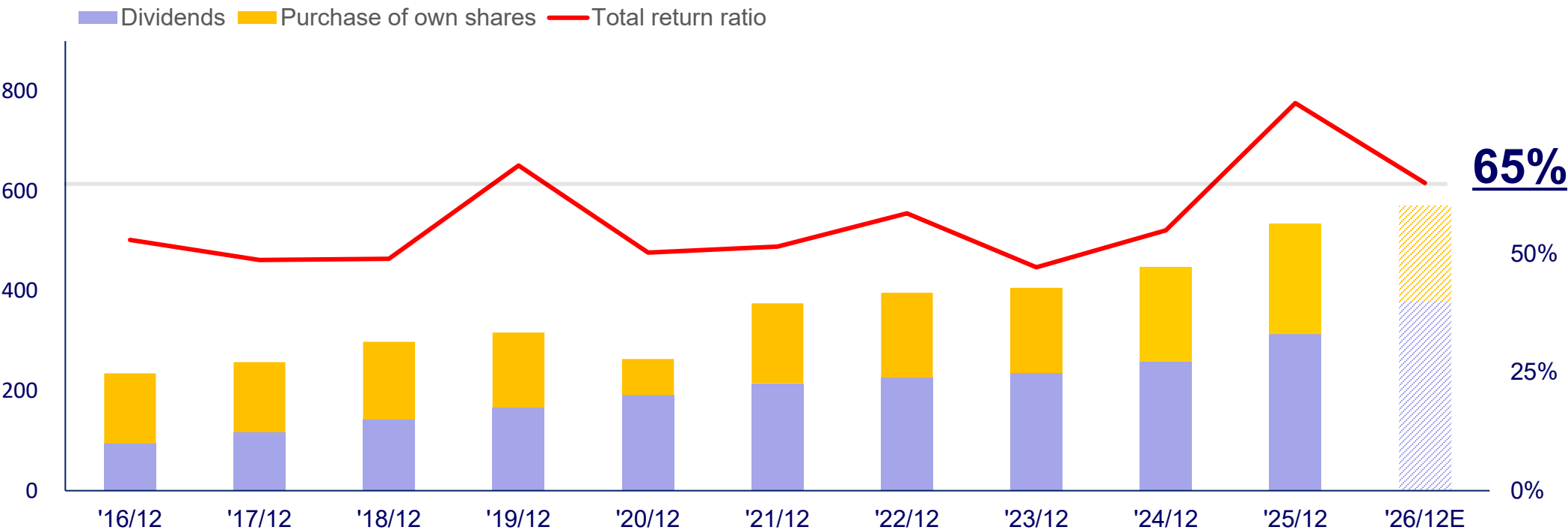


In order to achieve 2030 ROE target of 17%, plan to maintain a total return ratio of 65% over the five-year period starting in fiscal year 2026



● Shareholders return policy

(Unit: 100 million yen)

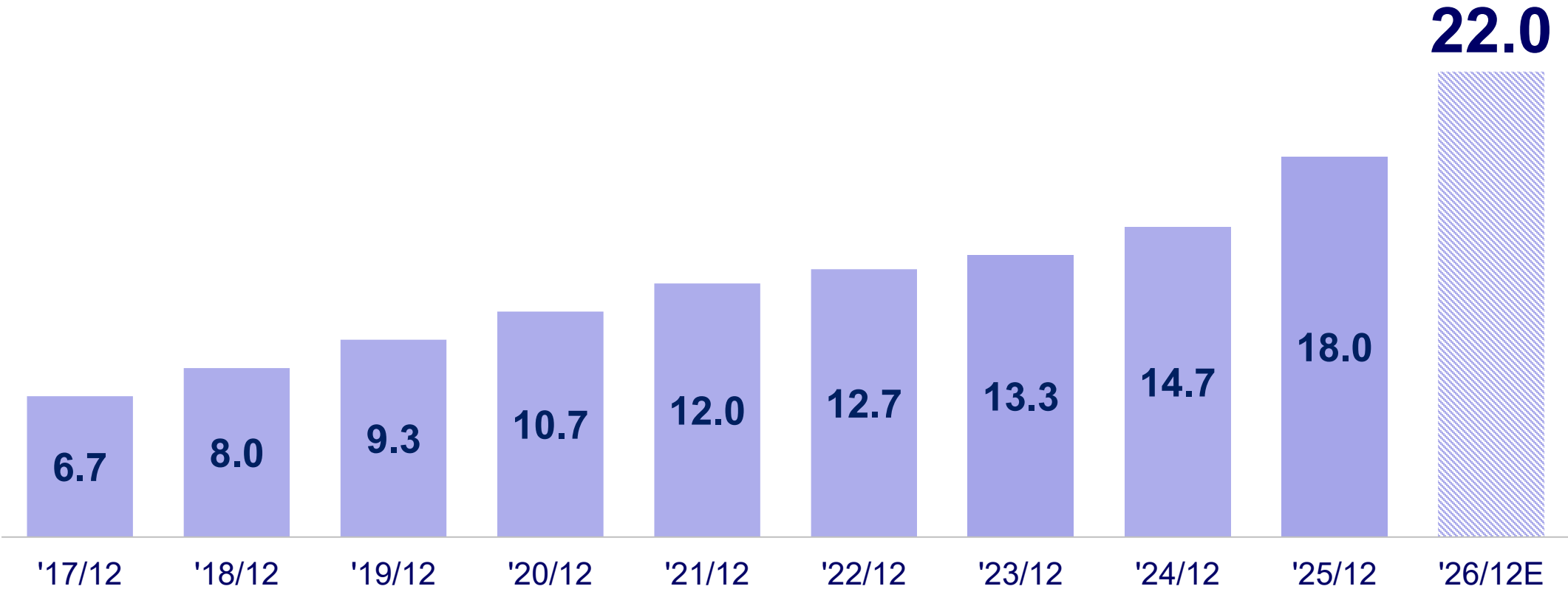




Policy remains “progressive dividends” with a target dividend on equity ratio (DOE) of 4.5%.  
Dividends per share for 2026 are planned to increase for 25 consecutive term (22 yen per year)



● Dividends per share (JPY)



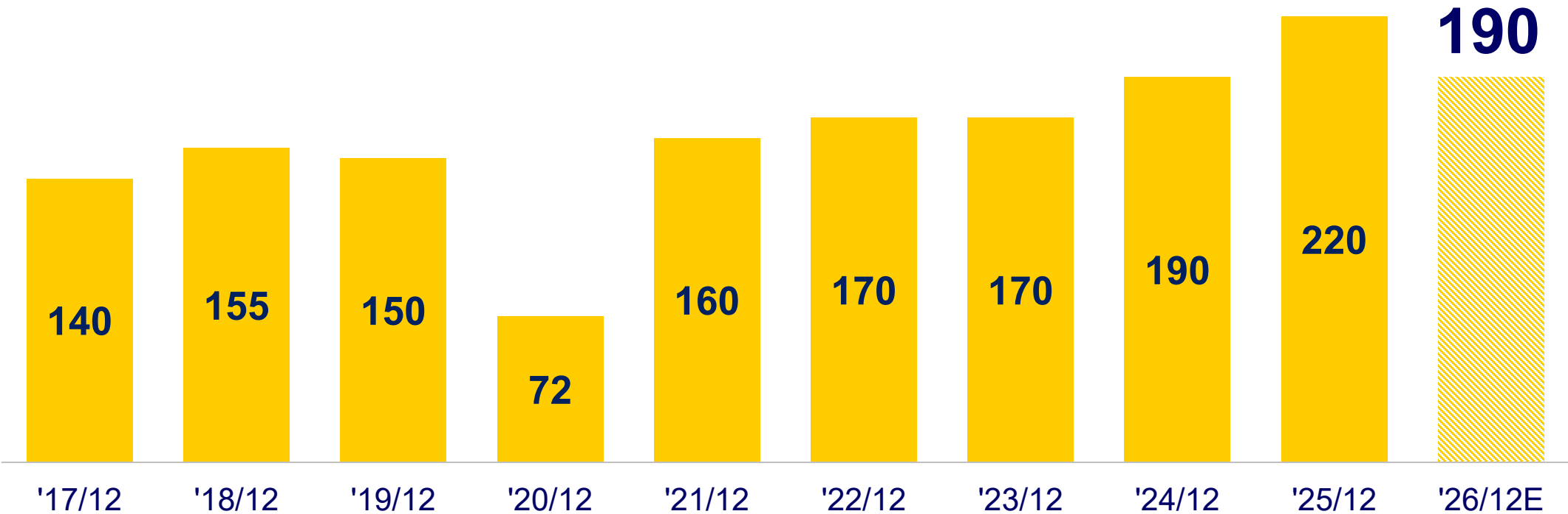
\* Figures are based on the number of shares after the stock split implemented in January 2025



In addition to dividends, plan to execute share repurchases of 19.0 billion yen as part of efforts to achieve a total return ratio of 65% or more  
Will pursue a flexible capital policy aligned with market conditions to enhance capital efficiency and maximize PBR



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





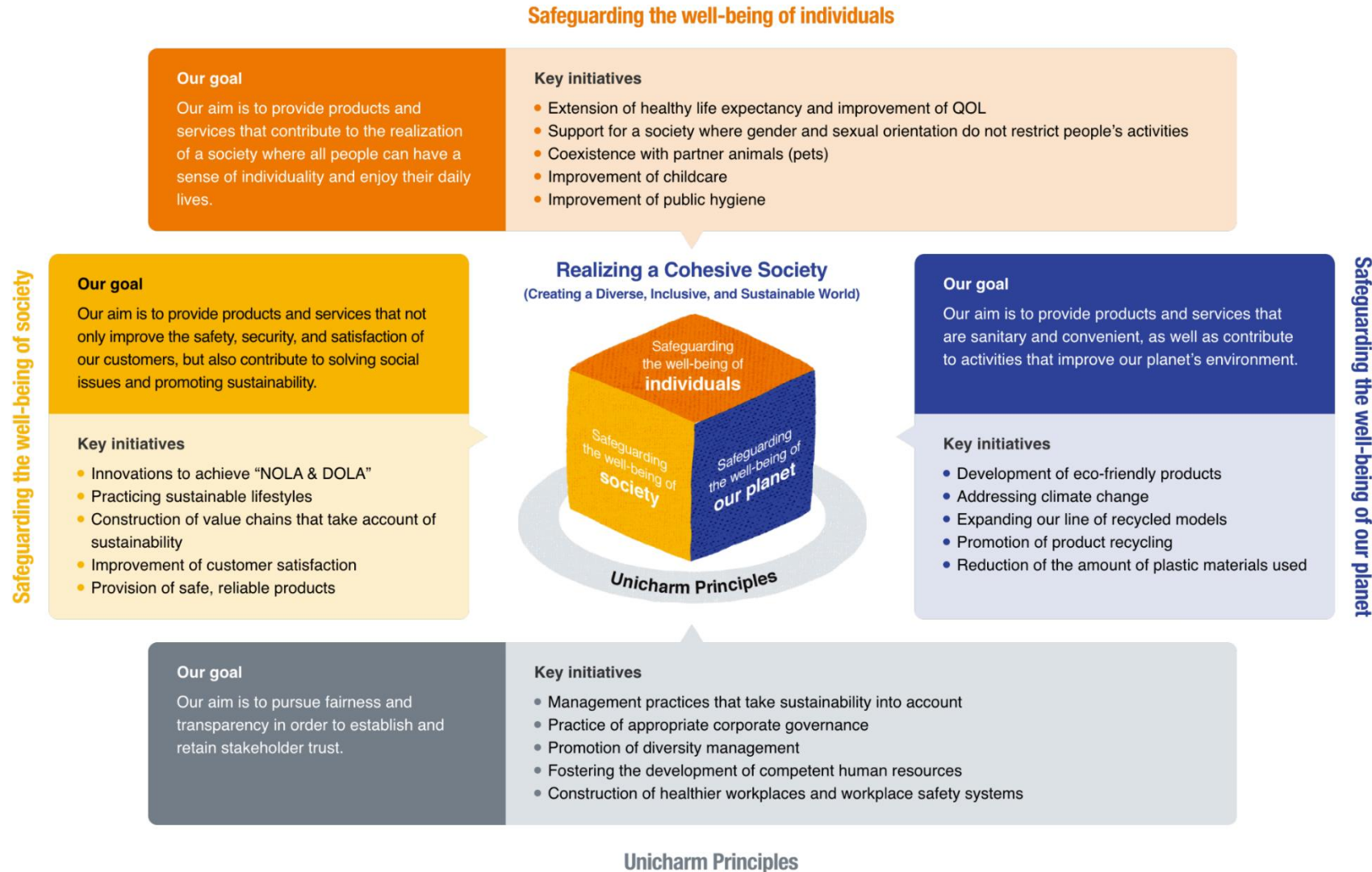
# **Approach to realize a “Cohesive Society (Social Inclusion)”**

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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%



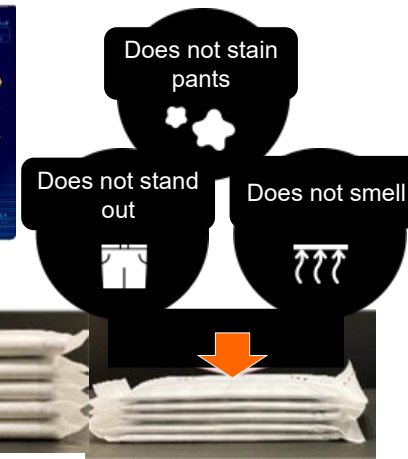
Rollout of products and services that enable living with a sense of individuality

- 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 Those who can walk alone 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 sexual orientation do not restrict people's activities



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. 650 companies and organizations  
(as of end of Dec. 2025)



TikTok views:  
approx. 77 million  
(as of end of Dec. 2025)



#NoBagForMe

認そう、知ろう。生理のこと。



TOKYO CREATIVITY AWARDS



### ➤ Promote women empowerment support



Menarche education /  
menstrual education

Participants:  
Approx. 779,000 in India  
(as of end of Dec. 2025)



Pink Ribbon Campaign:  
2025 is the 18th 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 with 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)

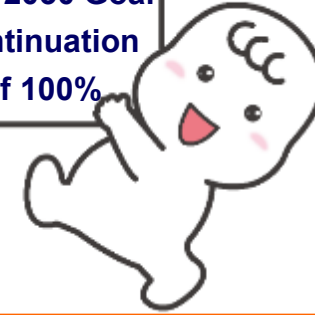
Support everyday health of pets and the mind of owners with original technology



## ◆ Coexistence with pets



Year 2030 Goal  
Continuation  
of 100%



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

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

- 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+





(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



Over 8,000 locations  
in 47 prefectures  
(as of end of Dec. 2025)

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





## ◆ 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

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



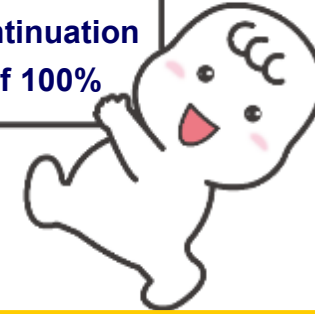
◆ Innovations to achieve “NOLA & DOLA”



- 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

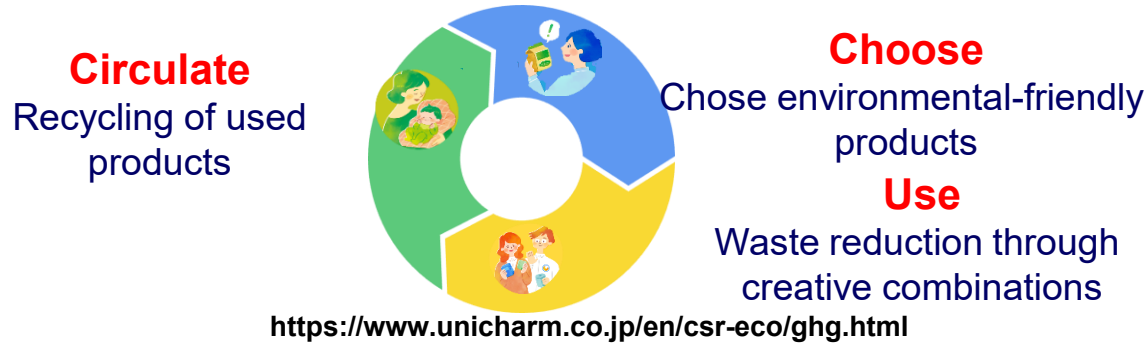
## ◆ Safeguarding the well-being of our planet

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

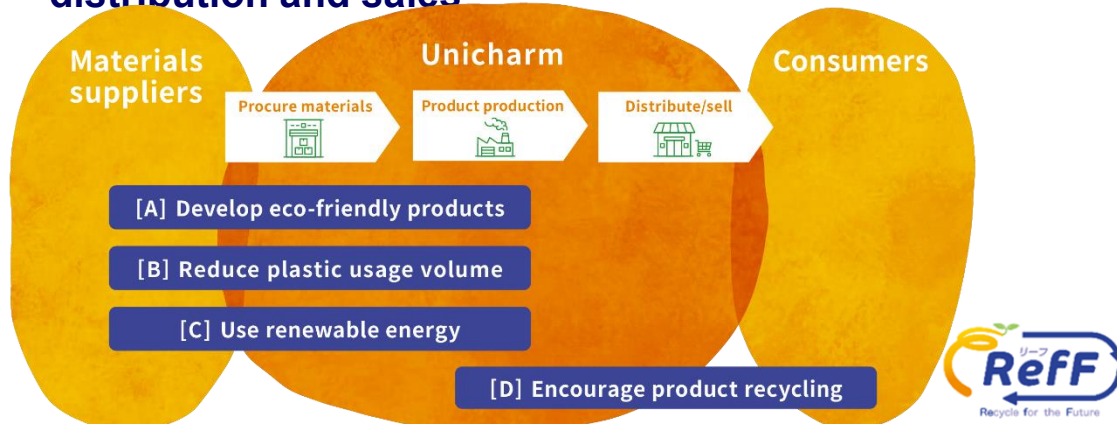


# Accelerating “comfort” for the global environment and promoting sustainability that can be done now

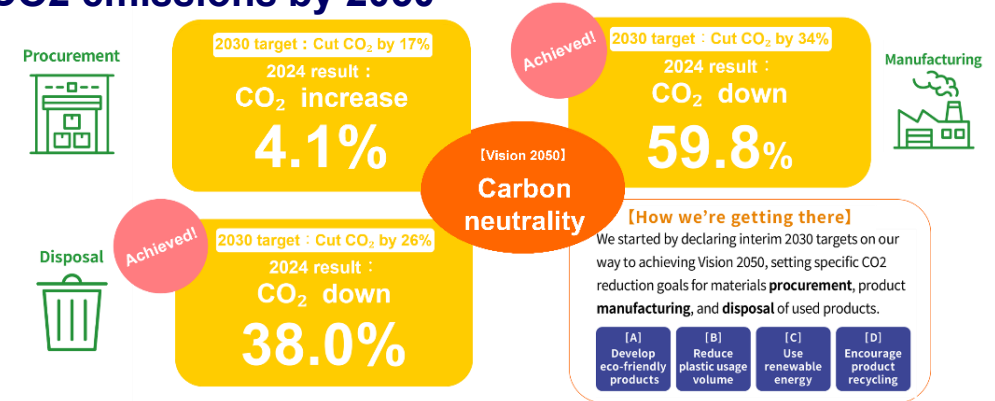
- Launch of “Choose, Use, Circulate” website to communicate global efforts aimed at realizing a sustainable society and move forward together



- 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 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% (6countries/regions)	50% (8countries/regions)	56% (9countries/regions)	63% (10countries/regions)	69% (11countries/regions)	Rolled out at all Group companies	
	Eliminating the use of plastic in sales promotional items	—	2019:Japan/China 2022:Vietnam 2023:India	▲8.9% (Japan)	▲81.8% (Japan)	▲86.9% (Japan) ▲76.5% (China)	▲94.7% (Japan) ▲93.7% (China) ▲37.4% (Vietnam) ▲21.7% (India)	▲95.6% (Japan) ▲94.8% (China) ▲47.8 % (Vietnam) ▲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% (Japan)	▲12.6% (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% (Japan)	▲11.6% (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 ✓ 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

\* 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

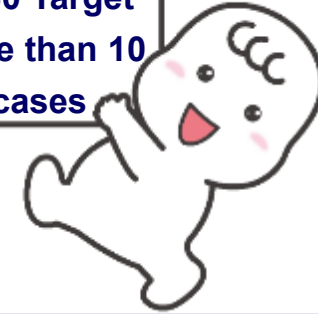
Available nationwide in Japan



©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

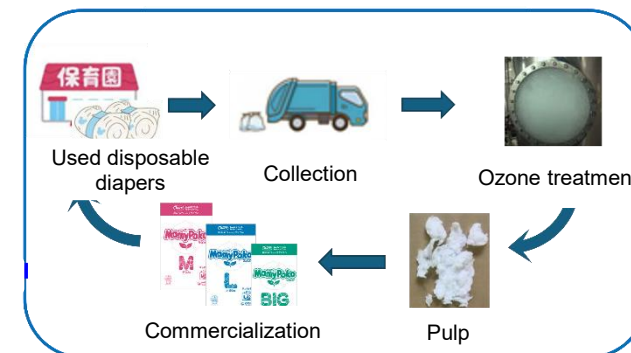


Number of products and services that implement  
3Rs + 2Rs based on unique approach

- For nursery schools that have implemented the “Tebura toen (Hands-Free Commute)” <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  
designated products introduced to all public nursery schools



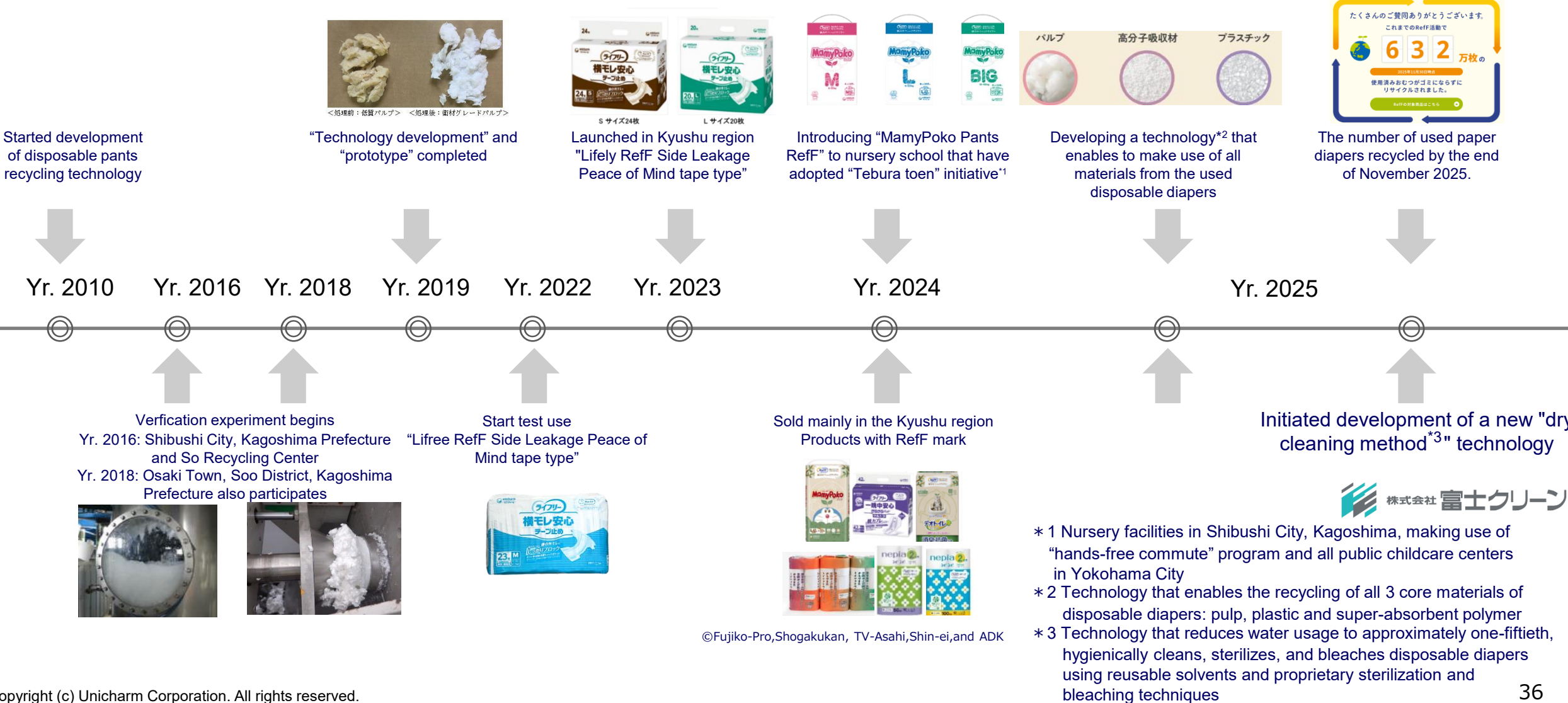
<sup>\*2</sup> Childcare facilities in Shibushi City, Kagoshima Prefecture that use the “Tebura toen” system, and all public childcare centers in Yokohama City



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



## ➤ Project history from launch to present





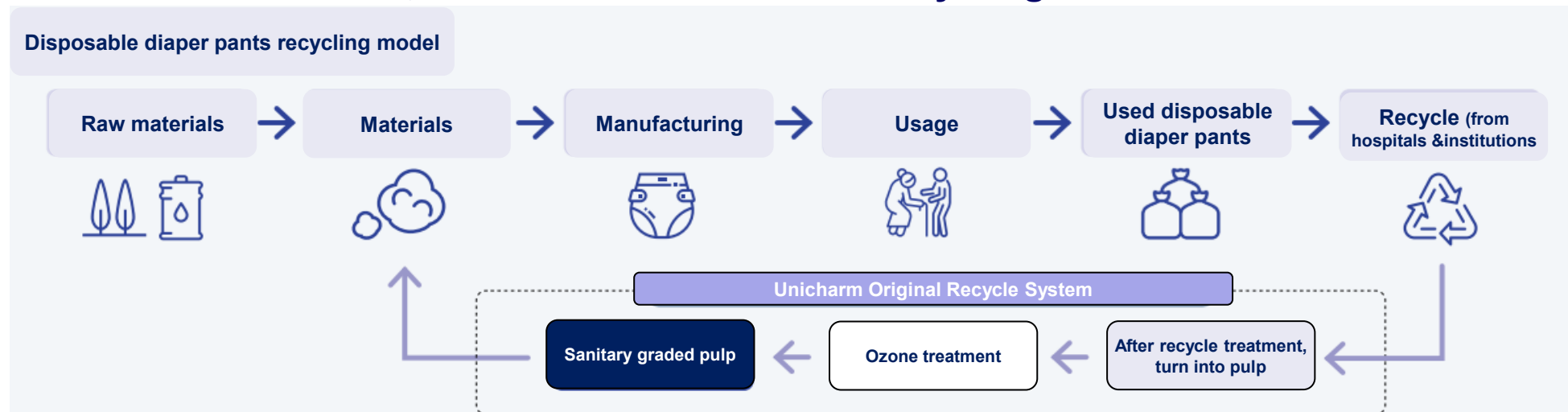
# Reduce waste disposal cost and environmental burden through recycling used disposable diaper

## ◆ 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\*<sup>1</sup> 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

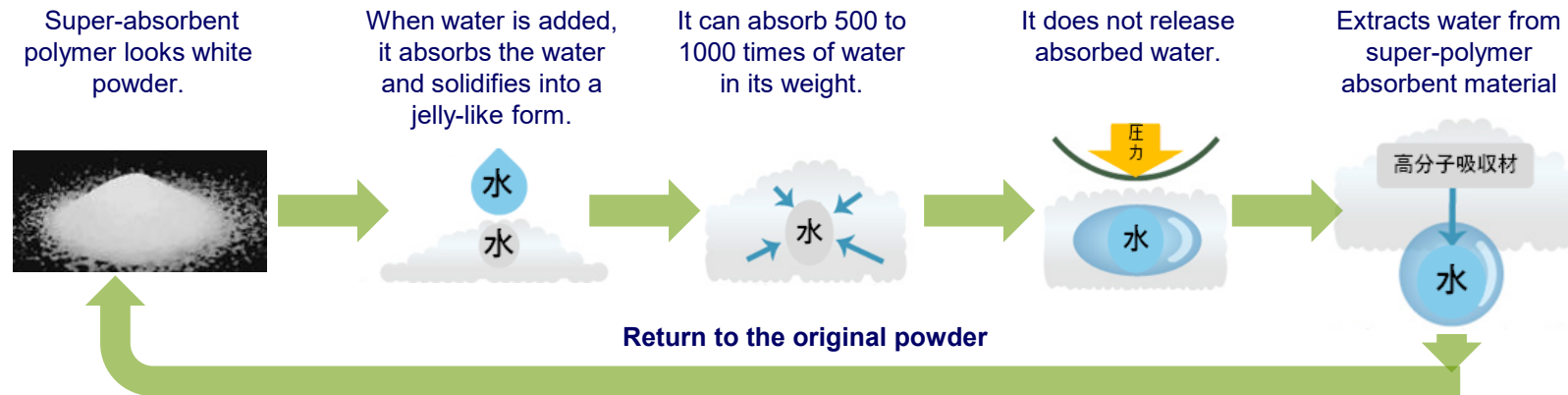
Shipping pallets  
made from  
recycled materials

## ➤ Products using recycled super-absorbent polymers



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

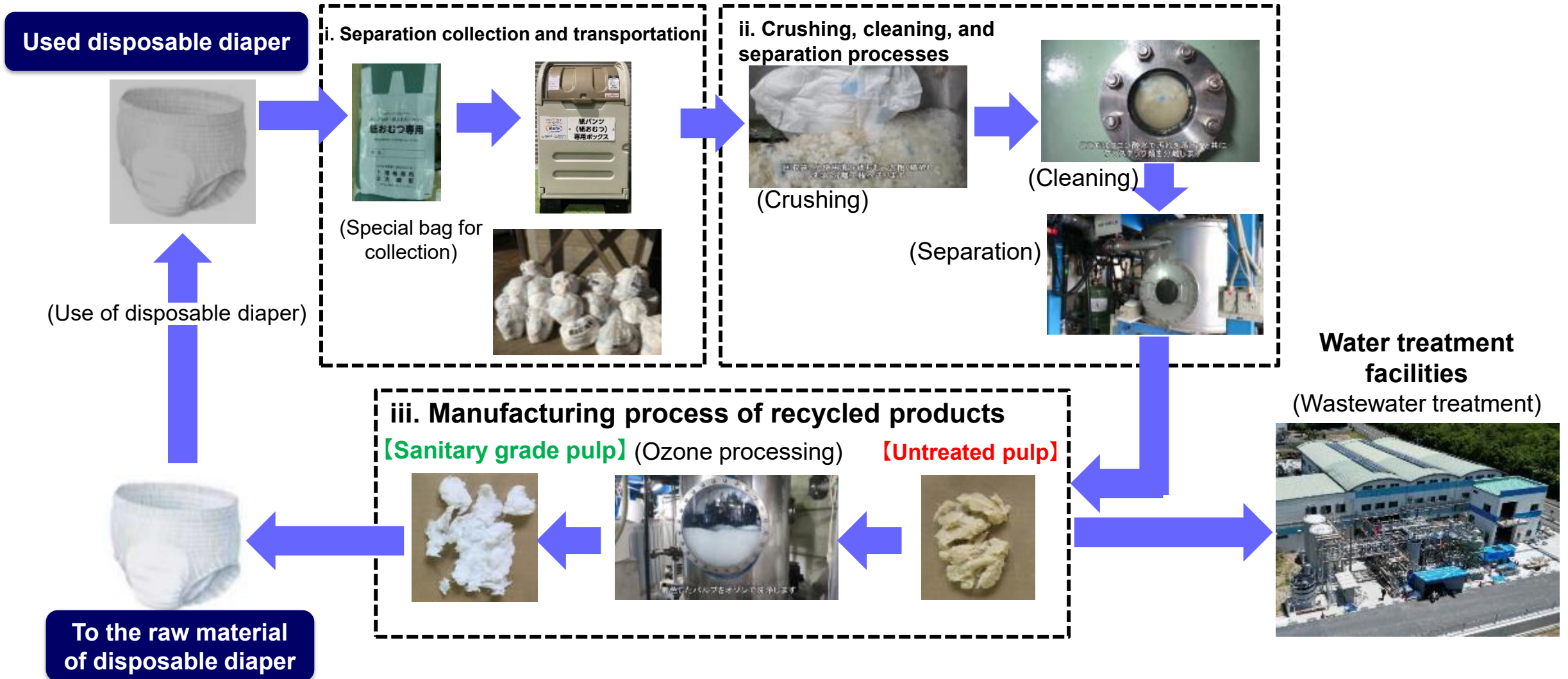
### Functions of super-absorbent polymer and its recycling mechanism



\*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)





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



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>



【住友不動産東京三田ガーデンタワー】

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

## Hold environmental lectures



## Create opportunities for hands-on engagement with items made from recycled materials



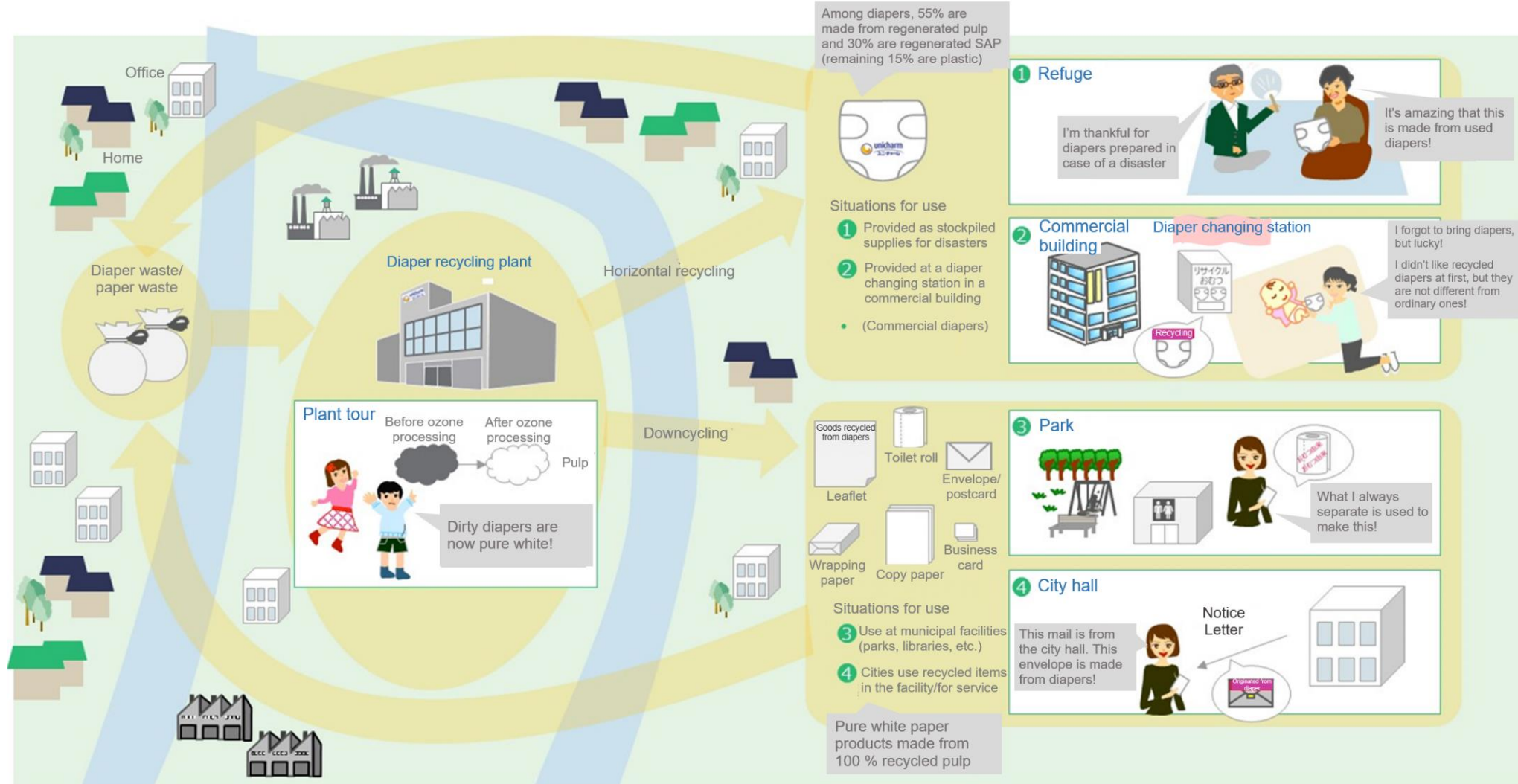
\* 1 Manufactured by Poppy Paper Mfg. Co., Ltd.

\* 2 Sumitomo Fudosan Tokyo Mita Garden Tower



(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)

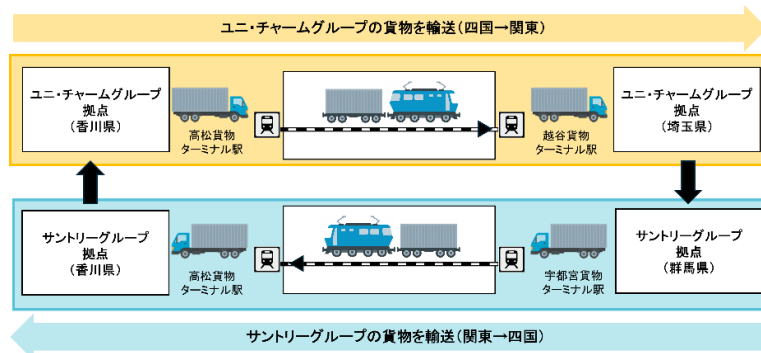


# Initiatives for building an environmentally friendly and sustainable logistics system

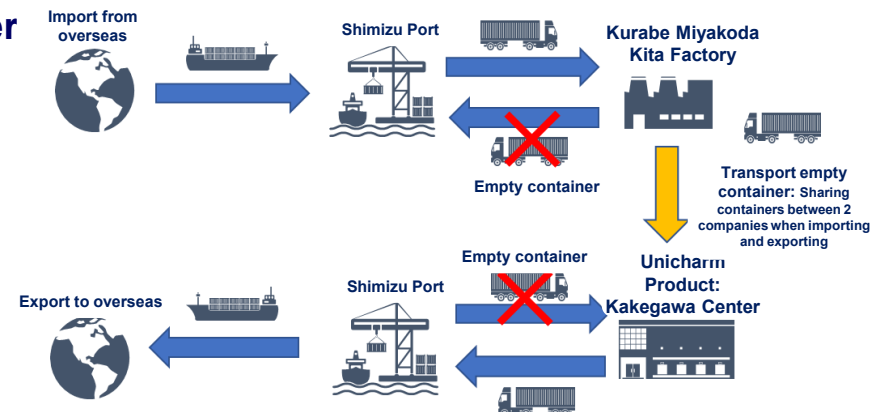
- Expansion of modal shift through separation of cargo handling operations, consolidated transportation, and utilizing swap body containers with different industries by railways, and ships



- By jointly utilizing railway containers with the Suntory Group to implement joint transportation between the Kanto and Shikoku regions, CO<sub>2</sub> emissions will be reduced by approximately 180 tons annually



- 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





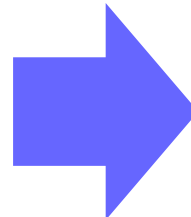
(Safeguarding the well-being of our planet)  
**Recycling Initiatives at Production Bases**

◆ **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



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





### ◆ Unicharm Group Biodiversity Declaration was 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

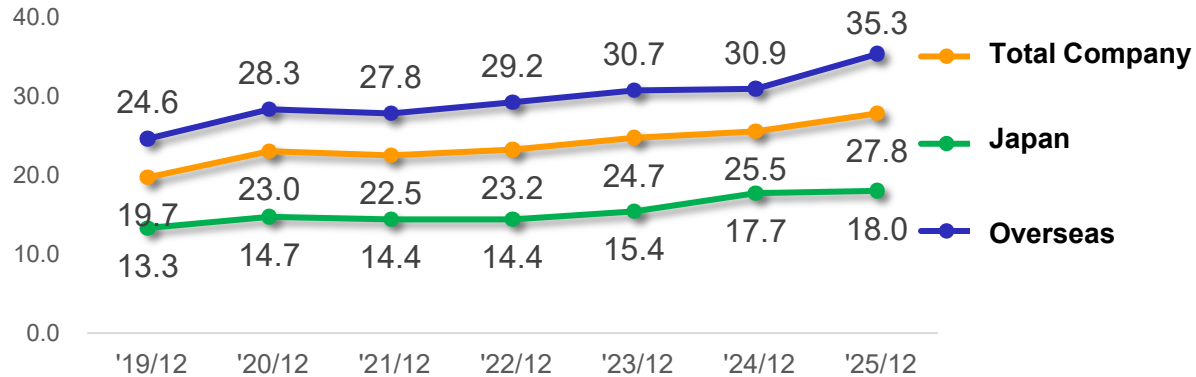
Encourage individual  
growth to become a  
global No. 1 company





## ◆ 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.
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

2025 Employee satisfaction  
(Entire company)

Max. score 5

4.44

2024 4.40 (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

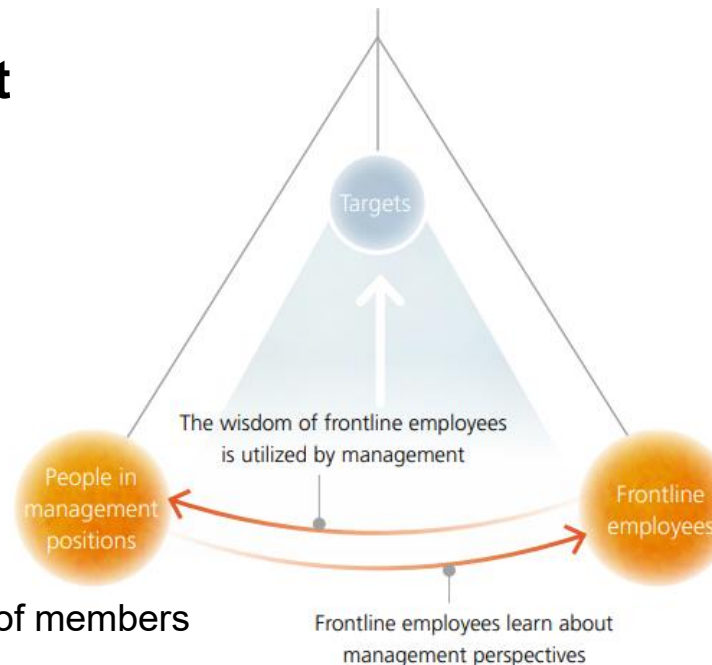
## **Frontline employees learn about management perspectives**

### **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 will become the secretary to the President & CEO to learn how executives think and act



- Discovering consumer needs and creating globally “resonant personnel” who lead innovation





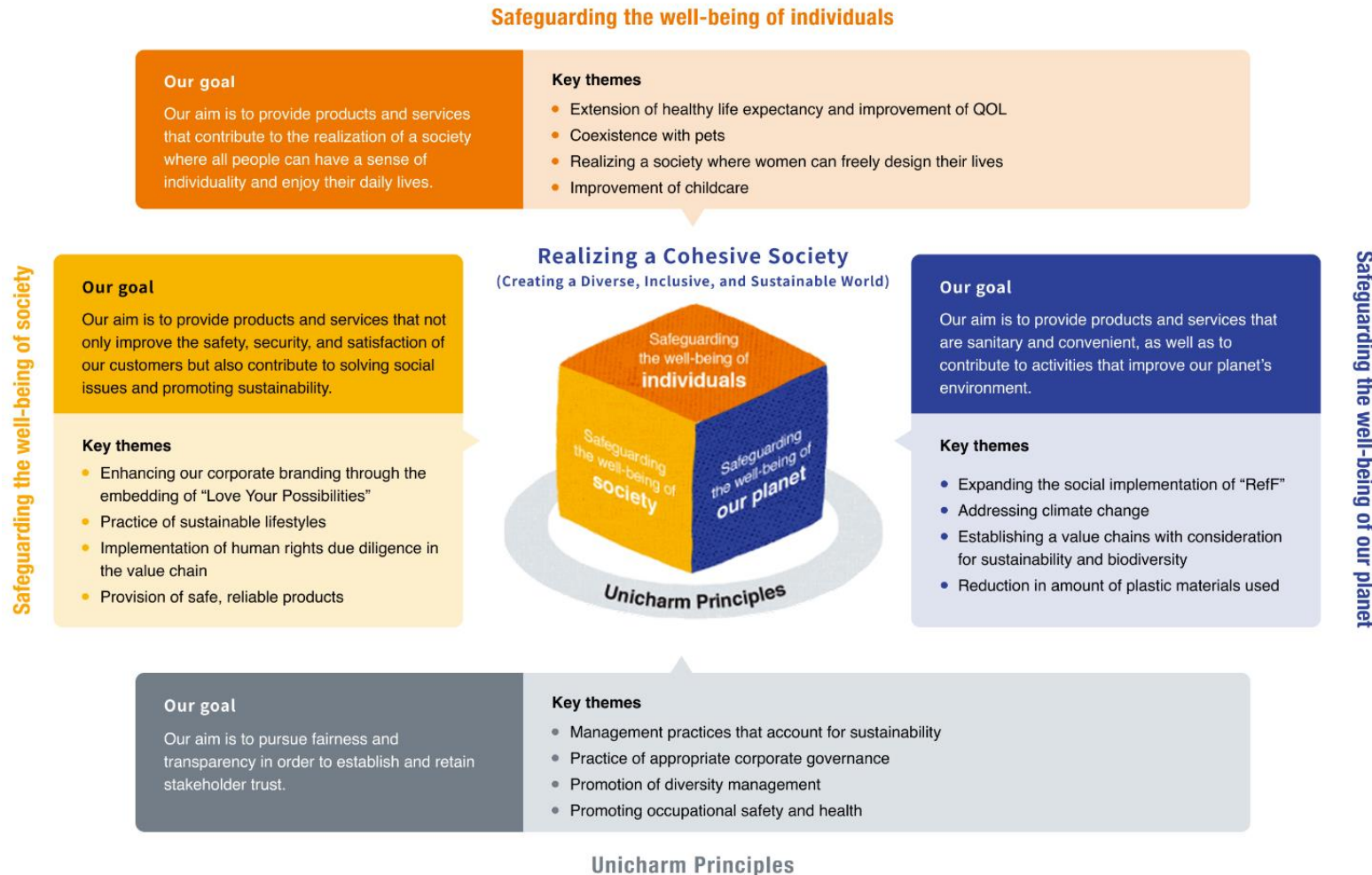
## Training and nomination of successors (Corporate governance report: Succession planning)

### 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.)



## ◆ 16 key themes with the goal in 2035





## ◆ 16 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
- Coexistence with pets
- Realizing a society where women can freely design their lives
- Improvement of childcare

### Safeguarding the well-being of society

- Enhancing our corporate branding through the embedding of “Love Your Possibilities”
- Practice of sustainable lifestyles
- Implementation of human rights due diligence in the value chain
- Provision of safe, reliable products

### Safeguarding the well-being of our planet

- Expanding the social implementation of “RefF”
- Addressing climate change
- Establishing a value chains with consideration for sustainability and biodiversity
- Reduction in amount of plastic materials used

### Unicharm Principles

- Management practices that account for sustainability
- Practice of appropriate corporate governance
- Promotion of diversity management
- Promoting occupational safety and health



# Formulating Mid-to-Long Term ESG Objectives

## Key initiatives, indicators, and target values

“Kyo-sei Life Vision 2035”



### ◆ Safeguarding the well-being of individuals

Key themes	Indicators	Target value (As 100 for 2024)	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	Providing products and services that contribute to the realization of a society where everyone can have a sense of individuality • Number of users of Unicharm Group's incontinence care products	198	2035
Coexistence with pets	Providing products and services that contribute to the realization of a society where pets are welcomed by family members and community residents • Number of dogs using Unicharm Group's dog diapers	190	
	• Number of dogs and cats using Unicharm Group's pet treats	415	
Realizing a society where women can freely design their lives	Providing products and services that contribute to the realization of a society where women can freely design their lives • Number of users of Unicharm Group's product for women	170	
Improvement of childcare	Providing products and services that contribute to the realization of a society where infants and their families can live healthily and happily • Number of users of Unicharm Group's baby care products	103	



# Formulating Mid-to-Long Term ESG Objectives

## Key initiatives, indicators, and target values

“Kyo-sei Life Vision 2035”



### ◆ Safeguarding the well-being of society

Key themes	Indicators	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.			
Enhancing our corporate branding through the embedding of “Love Your Possibilities”	• The “Trust” image associated with using Unicharm Group's products and services	27%	2035
	• The “Reassurance” image associated with using Unicharm Group's products and services	23%	
Practice of sustainable lifestyles	• Percentage of products and services suitable for the SDGs Theme Guideline, an internal guideline for contributing to sustainability	50%	2035
Implementation of human rights due diligence in the value chain	• Number of serious human rights violations in the value chain	Zero	Every year
Provision of safe, reliable products	• Customer satisfaction level at Customer Communication Center	85% or more	Every year



# Formulating Mid-to-Long Term ESG Objectives

## Key initiatives, indicators, and target values

## “Kyo-sei Life Vision 2035”



### ◆ Safeguarding the well-being of our planet

Key themes	Indicators	Target value	Target year
Our aim is to provide products and services that are sanitary and convenient, as well as to contribute to activities that improve our planet's environment.			
Expanding the social implementation of “RefF”	• Number of RefF products launched (in-house + collaborations with other companies)	30 or more	2035
	• Number of municipalities implementing disposable paper diaper recycling Initiatives	20 or more	
Addressing climate change All targets represent reductions per unit of sales relative to 2021.	• Reducing CO <sub>2</sub> emissions associated with raw materials procurement	37.5%* reduction	
	• Reducing CO <sub>2</sub> emissions in manufacturing	63.1%* reduction	
	• Reducing CO <sub>2</sub> emissions associated with disposal of used products	37.5%* reduction	
Establishing a value chains with consideration for sustainability and biodiversity	• Ensuring traceability to pulp and palm oil production locations (country/region)	100%	
	• Expanding the use of certified pulp (PEFC- and CoC-certified)	100%	
	• Expanding the use of certified palm oil (RSPO-certified)	100%	
Reduction in amount of plastic materials used	• Reducing plastic usage in packaging materials	30% reduction (Compared to 2022)	
	• Raising awareness about proper disposal of used products	Rolled out at all Group companies	
	• Eliminating non-recyclable plastics in sales promotional items	Complete Elimination	



# Formulating Mid-to-Long Term ESG Objectives

## Key initiatives, indicators, and target values

“Kyo-sei Life Vision 2035”



### ◆ Unicharm Principles

Key themes	Indicators	Target value	Target year
Our aim is to pursue fairness and transparency in order to establish and retain stakeholder trust.			
Management practices that account for sustainability	<ul style="list-style-type: none"> <li>• Maintaining and improving ratings from external evaluation agencies</li> </ul>	Achieved the highest level in major ESG ratings	Every year
Practice of appropriate corporate governance	<ul style="list-style-type: none"> <li>• Number of serious compliance violations</li> </ul>	Zero	Every year
Promotion of diversity management	<ul style="list-style-type: none"> <li>• Percentage of female managers driven by the provision of various opportunities for women</li> </ul>	30% or more	2035
	<ul style="list-style-type: none"> <li>• Percentage of positive answers received for the “Growth through Work” section of the employee awareness survey</li> </ul>	90% or more	
Promoting occupational safety and health	<ul style="list-style-type: none"> <li>• Number of fatal workplace accidents and lost-time injuries resulting in inability to work</li> </ul>	Zero	Every year



## **Fostering DX human resources toward new value creation**





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

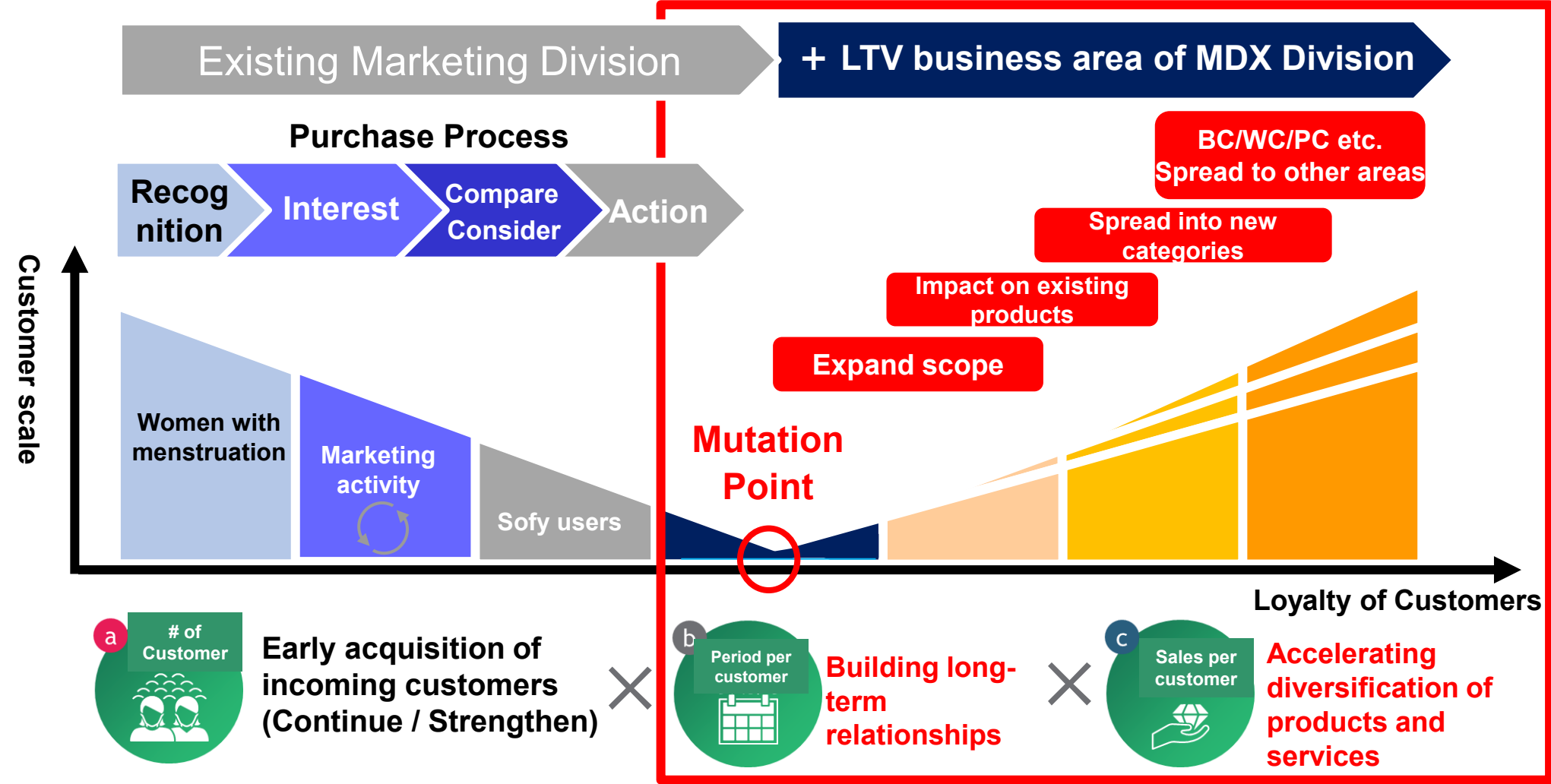
Developing digital human resources to accelerate digital utilization



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



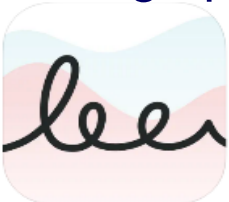
➤ LTV business area of MDX Division (Marketing by DX)





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

- Developed our own menstrual health management app, “Sofy Be”. It supports well-being through personalized experiences powered by AI



ソフィ Be



**Sofy Be's value proposition**

More than just a menstrual prediction tool — a lifelong partner supporting women throughout their lives



Menstruation

Trying to get pregnant (Ninkatsu)

Pregnancy

Giving birth

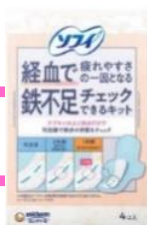
After birth

Child rearing

Menopause



ソフィ Be



**Expansion to accommodate women's various life stages**

Cumulative downloads exceed approximately 1.4 million (as of the end of December 2025)



# 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 97% improvement <sup>*1</sup>
When using the patent summary generation function	Max 83% improvement <sup>*1</sup>

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

- Hold a "Generative AI Study Group" and appoint a person in charge of DX in each division to accelerate the effective use of generative AI in business



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”**





# Japan initiatives utilizing digital technology-1

- 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. 136,000  
(As of the end of Dec 2025)

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

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!



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

Registrants: 60,000 (total)  
(as of the end of Dec. 2025)



- “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. 2.22 million members  
(as of end of Dec. 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-2

- Accelerate the realization of a healthy childrearing environment through a capital and business alliance with First-Ascent Inc.\*<sup>1</sup>
- Promote a good sleeping environment and appropriate care for babies through joint research with CHaiLD Co., Ltd.\*<sup>2</sup>



\*1 A company that creates new services to enrich the childrearing environment with cutting-edge technology utilizing AI and IoT



\*2 CHaiLD Co., Ltd. <https://c-c-s.jp/>

- Develop health care support service for kitties through business and capital tie-up with RABO, Inc.\*<sup>3</sup>



\*3 RABO, Inc. <https://rabo.cat/company/>

- Collaborate with iLAC Co., Ltd.\*<sup>4</sup> to begin trial operation of next-generation healthcare service "Sofy FemScan"

Collect menstrual blood with the dedicated kit and mail it to an analysis facility

Checks for the presence of HPV (human papillomavirus), a major cause of cervical cancer, at the DNA level

Test results will be provided at a later date via the app



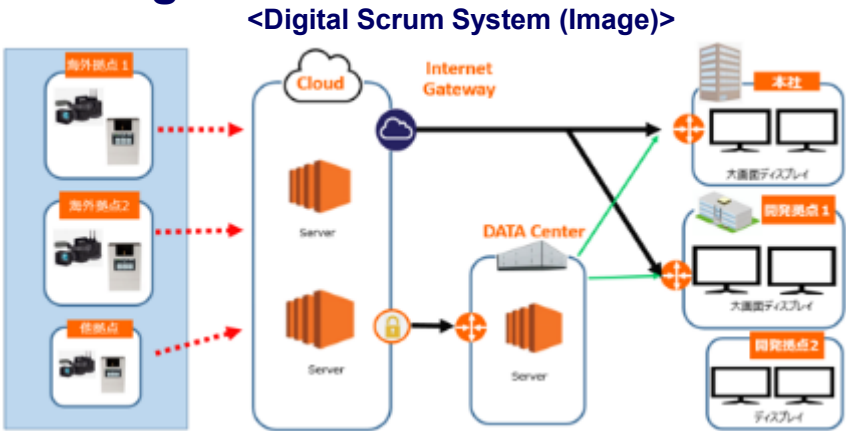
\*4 iLAC Co., Ltd. <https://www.i-lac.co.jp/>



- 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 OPEN**  
ユニ・チャームダイレクトショップ



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



- 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

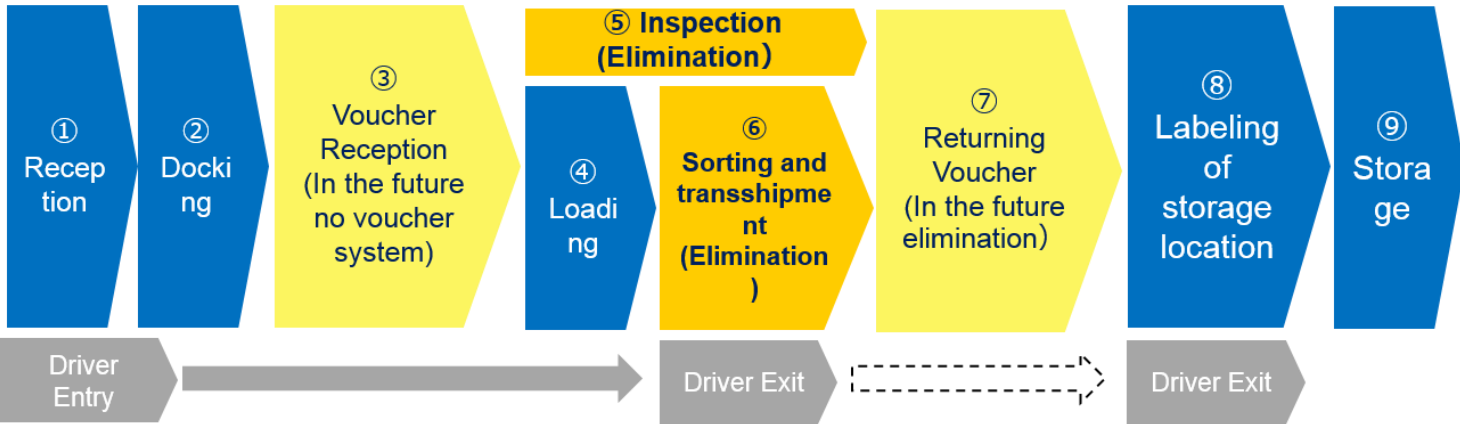
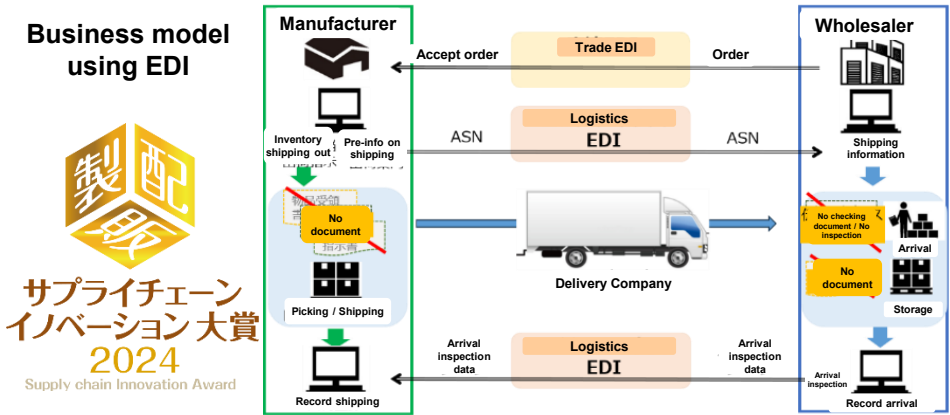


\*1 Abbreviation for Supervisory Control And Data Acquisition

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

Business Reforms Utilizing Logistics EDI

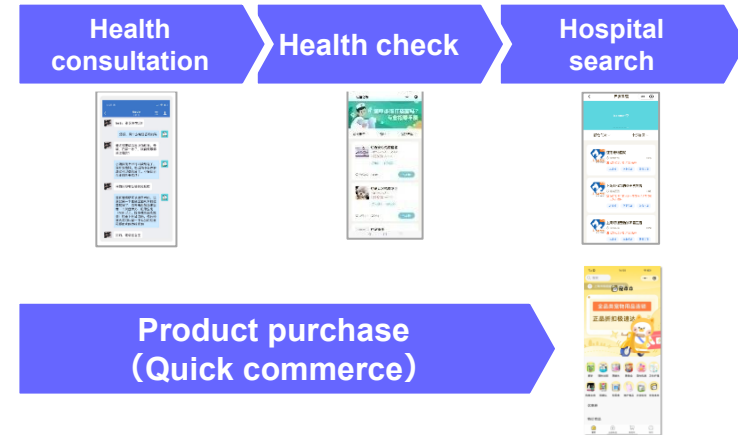
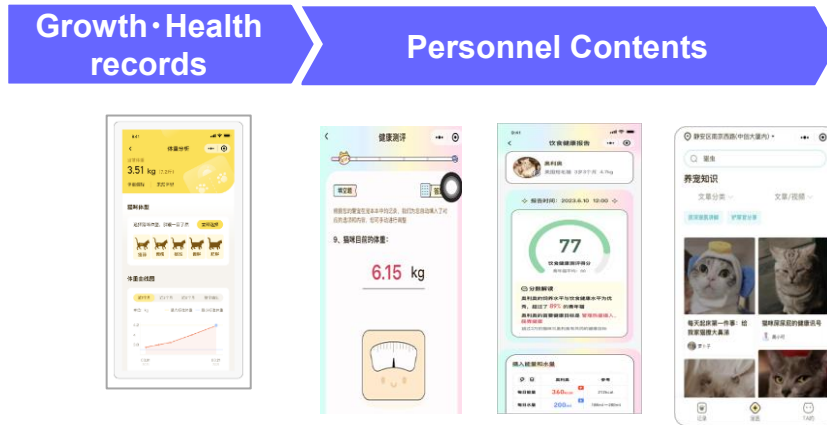
Business model that eliminates inspection using ASN





# Overseas initiatives utilizing digital technology

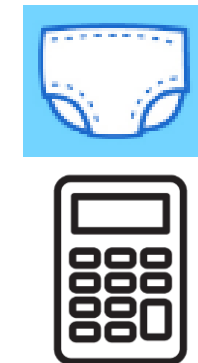
## ➤ Pet growth, health record tool + hospital introduction, and product purchasing platform “Pet note”



## ➤ 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 January</b>	✓ Received “BRONZE” award at “Japan Branding Awards 2024”
<b>February</b>	✓ Acquired highest rating of “A List” in 3 segments of “CDP2024” ✓ Selected for “Human Capital Management Quality 2024 Silver Award” ✓ 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 ~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” ✓ 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”
<b>August</b>	✓ Selected as a constituent of the JPX – Nikkei Index 400 for the consecutive year
<b>September</b>	✓ Received the Excellence Award in the ESG Category of the “Sustainable Japan Award 2025” for the first time ~Our horizontal recycling initiative for used disposable diapers, “RefF (Recycle for the Future),” was highly recognized~
<b>December</b>	✓ Recognized as a “Best Workplace,” the highest distinction of the D&I AWARD 2025, for the third consecutive year ✓ Received the “Executive Committee Special Award - SDGs Business Award” at the 13th GOOD LIFE AWARD Hosted by Japan’s Ministry of the Environment for RefF Project



# Index inclusion and evaluation



DX注目企業2023  
Digital Transformation



\* 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)



**FTSE JPX Blossom Japan Index**



**FTSE4Good**



**FTSE JPX Blossom Japan Sector Relative Index**



人的資本経営品質  
2024

**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  
ESGセレクト・リーダーズ指数**

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\* In February 2025, the name of the MSCI ESG Leaders Indexes was changed to the MSCI Selection Indexes.

\*FTSE Russell confirms that Unicharm Corporation has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE JPX Blossom Japan Index is designed to measure the performance of companies demonstrating specific Environmental, Social and Governance (ESG) practices. The FTSE JPX Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.  
<https://www.lseg.com/en/ftse-russell/indices/blossom-japan>

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<https://www.lseg.com/en/ftse-russell/indices/blossom-japan>



# 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  
AMBIITION FOR 1.5°C

Absolute GHG Emissions Reduction Targets  
(Base Year: 2021 / Target Year: 2031)  
Scope 1 and 2: Reduction of 46.20%  
Scope 3: Reduction of 27.50%



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





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
- 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



Next Generation Baseball Player Development Project

Purchase children’s books for Shikokuchuo City Digital Library



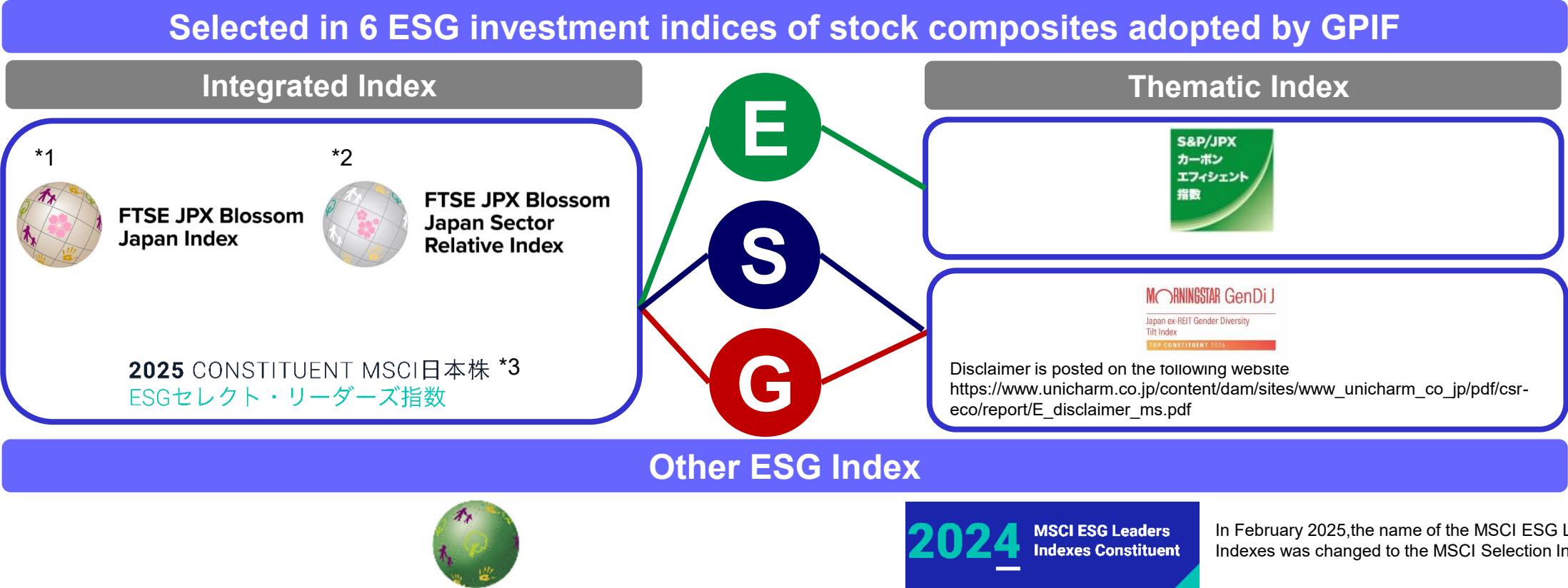
- Sponsoring “Unicharm Trophy 2025 Ehime International Open”, officially authorized by Men’s Professional Tennis Association
- Employee-participation in disaster relief efforts  
Continuation of “Matching Funds\*”



Participating employees: Total 33,168 people (as of the end of Sep. 2025)

\* 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."





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		2019	2020	2021	2022	2023	2024	2025
<b>CDP SCORES</b>	<b>Climate change</b>	<b>B</b>	<b>A-</b>	<b>A-</b>	<b>A-</b>	<b>A-</b>	<b>A</b>	<b>—</b>
	<b>Forest (timber)</b>	<b>B</b>	<b>B-</b>	<b>B</b>	<b>B</b>	<b>A</b>	<b>A</b>	<b>—</b>
	<b>Water security</b>	<b>B-</b>	<b>B-</b>	<b>B</b>	<b>B</b>	<b>A</b>	<b>A</b>	<b>—</b>
<b>MSCI ESG RATINGS</b>		<b>BBB 5.3</b>	<b>A 5.3</b>	<b>BBB 4.7</b>	<b>A 5.1</b>	<b>AA 5.7</b>	<b>AA 5.4</b>	<b>A 4.9</b>
<b>FTSE ESG RATINGS</b>		<b>3.5</b>	<b>3.7</b>	<b>3.9</b>	<b>4.0</b>	<b>4.2</b>	<b>4.4</b>	<b>4.6</b>



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

Examples of initiatives	Results
“Excretion care” course	Excretion care: 374 times in total (as of the end of Dec. 2025)
Number of users for “Adult Diaper Counseling”	Approx. 136,000 people (as of the end of Dec. 2025)
Number of times the video “Menstruation Study for Everyone” was provided <a href="https://www.sofy.jp/ja/campaign/minnanoseirikensyu.html">https://www.sofy.jp/ja/campaign/minnanoseirikensyu.html</a>	Approx. 650 companies and organizations as of the end of Dec. 2025)
“Sofy Be” <a href="https://www.sofy.jp/ja/app/sofybe.html">https://www.sofy.jp/ja/app/sofybe.html</a>	Approx. 1,400,000 downloads in total (as of the end of Dec. 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. 77 million views (as of the end of Dec. 2025)
Education of first menstruation/period (including online)	India: approx. 779,000 people (as of the end of Dec. 2025)
Education of first menstruation/period (mother-daughter learning sessions)	India: approx. 426 sessions, about 15,000 mother-daughter groups (as of the end of Dec. 2025)
Number of registrations for first menstruation site “power CHARM girls” * Scheduled to be renamed “power CHARM girls” at the end of August 2025	Indonesia: approx. 87,200 people (as of the end of Dec. 2025)
Number of registered members for “Team moony point program” <a href="https://jp.moony.com/ja/apps/moonypoint.html">https://jp.moony.com/ja/apps/moonypoint.html</a>	Cumulative total of approx. 2,220,000 members (as of the end of Dec. 2025)
Number of registrations with “DOQAT”, Q&A service for pets <a href="https://doqat.jp/">https://doqat.jp/</a>	Approx. 60,000 people (as of the end of Dec. 2025)
Employee-participation support for disaster-stricken areas: “Matching Funds”	Participating employees: Total 33,168 people (as of the end of Sep. 2025)





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

We support the Sustainable Development Goals(SDGs).

