

First Quarter of Fiscal Year  
Ending December 31, 2026  
(Jan 1, 2026 to Mar 31, 2026)  
Unicharm Investor Meeting  
Presentation Materials

May 8, 2026

Unicharm Corporation



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

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## **First Quarter of Fiscal Year Ending December 31, 2026 (January 1 to March 31) 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 234.2 billion yen (YoY +2.9%)**

**Core Operating Profit 31.5 billion yen (YoY +8.5%)**

- As we launch our 13th medium-term management plan, the effects of the "structural reforms" and "offense investments" initiated in the previous period are steadily becoming apparent, leading to a turnaround with an increase both in sales and profit. While we continue to address risks associated with changes in the external environment, full-scale passing on value is expected from Q2 onward.

## Japan

**2.4% sales reduction, 10.5% profit reduction**

- There was a drop in both sales and profit due to a market contraction driven by heightened cost-consciousness, as well as strategic shipment adjustments aimed at passing on value in the next period.
- We maintained a top market share and a high level of profitability even amid a temporary adjustment phase. A turnaround is expected in Q2 onward as passing on value takes hold.

## Overseas

### **5.9% sales increase, 37.7% profit increase**

- Asian region ended up with an increase in both sales and profit. Profitability has improved significantly alongside the gradual recovery in previously underperforming countries and business segments.  
In addition to our existing businesses in India and Vietnam, which continue to experience strong growth, the pet care segment, which we position as a future pillar, is expanding steadily across Asia.
- Other regions resulted in an increase both in sales and profit. Strong growth in the North American pet care segment drove overall performance. In the Middle East, we secured a significant market share despite geopolitical risks. Egypt continued to post a double-digit increase in revenue, expanding its contribution to revenue. Brazil showed signs of recovery.

## Shareholders' Return

### **Total return ratio - 65% or higher Plan to increase dividends for 25 consecutive years**

- We plan to increase the annual dividend by 4 yen to 22 yen. We carried out a planned buy-back of our own shares of up to approximately 19 billion yen (approximately 19.41 million shares) by April.

Increased revenue was secured as a result of "structural reforms," etc., while core operating income increased at a faster pace than sales growth, leading to improved profitability.

The decline in pre-tax profit and profit attributable to the owners of parent company was due to a one-time impact from the absence of insurance proceeds recorded in the previous year.



## ● Consolidated account highlights

(Unit: 100 million yen)

(From Jan. to Mar.)

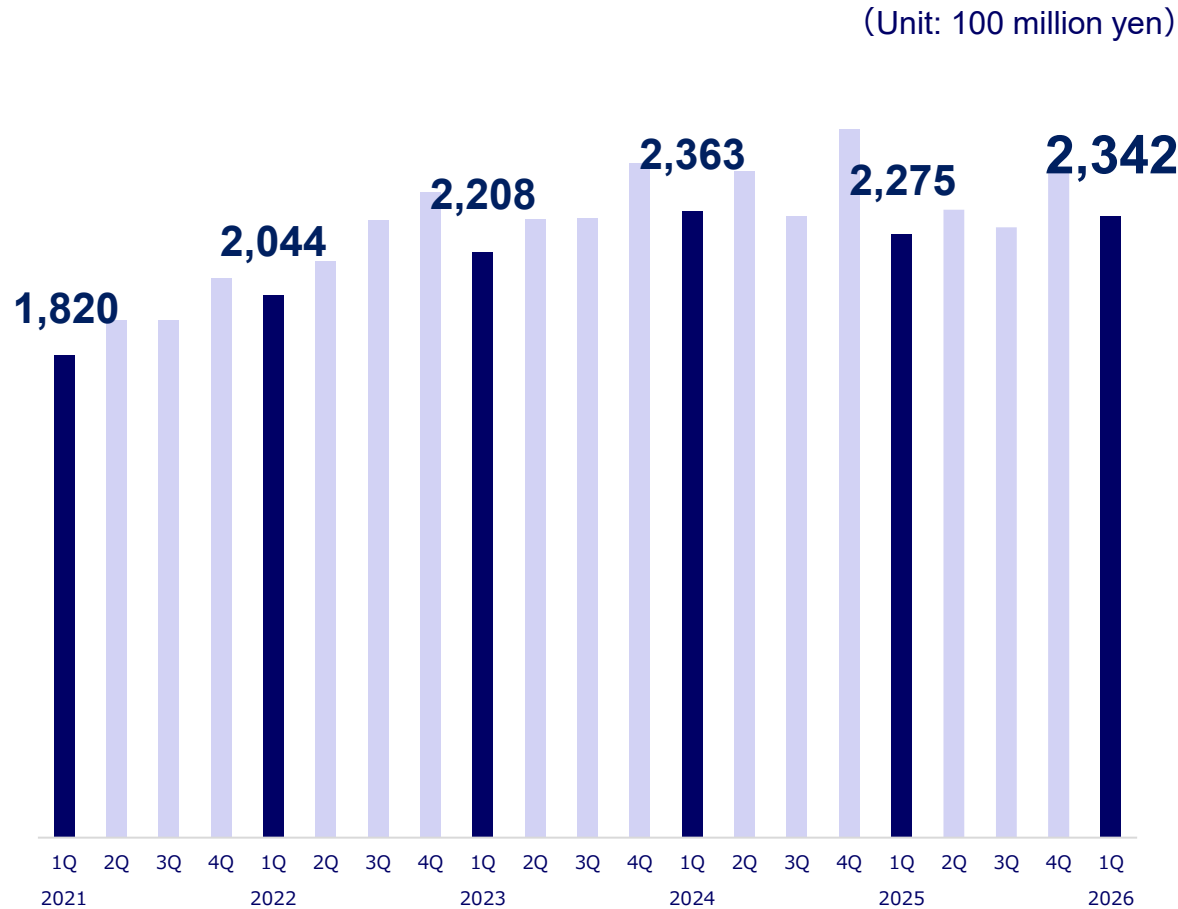
	1Q of FY Ended Dec. 31, 2025	4Q of FY Ended Dec. 31, 2025	1Q of FY ending Dec. 31, 2026	Gap (yen)	Gap (%)	(Forecast) FY ending Dec. 31, 2026	Achievement (%)
Net sales	2,275	2,510	<b>2,342</b>	+67	+2.9%	10,100	23.2%
Core operating income (margin-%)	290 (12.8%)	222 (8.9%)	<b>315</b> <b>(13.4%)</b>	+25	+8.5% (+0.6pp)	1,360 (13.5%)	23.1%
Profit before tax (margin-%)	349 (15.4%)	119 (4.7%)	<b>314</b> <b>(13.4%)</b>	-36	-10.2% (-2.0pp)	1,358 (13.4%)	23.1%
Profit attributable to owners of parent company (margin-%)	249 (10.9%)	45 (1.8%)	<b>198</b> <b>(8.4%)</b>	-51	-20.7% (-2.5pp)	865 (8.6%)	22.8%
EBITDA (profit before tax + depreciation/amortization)	470	373	<b>433</b>	-37	-7.8%	1,828	23.7%
Base earnings per share (JPY)	14.18	2.62	<b>11.40</b>	-2.78	-19.6%	50.26	22.7%
USD Rate (JPY)	152.60	149.71	<b>156.86</b>	+4.26	+2.8%	150.00	—
CNY Rate (JPY)	20.95	20.82	<b>22.66</b>	+1.71	+8.2%	20.80	—

# Sales steadily grew in Q1

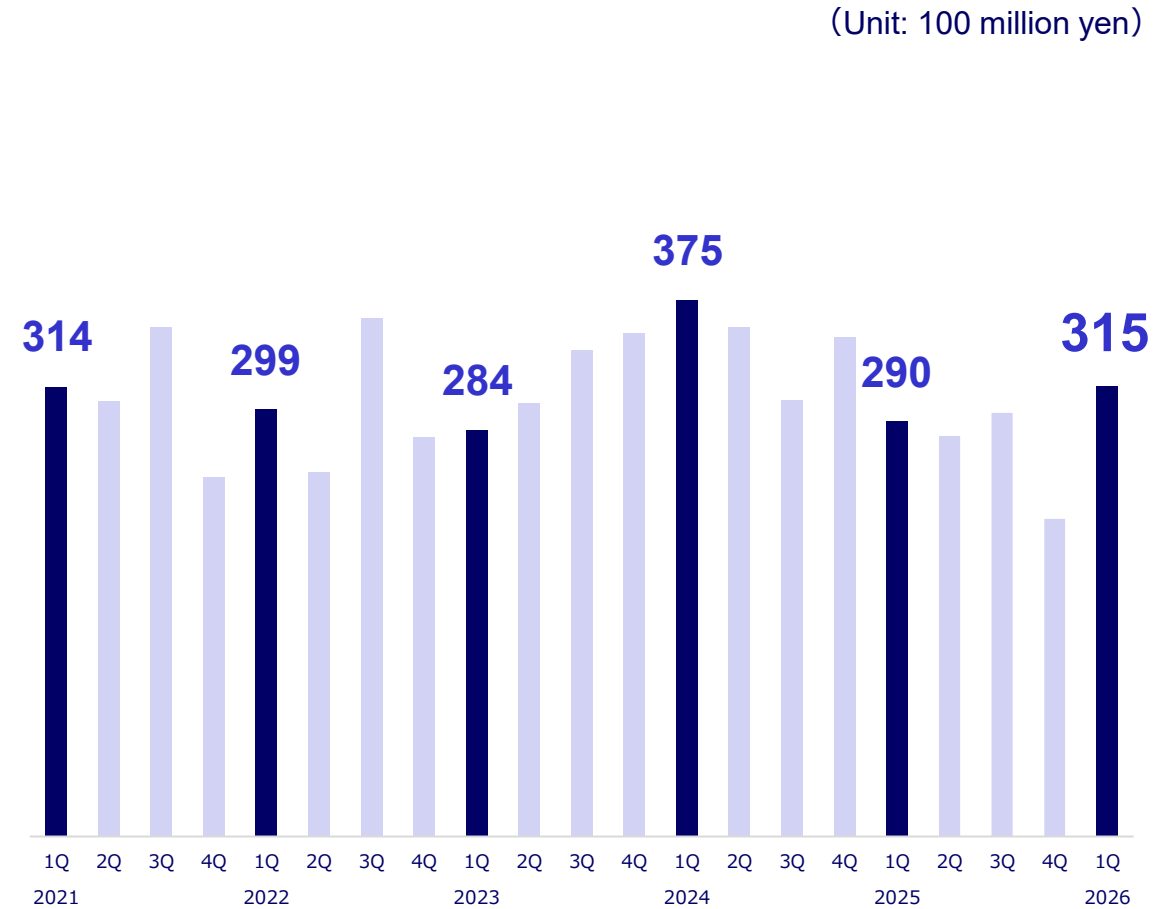
Core operating income also formed a clear recovery trend from the previous year, driven by the manifestation of structural reforms and investment effects.



## ● Sales trend (quarterly)



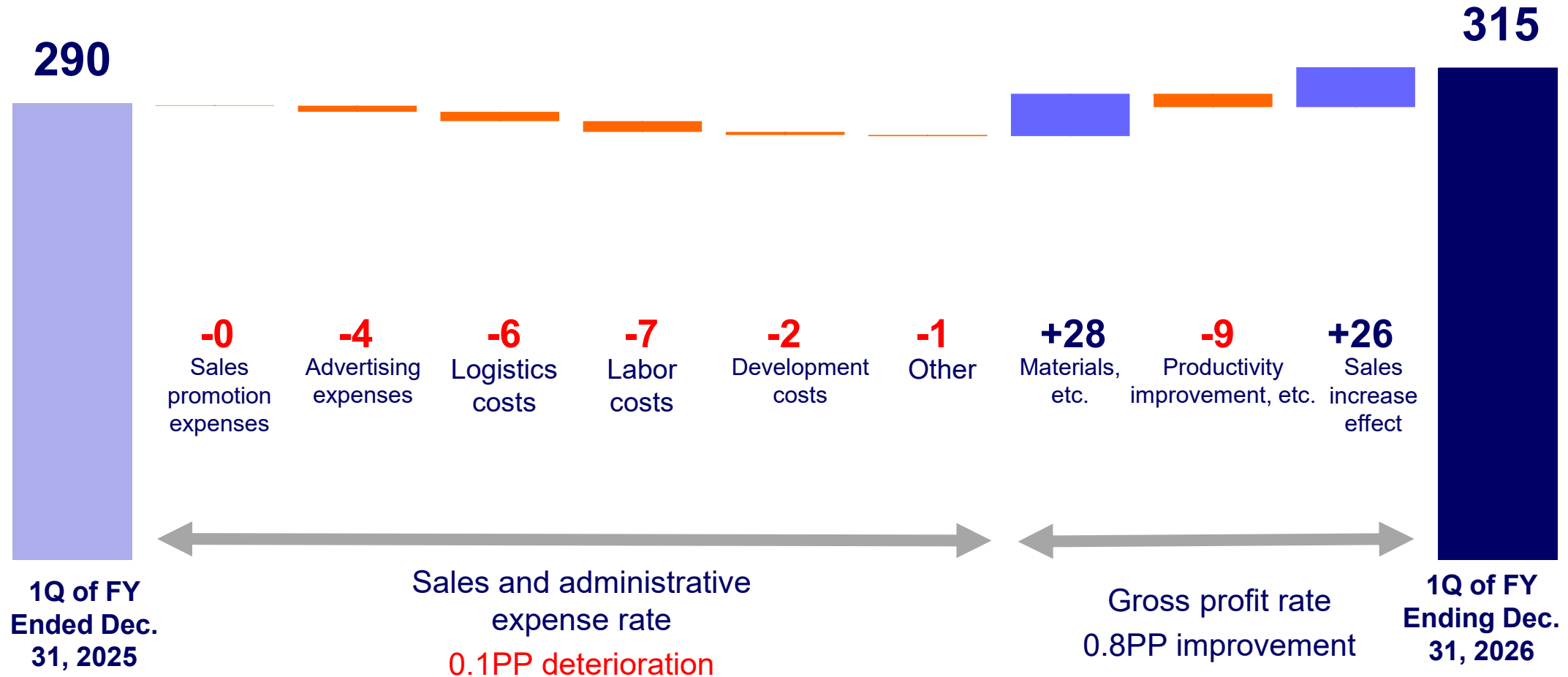
## ● Core operating income trend (quarterly)



Driven by top-line growth and improved raw material-related factors, the gross profit margin significantly improved by 0.8P. This absorbed the “aggressive investments” aimed at medium- to long-term growth, leading to a shift in core operating income toward increased earnings.

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

(Unit: 100 million yen)



\* Sales and administrative expenses have been retrospectively adjusted for 1Q of FY Ended Dec. 31, 2025 to better reflect the actual state of the R&D structure for comparison purposes.

In Japan, we have maintained the top market share and high profitability; a turnaround is expected from Q2 onward as passing on value takes hold. Asia absorbed strategic upfront investments, including the pet care segment, through profitability improvement in existing business segments, resulting in a significant increase in profits. Other regions were strongly driven by the North American pet segment, while the Middle East maintained a significant market share through agile supply chain management despite risks.



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

(Unit: 100 million yen)

		1Q of FY Ended Dec. 31, 2025	4Q of FY Ended Dec. 31, 2025	1Q of FY ending Dec. 31, 2026	Gap (yen)	Gap (%)	(Ref.) Actual gap rate *1
Japan	Net sales	804	974	<b>785</b>	-20	-2.4%	—
	Core operating income	175	191	<b>157</b>	-18	-10.5%	—
	(margin-%)	(21.8%)	(19.6%)	<b>(20.0%)</b>		<b>(-1.8pp)</b>	
Asia	Net sales	946	977	<b>982</b>	+36	+3.8%	+0.0%
	Core operating income	39	-36	<b>70</b>	+31	+78.3%	+69.2%
	(margin-%)	(4.1%)	<b>(-3.7%)</b>	<b>(7.1%)</b>		<b>(+3.0pp)</b>	
* 2 Others	Net sales	525	560	<b>575</b>	+51	+9.6%	+4.2%
	Core operating income	75	67	<b>87</b>	+12	+16.5%	+13.1%
	(margin-%)	(14.3%)	(11.9%)	<b>(15.2%)</b>		<b>(+0.9pp)</b>	
Consolidation	Net sales	2,275	2,510	<b>2,342</b>	+67	+2.9%	+0.1%
	Core operating income	290	222	<b>315</b>	+25	+8.5%	+6.4%
	(margin-%)	(12.8%)	(8.9%)	<b>(13.4%)</b>		<b>(+0.6pp)</b>	

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

China -2% Indonesia -9% Thailand -3% India +7% Vietnam +13% Middle East -1% North America +11% Brazil +0% Egypt +15%

\*1 Actual gap rate excluding foreign exchange effects

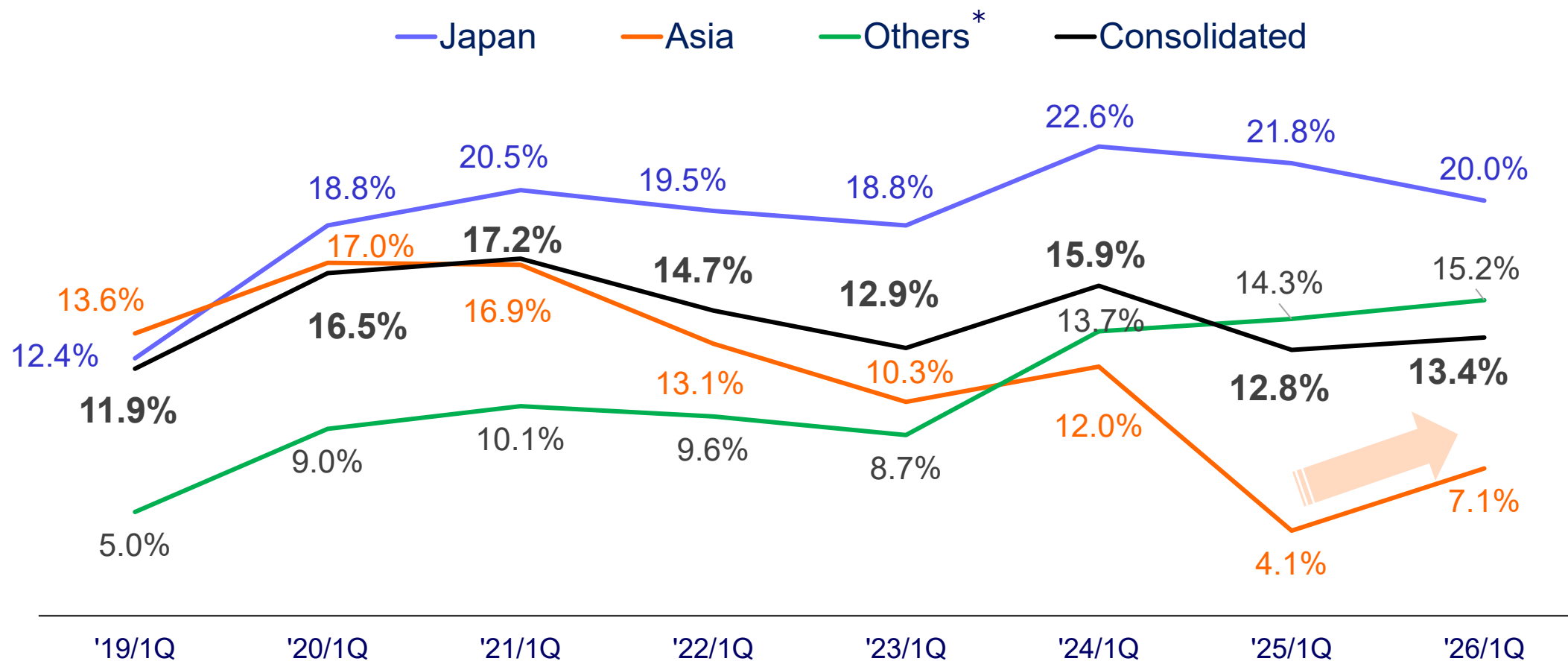
\*2 Others: main regions are North America, Saudi Arabia, Brazil and Netherlands

Japan maintained high profitability even amid an adjustment phase, while in other regions, passing on value took hold and the income margins improved steadily.

Asia achieved a V-shaped recovery through strategic upfront investments and improvements in existing domains, strongly boosting the improvement in overall consolidated profitability.

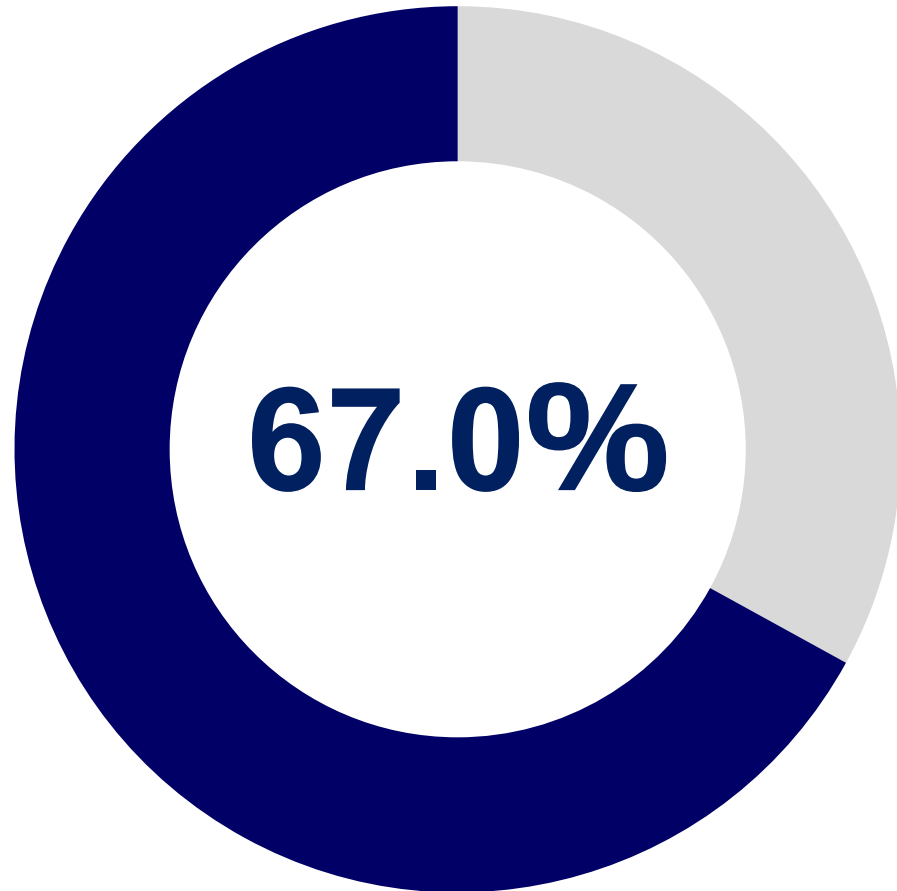


## ● Core operating income margin by geographical segment (from Jan. to Mar.)

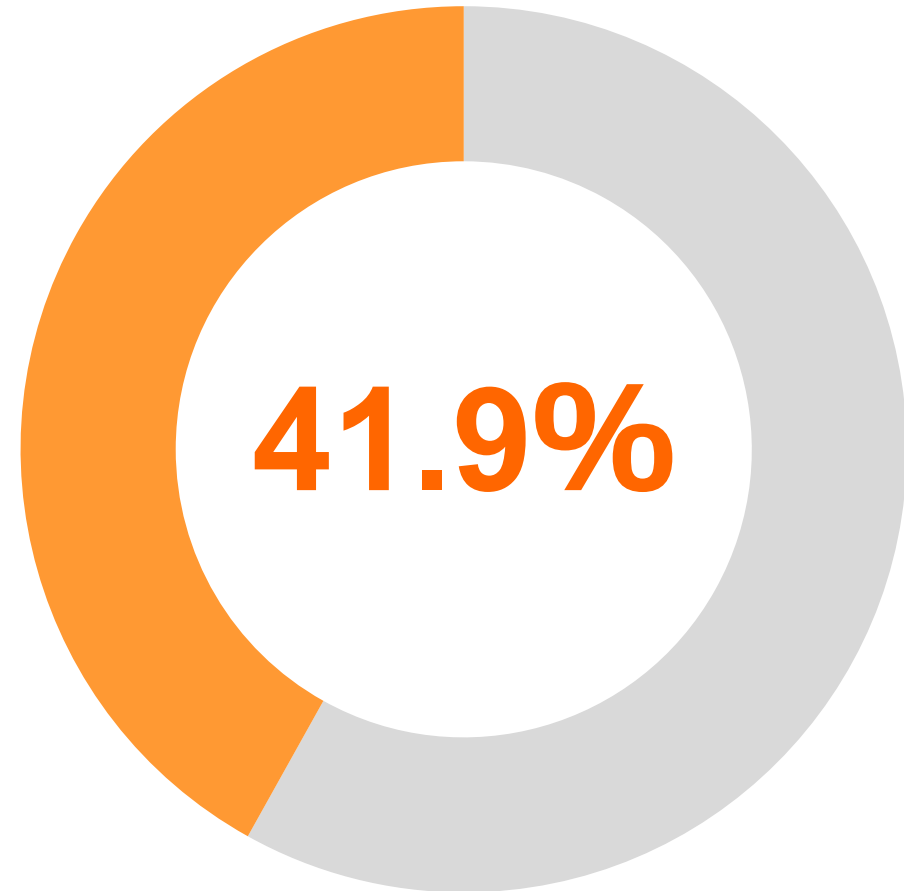


\*Others: Main regions are North America, Saudi Arabia, Brazil and the Netherlands

- Sales ratio of overseas markets



- Sales ratio of Asian markets



In the personal care segment, profitability improvements driven by structural reforms became clearly evident, and double-digit profit growth led consolidated earnings.

While continuing to make strategic investments in the pet care segment as a future growth pillar, we achieved strong sales growth on a global scale.



(Unit: 100 million yen)

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

		1Q of FY Ended Dec. 31, 2025	1Q of FY ending Dec. 31, 2026	Gap(yen)	Gap(%)
Personal Care	Net sales	1,868	<b>1,910</b>	+41	+2.2%
	Core operating income (margin-%)	218 (11.7%)	<b>242</b> <b>(12.7%)</b>	+24	+10.9% (+1.0pp)
Pet Care	Net sales	373	<b>397</b>	+25	+6.6%
	Core operating income (margin-%)	69 (18.6%)	<b>69</b> <b>(17.4%)</b>	-0	-0.4% (-1.2pp)
Others *	Net sales	34	<b>35</b>	+1	+1.4%
	Core operating income (margin-%)	3 (7.9%)	<b>4</b> <b>(11.1%)</b>	+1	+41.6% (+3.2pp)
Consolidation	Net sales	2,275	<b>2,342</b>	+67	+2.9%
	Core operating income (margin-%)	290 (12.8%)	<b>315</b> <b>(13.4%)</b>	+25	+8.5% (+0.6pp)

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

The impact of exchange rate fluctuations resulted in an increase of approximately 6.4 billion yen in sales and approximately 600 million yen in core operating income.

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

Currency	1Q of '25/12 rate	1Q of '26/12 rate	Rate Change
USA(USD)	152.60	<b>156.86</b>	+2.8%
Saudi Arabia (SAR)	40.74	<b>41.90</b>	+2.8%
Vietnam(VND)	0.0060	<b>0.0060</b>	±0.0%
Thailand(THB)	4.50	<b>4.97</b>	+10.4%
Taiwan(TWD)	4.65	<b>4.97</b>	+6.9%
India(INR)	1.77	<b>1.73</b>	-2.3%
Australia(AUD)	95.75	<b>109.04</b>	+13.9%
Egypt (EGP)	3.01	<b>3.22</b>	+7.0%
Korea (KRW)	0.1053	<b>0.1072</b>	+1.8%
Netherland (EUR)	160.50	<b>183.65</b>	+14.4%
Brazil(BRL)	26.06	<b>29.84</b>	+14.5%
Malaysia(MYR)	34.31	<b>39.58</b>	+15.4%
China(CNY)	20.95	<b>22.66</b>	+8.2%
Indonesia(IDR)	0.0094	<b>0.0093</b>	-1.1%

## **Summary of Progress on 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

**Sales 1,010 billion yen** (YoY +6.8%)

**Core operating profit 136 billion yen** (YoY +24.9%)

Initiatives to achieve our consolidated business performance forecasts from Q2 onward.

Consolidated

- ① The effects of "structural reforms" and "agressive investments" are becoming apparent, with both sales and core operating income progressing in line with expectations.
- ② Regarding external risks such as the situation in the Middle East, we aim to minimize negative impacts by building a flexible supply chain, optimizing product specifications, and promoting passing on value globally through the launch of new products from Q2 onward.

Japan

- ① Following a temporary adjustment phase in Q1, we expect to solidly reverse our position and to go on the offensive from Q2 onwards thanks to our passing on of value.
- ② In addition to our high market share in the WC segment, the company is driving profits through a strong return to growth by promoting value transferring in the PC segment as well.
- ③ Leveraging a solid business foundation, we will accelerate new value propositions in feminine care and baby care, maintaining a high level of profitability.

### Asia

- ① In China, reputational damage has bottomed out, and sales have been on a recovery trajectory since March. We will accelerate the recovery of feminine care share with new products featuring proprietary technology.
- ② Baby care in Indonesia and Thailand will accelerate recovery from Q2 with the launch of innovative new products. India and Vietnam will drive growth.
- ③ We will continue to actively invest in the pet care sector. We will absorb investment burdens through significant profitability improvements in our existing business areas and accelerate business expansion.

### Others

- ① The North American pet care business will continue to strongly drive consolidated earnings by capturing demand through aggressive marketing from Q2 onward.
- ② In the Middle East, from Q2 onward, we will implement agile supply management and pass on of value for new functions and aim to steadily accumulate profits.
- ③ Brazil will be back on the recovery track thanks to product optimization. From Q2 onward, we will pursue further improvements in profitability driven by top-line growth.

We plan to exceed 1 trillion yen in consolidated sales for the first time, and net income attributable to owners of the parent company is also expected to reach an all-time high.

In addition to a solid revenue base in Japan, North America, etc., the recovery in Asia, where the effects of structural reforms are becoming apparent, will strongly drive consolidated earnings.



● Highlights of consolidated account forecast  
(from Jan. to Dec.)

(Unit: 100 million yen)

	FY Ended Dec. 31, 2025	<b>FY ending Dec. 31, 2026</b>	Gap(yen)	Gap(%)	(Ref) * Actual gap rate
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)	
Basic earnings per share (JPY)	37.30	<b>50.26</b>	+12.96	+34.7%	
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 foreign exchange effects

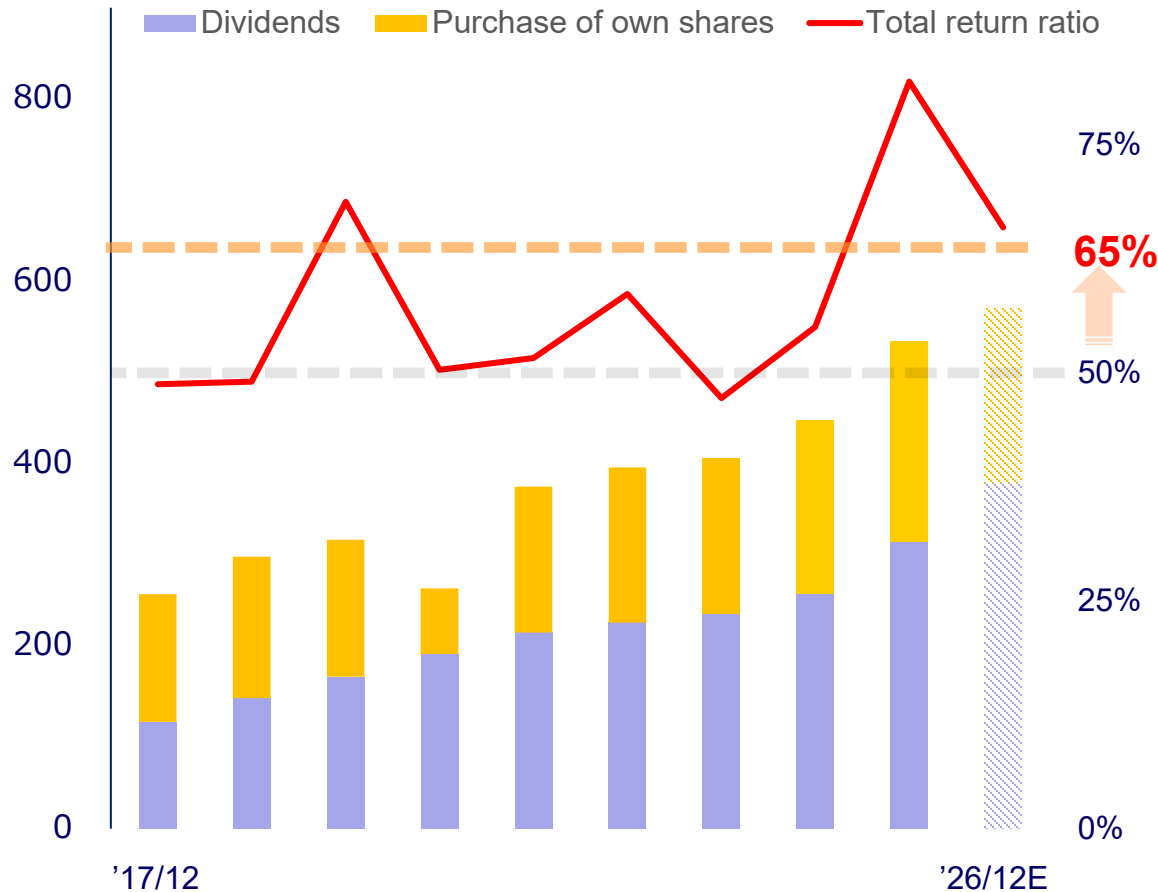
## **Shareholders Return Policy**

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In line with the capital policy outlined in the 13th medium-term management plan, we are significantly strengthening shareholders' return. We will implement measures, as planned, aimed at achieving a total return ratio of 65% or higher.

## ● Shareholder's return and total return ratio history

(Unit: 100 million yen)



### Renewal

#### Capital policy renewal

In an effort to improve ROE over the medium-to-long term, we will significantly increase the total return ratio from "50%" to **"65% or higher."**

### Dividends

#### Steady dividend growth

We plan to pay an annual dividend of 22 yen per share (+4 yen), and to achieve one of the **"longest consecutive dividend growth among listed companies of 25 consecutive terms."**

### Own shares

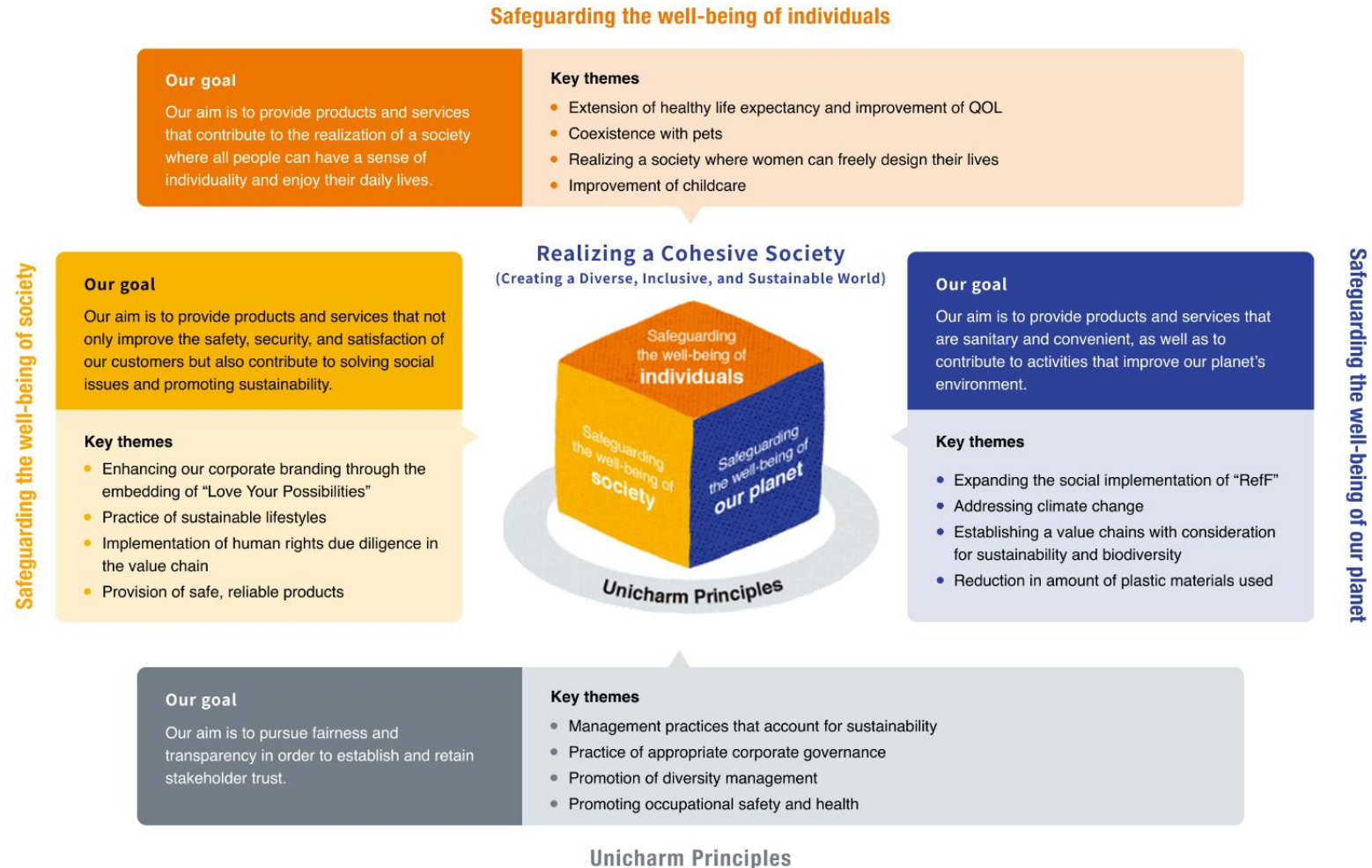
#### Flexible share buy-back

To further improve capital efficiency, we will implement, as planned, a share buyback, as outlined in this fiscal year's plan, amounting to **"approximately 19 billion yen."**

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

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## ◆ 16 key themes with the goal in 2035



Safeguarding the well-being of society

Safeguarding the well-being of our planet

## ◆ 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

**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”**



**Love Your Possibilities**



### ◆ 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	

## Extension of healthy life expectancy and improvement of QOL

- We will provide value that supports its own uniqueness and drives market growth through the penetration of ADL\*-based care and the expansion of exclusive products, with increased awareness



\*Activities of Daily Living

## Coexistence with pets

- We will accelerate market growth through total care that supports pets throughout their lives, and create new markets for side-dishes, etc.



## Realizing a society where women can freely design their lives

- We will utilize AI in "Sofy Be," etc. and accelerate the shift toward high-value added products and promote their popularization, tailored to market conditions and needs



## Improvement of childcare

- We will achieve stable growth through unique DX models, such as our disposable diaper subscription service, and the promotion of products to address potential needs

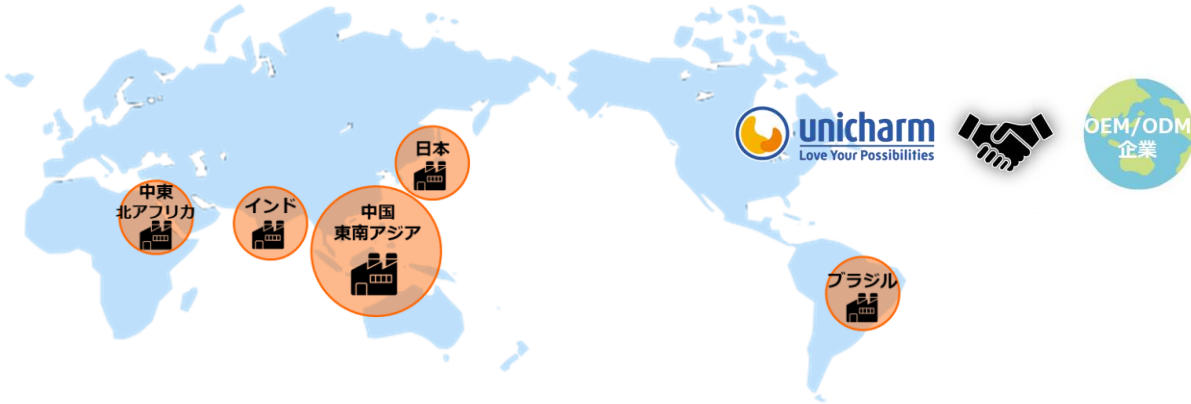


(Safeguarding the well-being of individuals)

# WC: We will accelerate the speed of business development through the strategic use of in-house factories and OEM/ODM, and build successful models



- We will accelerate the roll out of products through the flexible utilization of OEM/ODM and promote market blooming at an early stage through value proposals tailored to the needs of each country



- We will expand our lineup of Japanese-style ADL-based products to drive market growth and improve customer satisfaction



- By enhancing our product lineup specifically designed for mild incontinence, we will create a market at an early stage, maximize customer satisfaction, and achieve high profitability

### ทำไมแผ่นซึมซับปัสสาวะถึงตอบโจทย์



Thailand

Promote understanding of the functions of specialized products



Taiwan – Greater China

Support self-care, such as pelvic floor muscle exercises



China

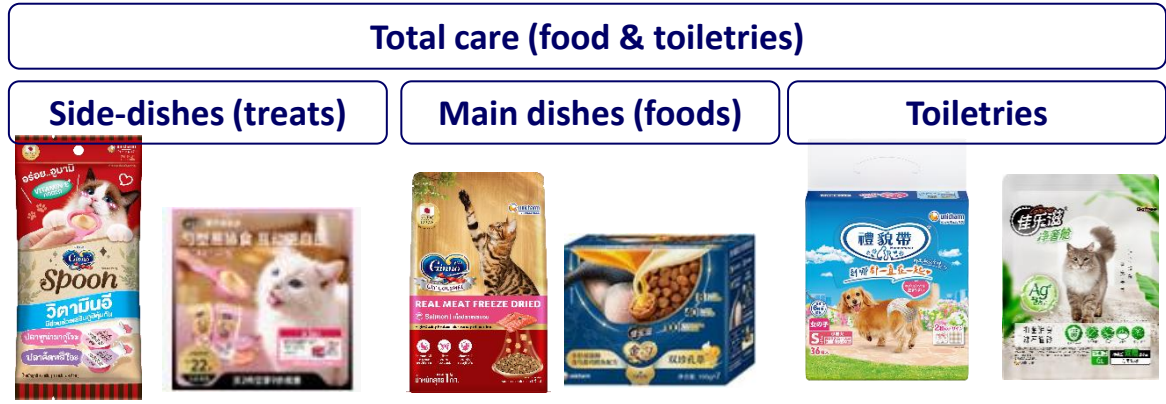
Promote awareness expansion through the use of social media

(Safeguarding the well-being of individuals)

# PC: We will accelerate the speed of business development through the strategic use of in-house factories and OEM/ODM, and build successful models



- We will roll out our successful models in Japan and North America into Asian markets and build a solid revenue base by creating new categories

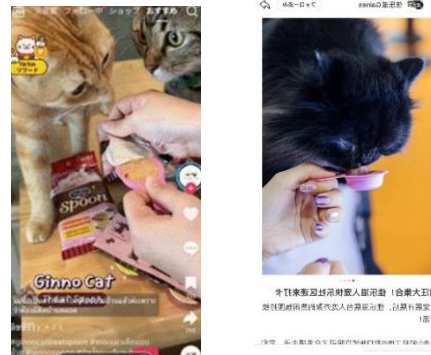


- By establishing optimal approaches tailored to channel characteristics and adopting a system that responds quickly to market changes, we will maximize strategic flexibility and practice-ability

- By leveraging JIA PETS's management resources and OEM, we will simultaneously expand market share and improve profitability through speed and cost competitiveness



In-store displays & promotions



Utilization of social media



Live commerce



Channel-exclusive products

(Safeguarding the well-being of individuals)

**FC: We will accelerate the speed of business development through the strategic use of in-house factories and OEM/ODM, and build successful models**



➤ (China) We will continue to make new value proposals through panty-type napkins and skin-care napkins that reduce concerns about leakage

➤ (Japan) We will support women's well-being with a diverse range of care products tailored to lifestyles, such as panty liners that can check the timing for conception



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➤ (Other Regions) We will expand our product lineup with unique value rooted in local lifestyle habits

**Thailand**



Cooling type

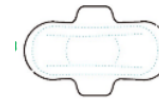


Activated Carbon infused type

**India**



Tri-fold type  
Individually wrapped



Flat type  
No individual packaging

**Saudi Arabia**



Olive Oil infused type

(Safeguarding the well-being of individuals)

# BC: We will accelerate the speed of business development through the strategic use of in-house factories and OEM/ODM, and build successful models



- We will support communities at high risk of infection with the world's first\* disposable diapers and wet wipes that repel mosquitoes and protect babies from the threat of dengue fever

- We will cater to local values and practices or customs with diapers formulated with olive oil and the world's first\* pant-type diapers with an openable side for new born babies



\* The tape part is coated with microcapsules containing fragrance. Target infant disposable diapers for major global brands. (Based on Unicharm research, February 2020)

- With a product lineup tailored to economic conditions and consumption behavior, we will meet a wide range of needs and accelerate market penetration



\* It is the first of its kind in the global market among major baby diaper pants brands, with one side of the waistband being openable and longer than the other side. (Based on research by Unicharm as of October 2022)

- We will create new purchasing experiences and build credibility by expanding digital touchpoints via TikTok and OpenChat



Single-unit products  
Affordable prices to promote adoption



High-end products economy products  
Strategy for market bipolarization



Utilization of  
TikTok



Information streaming via  
LINE OpenChat

### ◆ 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

## Enhancing our corporate branding through the embedding of "Love Your Possibilities"

- We will promote the sustainable improvement of corporate value through activities and products that support women's social advancement, embodying "Love Your Possibilities"



Female Entrepreneur Creation Project



Started operations in Africa



## Practice of sustainable lifestyles

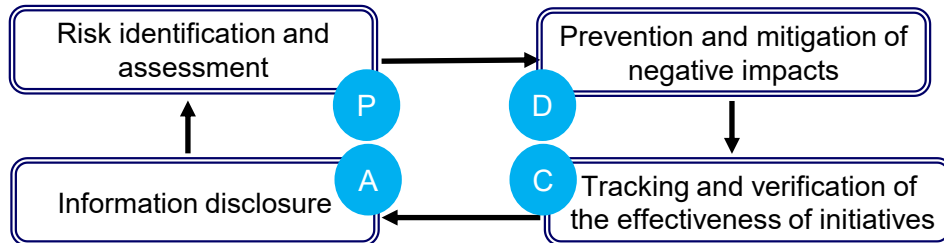
- We will promote the establishment of a sustainable revenue base through resource efficiency (10% cost reduction) and added value (10% gross margin improvement)



## Implementation of human rights due diligence in the value chain

- We will identify, correct, verify, and disclose human rights risks through the PDCA cycle to ensure respect for human rights throughout the entire value chain

Human rights due diligence process



## Provision of safe, reliable products

- Reducing physical and mental burdens through high-quality products and services that live up to trust, thereby cultivating brand loyalty

Services that are available anytime and anywhere



Superior Functionality and Advanced Hygiene Management



Carefully selected materials that meet our rigorous standards



### ◆ 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	

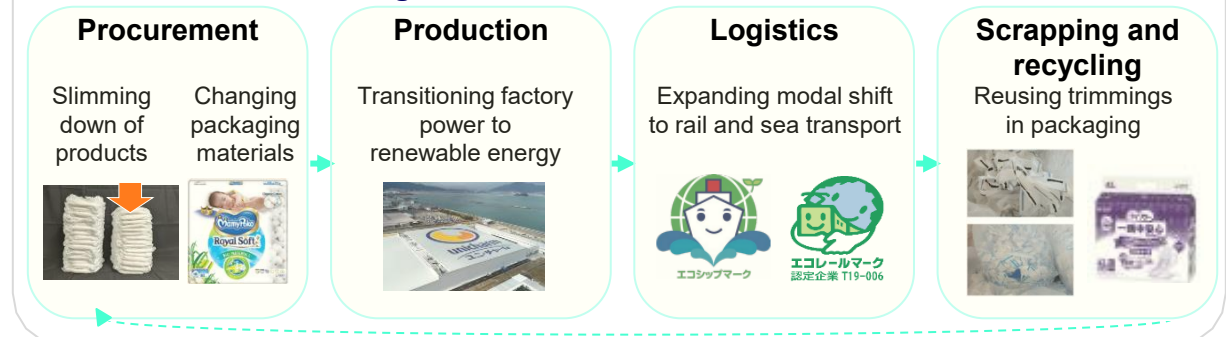
## Expanding the social implementation of “Reff”

- By expanding Reff products and coordinating with local governments, we will promote sustainable values throughout society, reduce environmental impact, and achieve sustainable profitability



## Addressing climate change

- By reducing CO<sub>2</sub> emissions across the entire value chain, we will improve our ability to cope with climate change risks and gain a competitive edge in the medium to long term.



## Establishing a value chains with consideration for sustainability and biodiversity

- By expanding the use of certified materials and ensuring traceability, we will thoroughly implement procurement with responsibility and build a sustainable and stable supply base for forest resources



## Reduction in amount of plastic materials used

- Aiming to cut plastic usage in sales promotions by transitioning to paper and sustainable alternatives
- Contribute to the conservation of rivers, which are water sources, and ecosystems by providing disposal instructions and raising awareness of waste separation



India  
Schematic representation of disposal methods



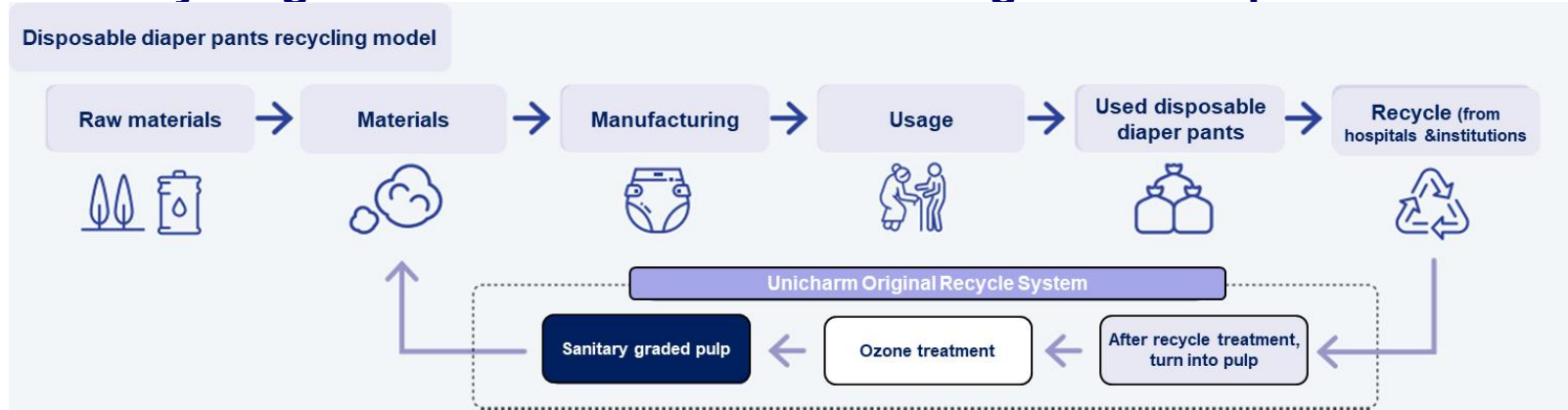
Thailand  
Promoting waste separation awareness in schools



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



- Leading the way to a future where recycling is the norm—while maintaining the same peace of mind and convenience



- Product using the recycled pulp treated with the world first\*1 ozone technology and recycled polymer absorbent for a part of its absorbent material has been launched\*2

- For nursery schools that have implemented the “Tebura toen (Hands-Free Commute)”\*3 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

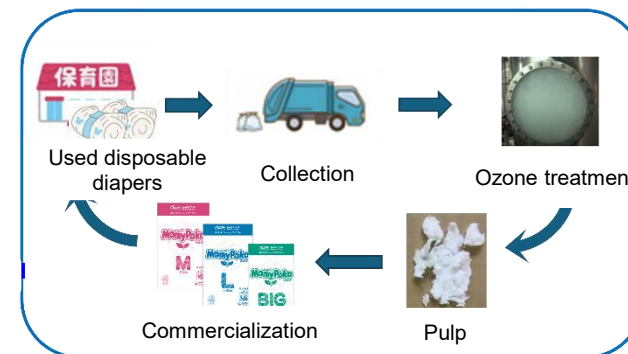
In Yokohama City, Kanagawa Prefecture  
designated products introduced to all public nursery schools



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

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

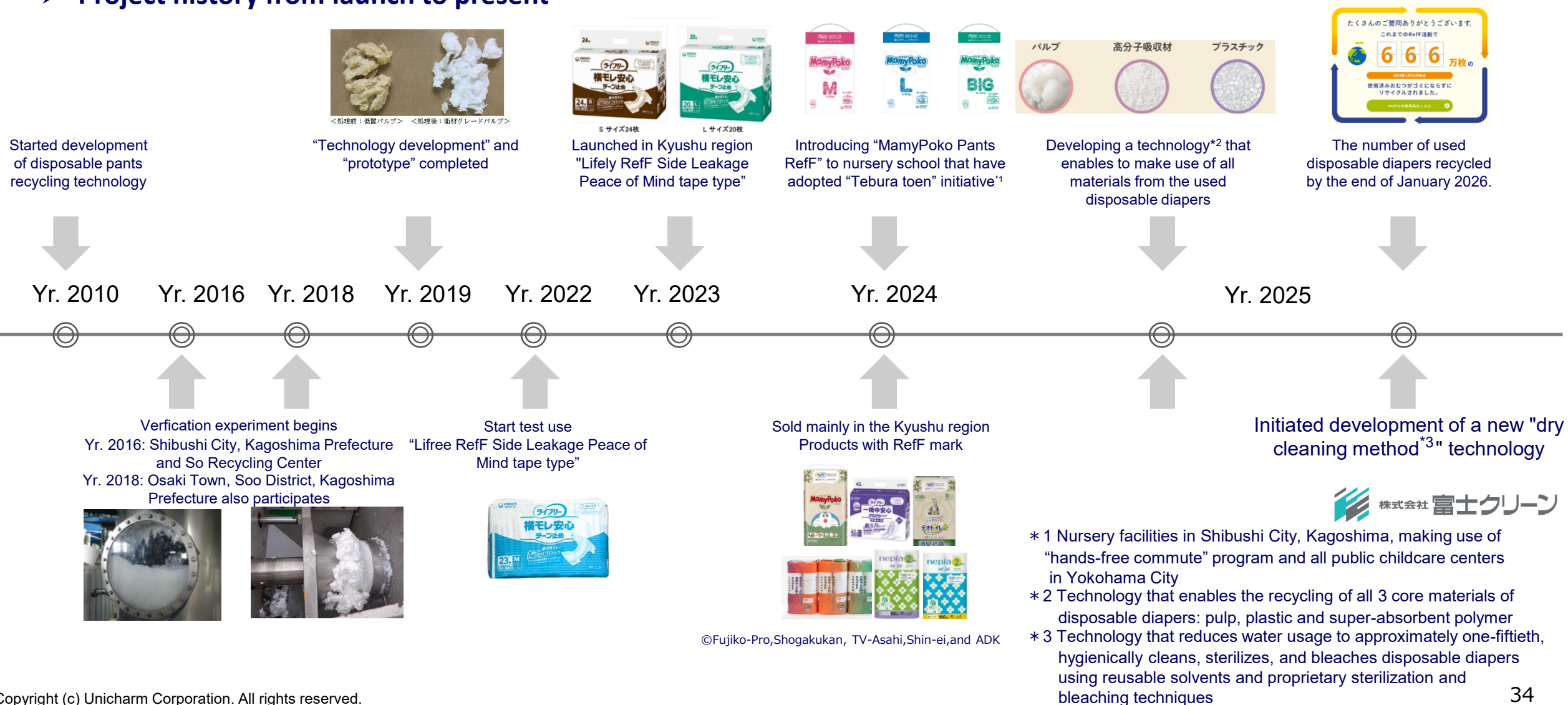
\*2 Sales methods vary from product to product



\*3 Childcare facilities in Shibushi City, Kagoshima Prefecture that use the “Tebura toen” system, and all public childcare centers in Yokohama City

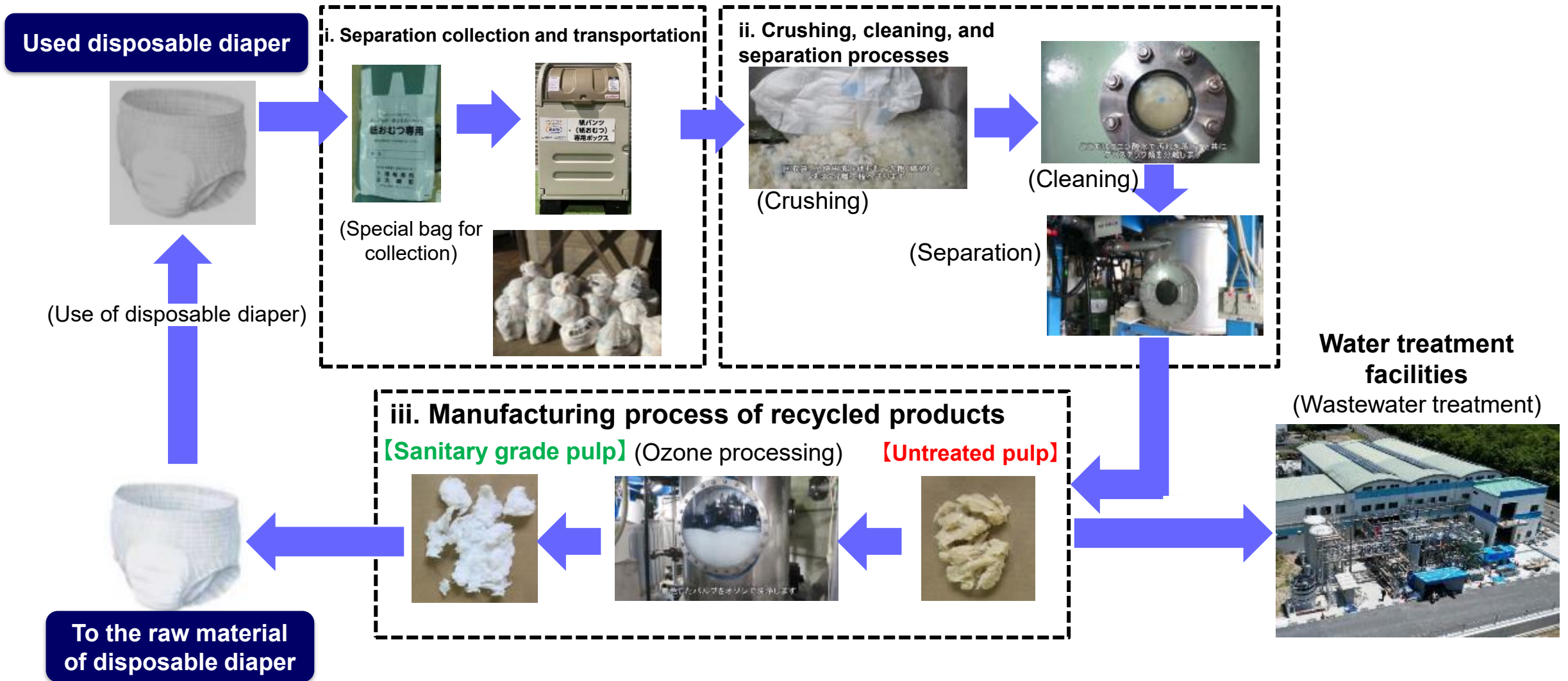
# (Safeguarding the well-being of our planet) Expanding the social implementation of “RefF” History of challenge for “horizontal recycling from disposable pants to disposable pants”

## ➤ Project history from launch to present



# (Safeguarding the well-being of our planet) Expanding the social implementation of “RefF” Flow of recycling process of used disposable diapers

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



(Safeguarding the well-being of our planet) Expanding the social implementation of “Reff”  
**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)



- 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**

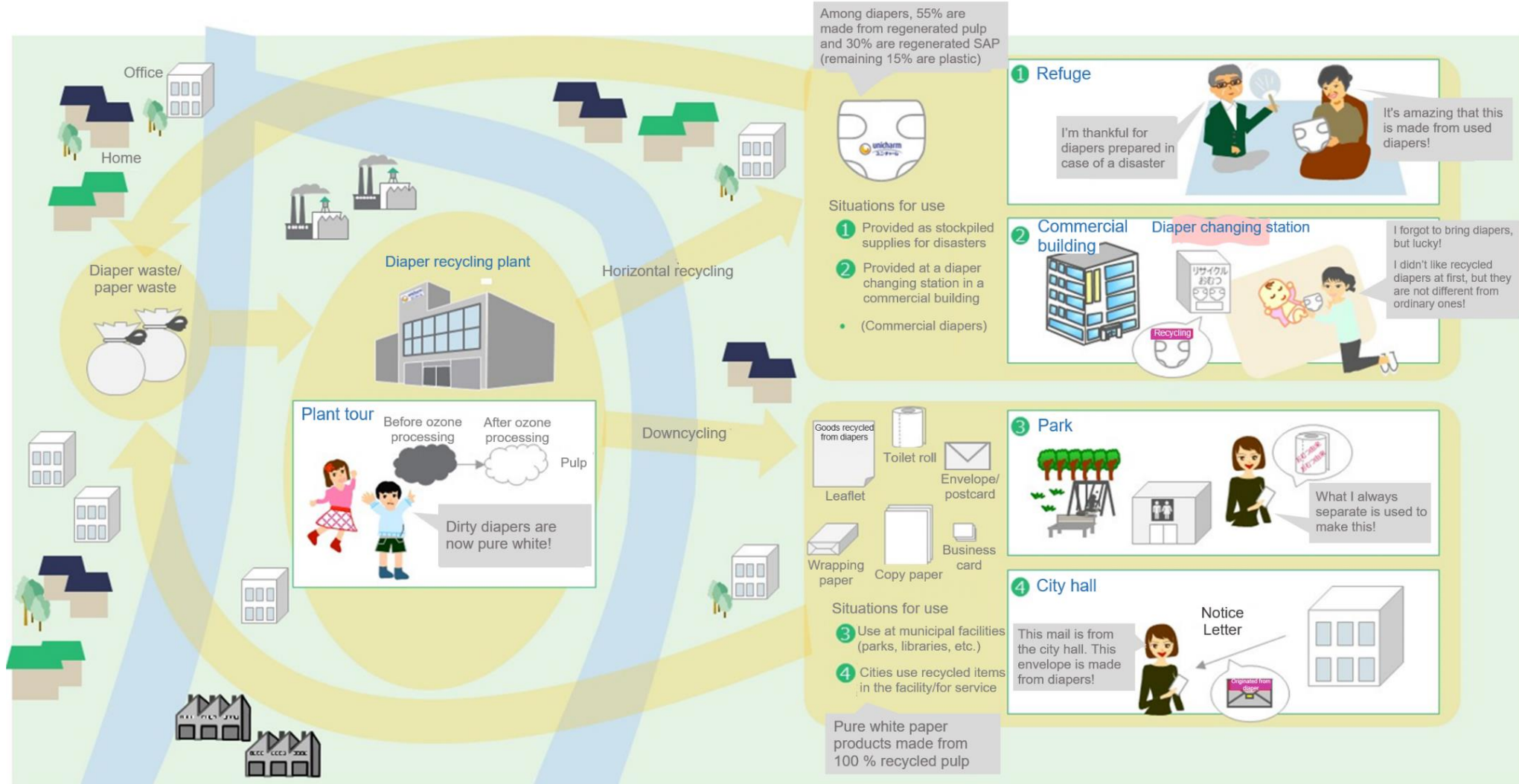


\* 1 Manufactured by Poppy Paper Mfg. Co., Ltd.

\* 2 Sumitomo Fudosan Tokyo Mita Garden Tower 36

(Safeguarding the well-being of our planet) Expanding the social implementation of “RefF”  
 Create the society where “Disposable diaper recycling is a natural matter”

➤ Future vision using recycled materials (image)



### ◆ 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

## Management practices that account for sustainability

- We will introduce ESG assessments into HR evaluation criteria for executives\* and all employees to achieve new value creation as the driving force of social contribution



### 【役員報酬の評価指標】

No.	Evaluation Criteria	Accountability	Assessment Weighting
1	Group performance (business plan)	1-1 Consolidated net sales	20%~50%
		1-2 Consolidated core operating income	
		1-3 Profit attributable to owners of parent	
2	Department performance	2-1 Sales in applicable business division	0%~40%
		2-2 Profits in applicable business division	
3	Group key strategy	3-1 Priority strategies for each role	20%~50%
		<b>3-2 ESG assessment (specialist rating agency evaluation, etc.)</b>	
4	Department key strategy	4 Priority strategy in applicable business division	0%~40%

## Practice of appropriate corporate governance

- Based on the dissemination of our "Charter of Actions" and a strong sense of morality, we will drive the sustainable improvement of corporate value through thorough compliance



**Unicharm Way**  
Translated into **9 languages** and used on a daily basis by all employees of the Group

## Promoting occupational safety and health

- We will eliminate risks of accidents and achieve stable operations by operating an occupational safety and health management system (OSHMS)

**ISO 45001 certification acquisition rate: 31.7%**  
(Japan: 17.6%, Overseas: 41.7%)



Kyushu Factory



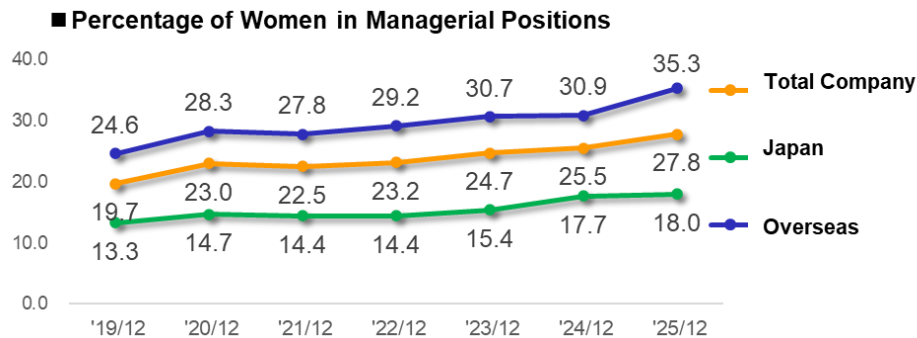
Neemrana Plant in India



Brazil Factory

## Promotion of diversity management

- We will increase the female management rate and promote management from diverse viewpoints



### [Programs and systems that empower individuals to shape their careers on their own initiative (Japan)]

<b>Empowerment system</b>	One-on-one meetings with executive officers bring out leaders' strengths
<b>President/Leader Lunch Meetings</b>	Developing female leaders through dialogue with top management
<b>Room L+</b>	A women's community that enhances a sense of security and motivation to work
<b>Maternity leave Room L+</b>	Supports employees returning from maternity or childcare leave by fostering peace of mind.
<b>Oocyte (egg) Freezing Safety Bank</b>	Introduced a service into the welfare system that enables egg freezing storage to support each employee's diverse life plans

- We will promote a real feeling of one's own growth through work with an autonomous career support system

### 2025 Employee satisfaction (Entire company)

Max. score 5

**4.44**

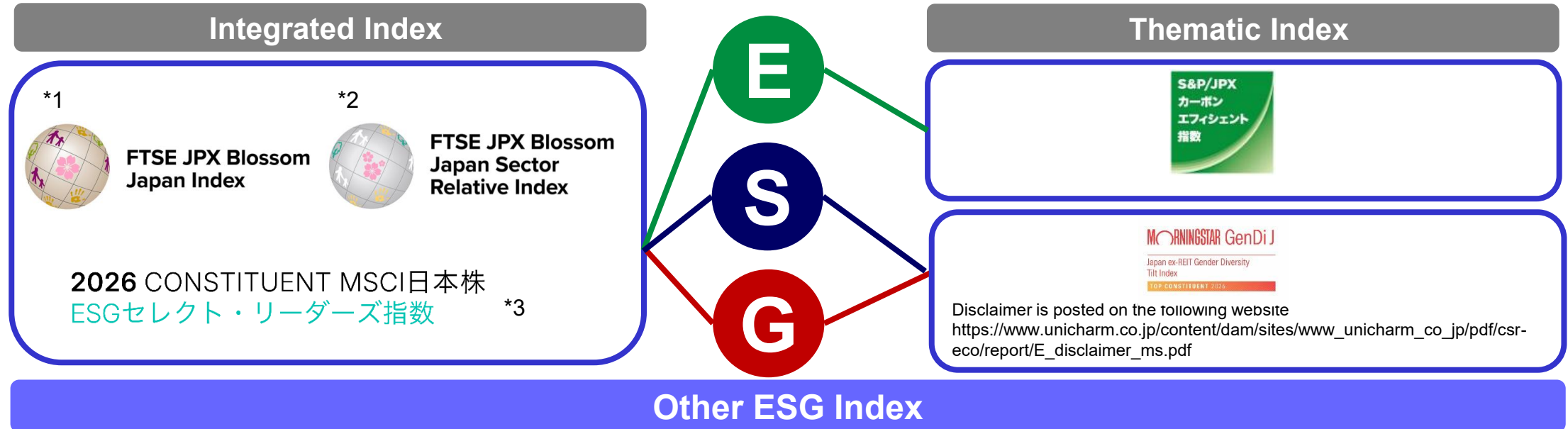
2024 4.40 (Company-wide)



### [HR systems and role-based allowances that emphasize growth and fulfillment through work (Japan)]

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

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



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

\*1 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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\*3 The inclusion of Unicharm Corporation in any MSCI index, and the use of MSCI logos, trademarks, service marks, or index names herein, does not constitute a sponsorship, endorsement, or promotion of Unicharm Corporation by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

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



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

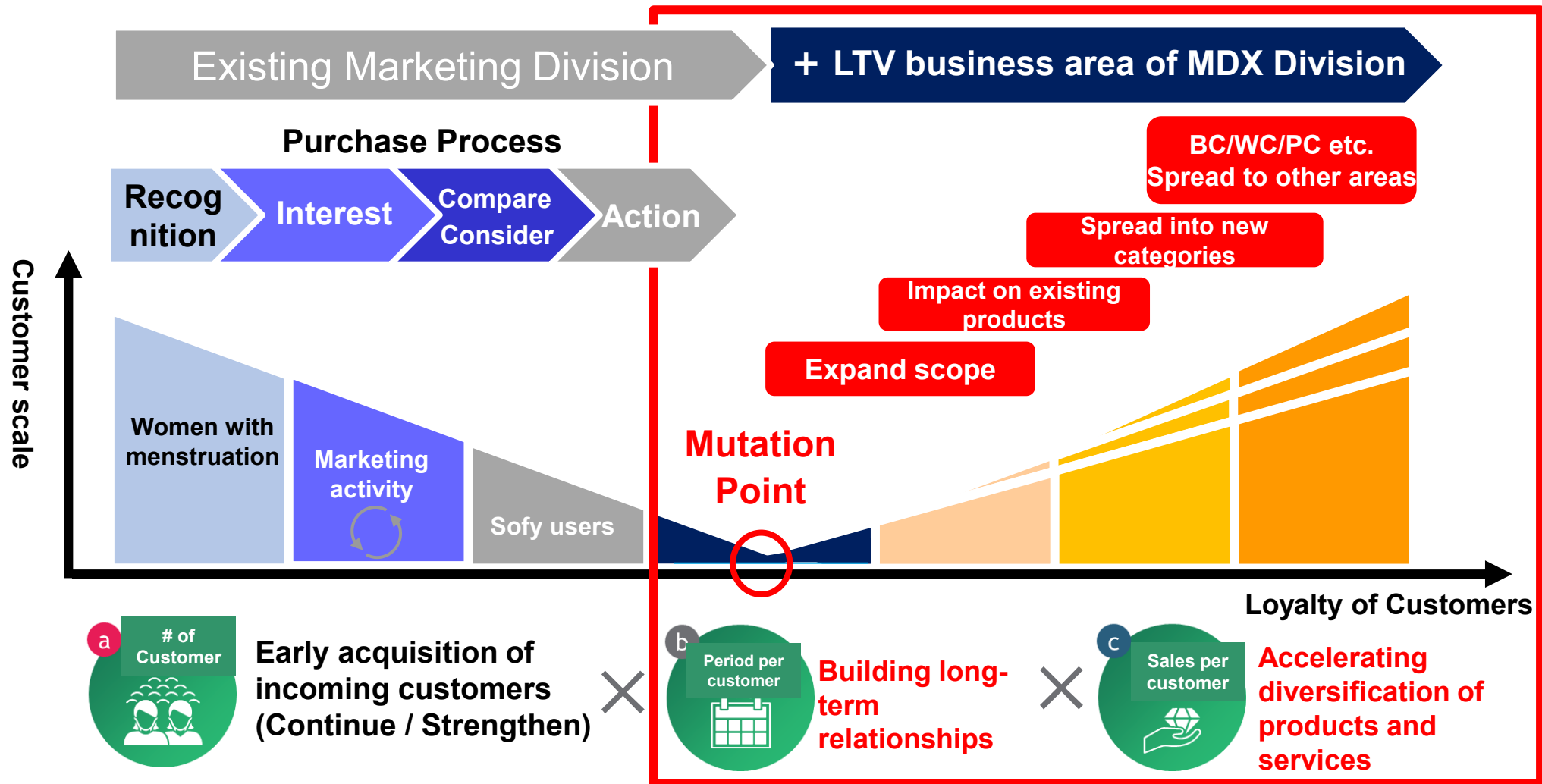
Collection of customer data and development of digital infrastructure for data utilization

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.

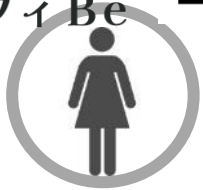
- Developed our own menstrual health management app, “Sofy Be”. It supports well-being through personalized experiences powered by AI, eliminating users' underlying discomfort and staying close to their needs throughout their entire life cycle



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

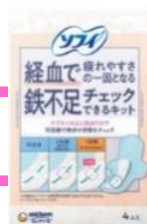
After birth

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

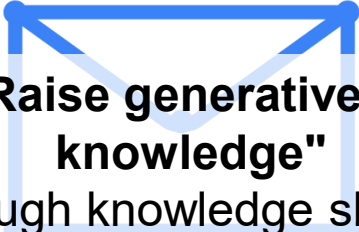
- By integrating Google Cloud's Gemini <sup>\*1</sup> and NotebookLM <sup>\*1</sup> into practical work <sup>\*2</sup>, individual knowledge is transformed into shared organizational knowledge, maximizing the speed of strategic execution

# Google Cloud

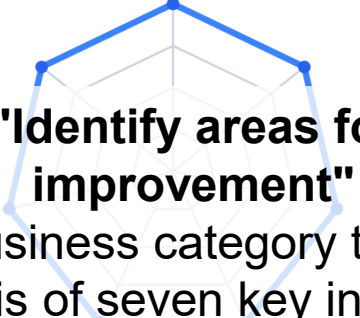
\*1 Gemini and NotebookLM are trademarks of Google LLC.

\*2 Excluding some local subsidiaries

- Through the deployment <sup>\*2</sup> of persons responsible for DX to each local subsidiary based on knowledge sharing and skill analysis, we will promote the practical implementation of generative AI and business transformation



**"Raise generative AI knowledge"**  
through knowledge sharing



**"Identify areas for improvement"**  
by business category through analysis of seven key indicators



Deploy persons responsible for DX to  
**"implement AI in day-to-day operations"**

## **Examples of initiatives using digital technology**

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# 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”



Learning video in Thai language

- **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.

- 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)

- Accelerate the realization of a healthy childrearing environment through a capital and business alliance with First-Ascent Inc.\*1



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

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



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

- Promote a good sleeping environment and appropriate care for babies through joint research with CHaiLD Co., Ltd.\*2



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

- "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

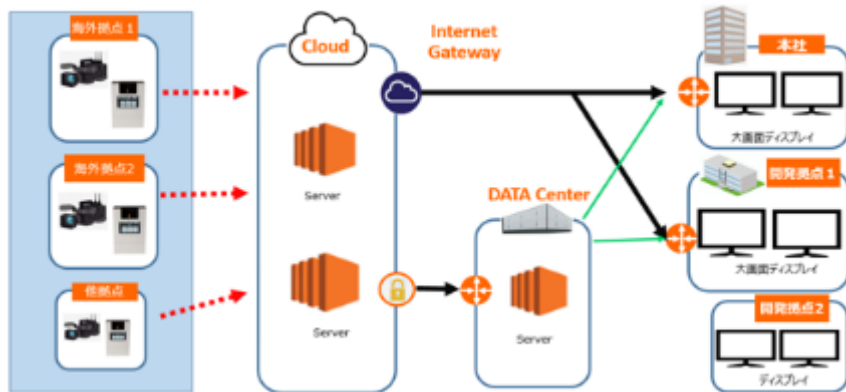


- “Shop search system” can help find shops carrying products to improve customer satisfaction

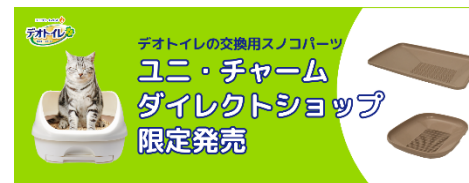


- Developed “Digital Scrum System” to discover customer insights

<Digital Scrum System (Image)>



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



ユニ・チャームダイレクトショップのサービス		
POINT 1 / unicharm direct shop メーカー直販で安心!	POINT 2 / いつもの商品が手に入る!	POINT 3 / うれしい特典も!
POINT 4 / まとめて3,980円以上 お買い上げで送料無料	POINT 5 / 平日午後3時までの ご注文で翌出荷日に発送	POINT 6 / 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**

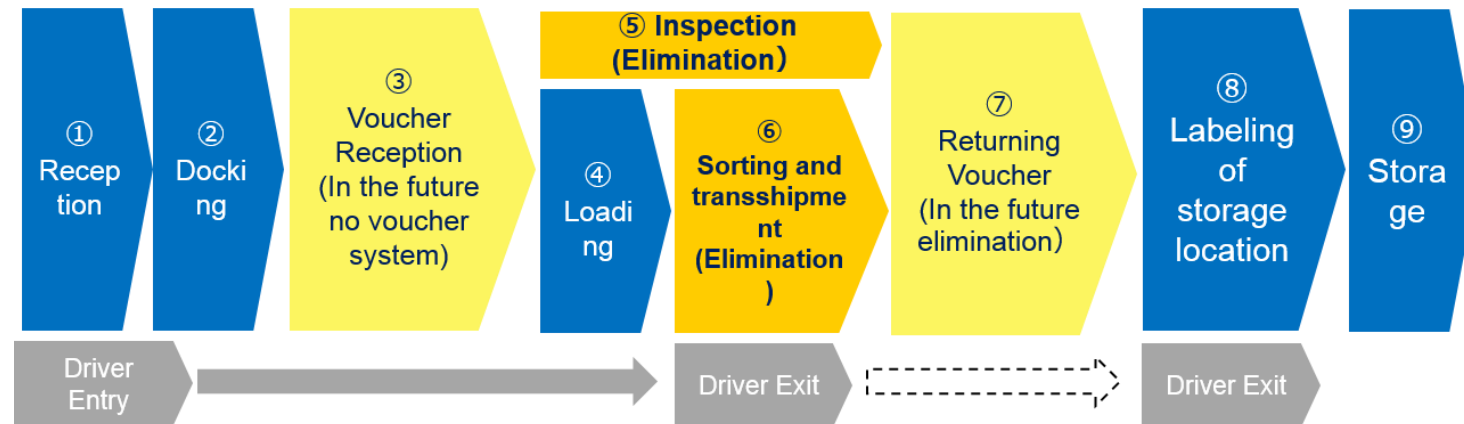
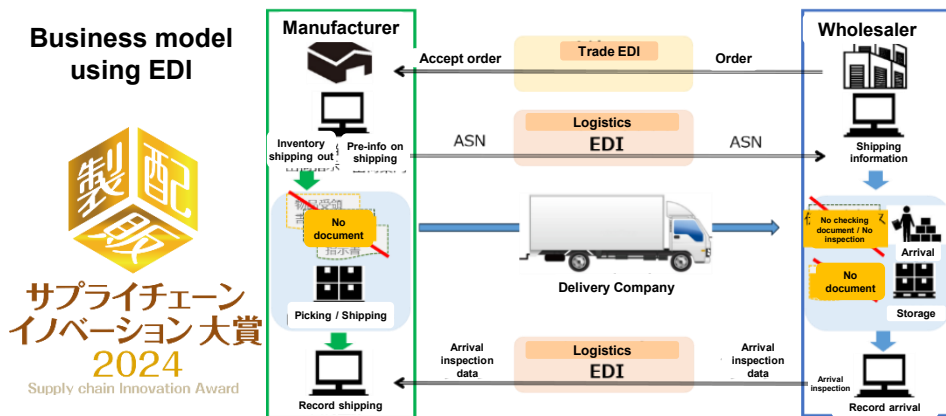
**Smart Logistics**

\*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

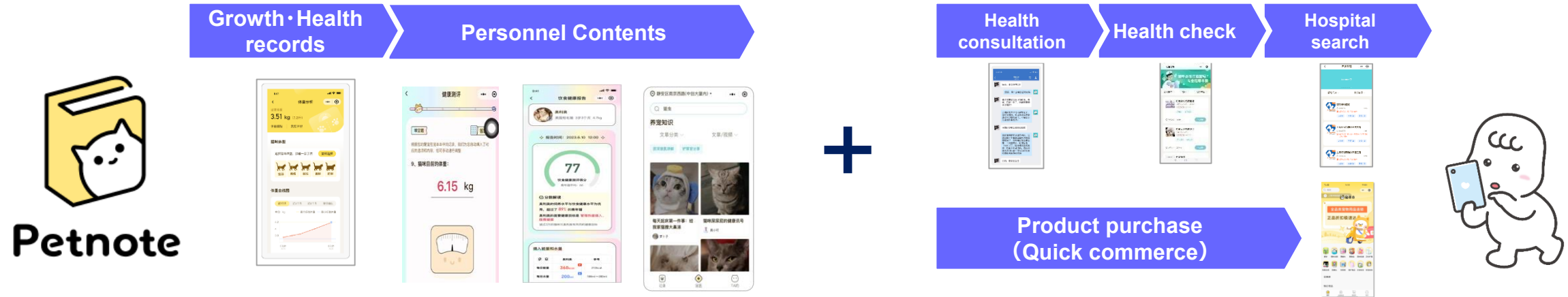


\*2 Abbreviation for Advanced Shipping Notice

\*3 Abbreviation for Electronic Data Interchange

# Overseas initiatives utilizing digital technology

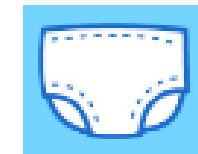
## ➤ Pet growth, health record tool + hospital introduction, and product purchasing platform “Pet note”



## ➤ An app “Sofy Girl Talk” that supports women's physiological knowledge and worries



## ➤ “Mamypoko Club” that realizes a unique customer experience for baby diapers



<b>February</b>	<ul style="list-style-type: none"><li>✓ <b>Certified as a “Sports Yell Company 2026 Bronze+ (Plus)”</b></li><li>✓ <b>Selected as a constituent of the “Nikkei Economic Moat Equity Index”</b></li><li>✓ <b>Certified as a “DX Certified Business Operator” by Japan’s Ministry of Economy, Trade and Industry (METI)</b></li><li>✓ <b>Recognized with “Human Capital Management Quality 2025 Silver” status</b></li></ul>
<b>March</b>	<ul style="list-style-type: none"><li>✓ <b>Certified as a “Certified Health &amp; Productivity Management Outstanding Organization 2026 (White 500)” for the third consecutive year</b></li><li>✓ <b>Achieved a “Triple A Score” from “CDP 2025” for the second consecutive year</b></li></ul>

# Index inclusion and evaluation



※ 免責事項は以下サイトに掲載しております。  
[https://www.unicharm.co.jp/content/dam/sites/www\\_unicharm\\_co\\_jp/pdf/csr-eco/report/disclaimer\\_ms.pdf](https://www.unicharm.co.jp/content/dam/sites/www_unicharm_co_jp/pdf/csr-eco/report/disclaimer_ms.pdf)



Sompo Sustainability Index



2026 CONSTITUENT MSCIジャパン  
ESGセレクト・リーダーズ指数



2026 CONSTITUENT MSCI日本株  
ESGセレクト・リーダーズ指数

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FTSE JPX Blossom Japan Index



FTSE4Good



FTSE JPX Blossom Japan Sector Relative Index

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

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



人的資本リーダース 2023  
人的資本経営品質 2024

# 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

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%



STANDARD 100



In support of

WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office



# ESG-related scores and ratings



		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>A</b>
	<b>Forest (timber)</b>	<b>B</b>	<b>B-</b>	<b>B</b>	<b>B</b>	<b>A</b>	<b>A</b>	<b>A</b>
	<b>Water security</b>	<b>B-</b>	<b>B-</b>	<b>B</b>	<b>B</b>	<b>A</b>	<b>A</b>	<b>A</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”	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)



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We support the Sustainable Development Goals(SDGs).

