

**First Quarter of Fiscal Year
Ending December 31, 2022
(Jan 1, 2022 to Mar 31, 2022)
Unicharm Investor Meeting
Presentation Materials**

May 9, 2022

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President and CEO
Unicharm Corporation



NOLA&DOLA

Necessity of Life with Activities & Dreams of Life with Activities

First Quarter of Fiscal Year Ending December 31, 2022 (January 1 to December 31) Financial Performance Summary

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

First Quarter of Fiscal Year Ending December 31, 2022 (January 1, 2022 to March 31, 2022) Financial Results Summary



Consolidated

Sales 204.4 billion JPY (YoY +12.3%)
Core operating income 29.9 billion JPY (YoY -4.5%)

- Sales hit record high
- Performance steadily improved as expected in both sales and core operating income margin.

Japan

6.4% sales increase, 1.1% profit increase

- Wellness Care Business, Pet Care Business and Feminine Care Business keep good performance with high value-added promotion.
- Profitability secured by effective investment of marketing expenses and the advanced product mix.

Overseas

15.6% sales increase, 7.9% profit decrease

- Increase in sales and decrease in profits in Asia. Increased sales are driven by Indonesia, India, and Vietnam. Decreased profits affected by the adjustments made by Baby Care Business in China, which accelerated the shift to high-gross profit products.
- Increase in sales and profits in other regions. Performance improved in North America thanks to the value pass-through onto value-added products.

Shareholder Return

Yearly dividend 38 yen per share
Increased dividend for 21 consecutive years

- Purchase of own shares: approx. up to 17 billion JPY, 4.2 million shares.

Sales hit record high in the first quarter

Performance steadily improved as expected even under a harsh environment



● Consolidated account highlights

(from Jan. to Mar.)

(100 millions of yen)

	1Q of FY Ended Dec. 31, 2021	1Q of FY Ending Dec. 31, 2022	gap(yen)	gap (%)	(Forecast) FY Ending Dec. 31, 2022	Achievement (%)
Net sales	1,820	2,044	+224	+12.3%	8,500	24.0%
Core operating income (margin-%)	314 (17.2%)	299 (14.7%)	-14	-4.5% (-2.5P)	1,270 (14.9%)	23.6%
Profit before tax (margin-%)	342 (18.8%)	308 (15.1%)	-34	-10.1% (-3.7P)	1,260 (14.8%)	24.4%
Profit attributable to owners of parent company (margin-%)	201 (11.0%)	168 (8.2%)	-33	-16.3% (-2.8P)	792 (9.3%)	21.2%
EBITDA (profit before tax + depreciation/ amortization + fire accident loss)	434	405	-29	-6.8%	1,660	24.4%
Basic earnings per share (JPY)	33.56	28.22	-5.34	-15.9%	132.81	21.2%
USD Rate (JPY)	105.90	116.20	+10.3	+9.7%	113.50	—
CNY Rate (JPY)	16.36	18.29	+1.93	+11.8%	17.50	—

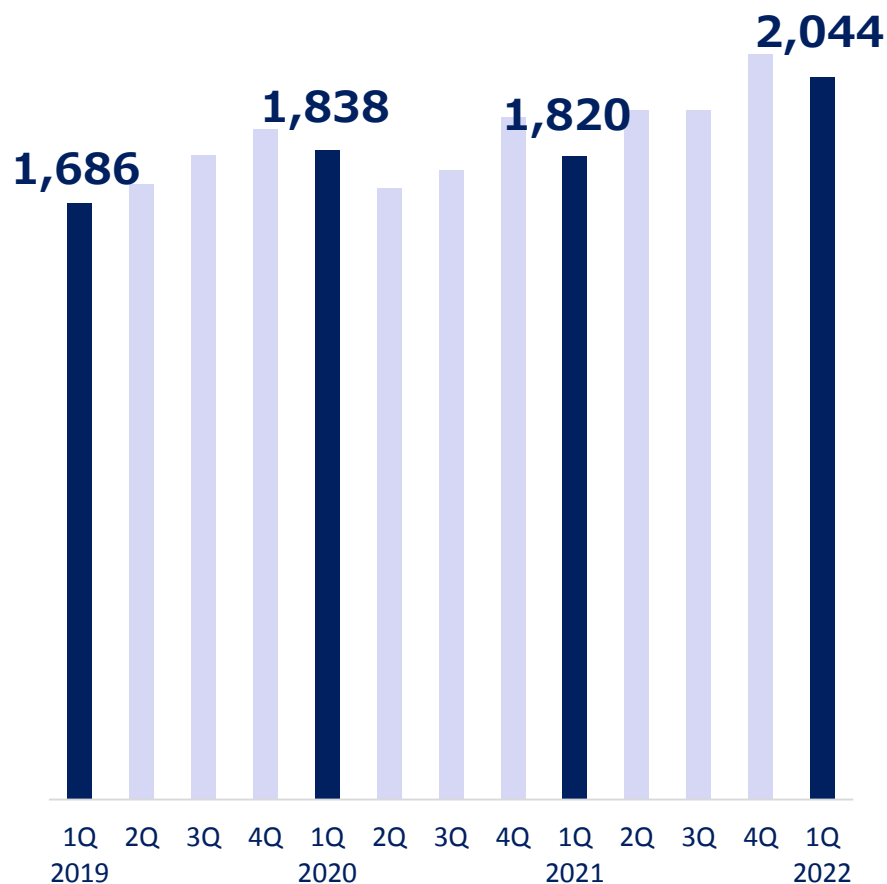
Stable sales growth amid COVID-19 pandemic

High profit standard was secured under the pressure of cost rise



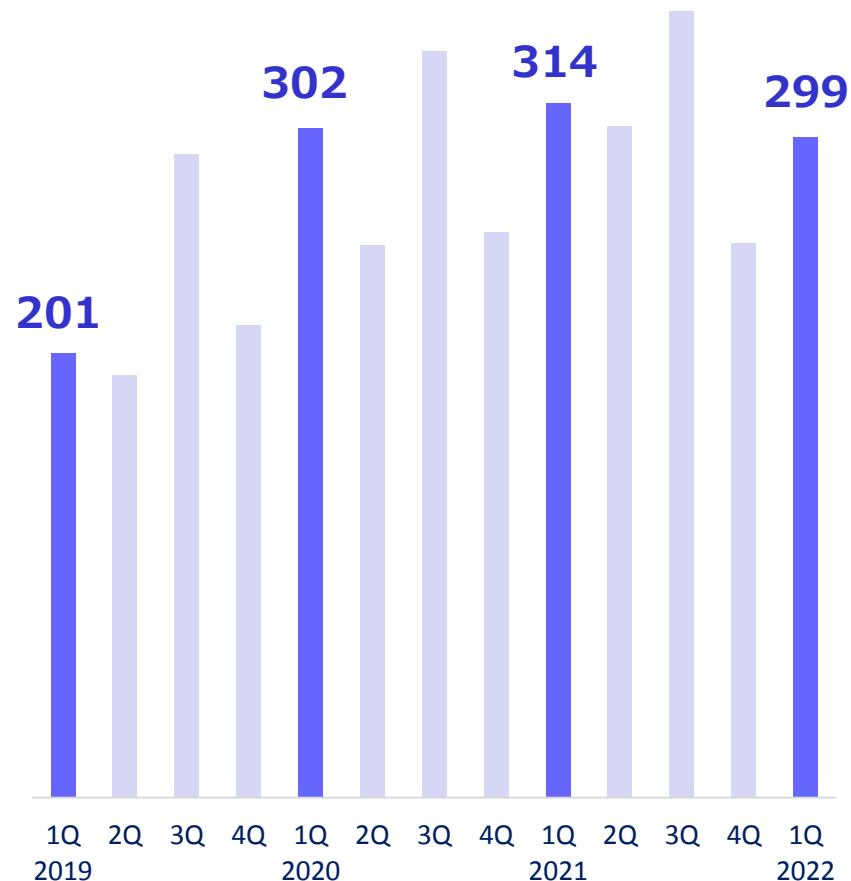
● Sales trend (quarterly)

(100 millions of yen)



● Core operating income trend (quarterly)

(100 millions of yen)



Effective investment of marketing expenses amid a harsh business environment

Absorbed the soaring prices of raw materials through the volume effect of continuous expansion of value-added products

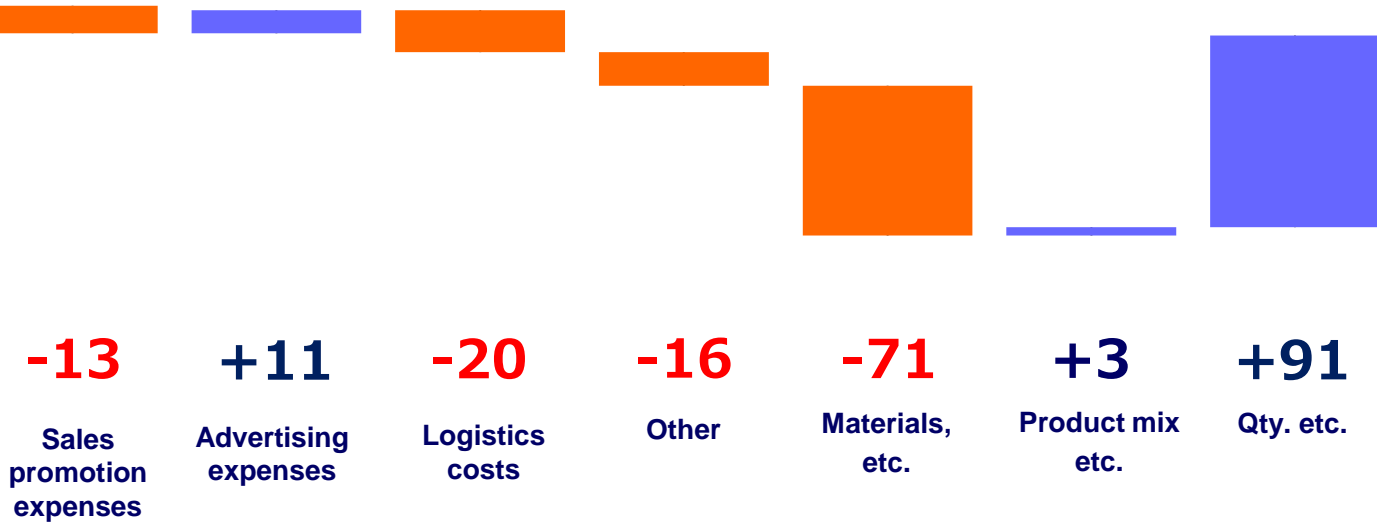


(100 millions of yen)

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

314

299



1Q of FY Ended
Dec. 31, 2021

Selling and administrative
expense rate 0.8P favorable

Gross profit rate
3.3P deterioration

1Q of FY Ended
Dec. 31, 2022

Performance was led by Feminine Care, Wellness Care, and Pet Care Businesses in Japan

Value pass-through onto value-added products advanced smoothly in North America and Indonesia



(100 million of yen)

(Ref.) *1
Actual
gap rate

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

		1Q of FY Ended Dec. 31, 2021	1Q of FY Ending Dec. 31, 2022	gap(yen)	gap (%)	(Ref.) *1 Actual gap rate
Japan	Net sales	657	699	+42	+6.4%	—
	Core operating income	135	136	+1	+1.1%	—
	(margin)	(20.5%)	(19.5%)		(-1.0P)	
Asia	Net sales	883	994	+111	+12.5%	+4.7%
	Core operating income	149	130	-19	-12.9%	-19.0%
	(margin)	(16.9%)	(13.1%)		(-3.8P)	
Others ^{*2}	Net sales	280	351	+71	+25.4%	+15.8%
	Core operating income	28	34	+5	+18.5%	+8.1%
	(margin)	(10.1%)	(9.6%)		(-0.5P)	
Consolidation	Net sales	1,820	2,044	+224	+12.3%	+7.0%
	Core operating income	314	299	-14	-4.5%	-8.3%
	(margin)	(17.2%)	(14.7%)		(-2.5P)	

[Actual gap rate of sales in main countries] *based on management accounting

China **-9%** Indonesia **+18%** Thailand **+1%** India **+21%** Vietnam **+3%** Middle East **+5%** North America **+31%** Brazil **-11%**

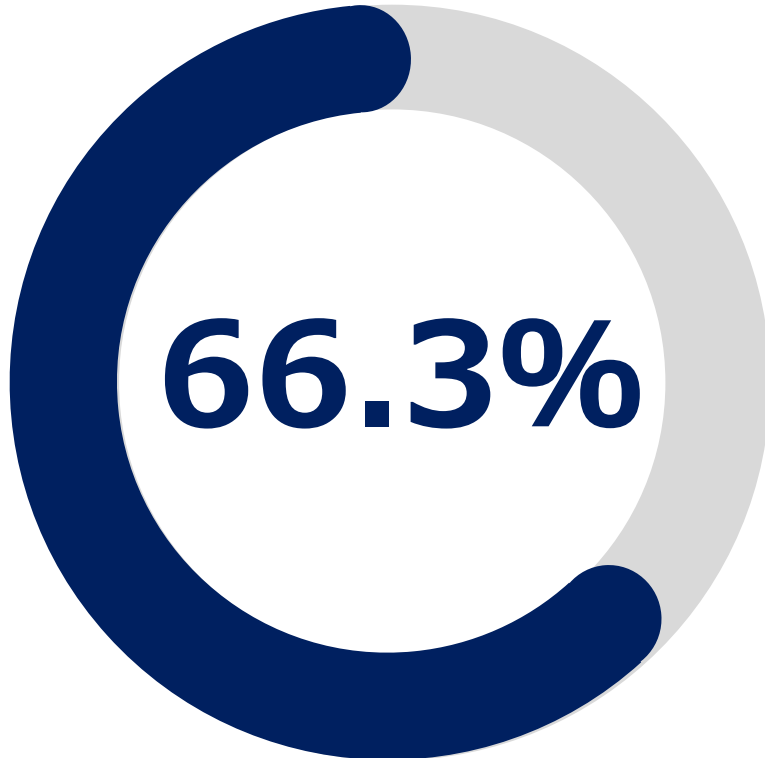
*1 : Actual gap rate excluding foreign exchange effects

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

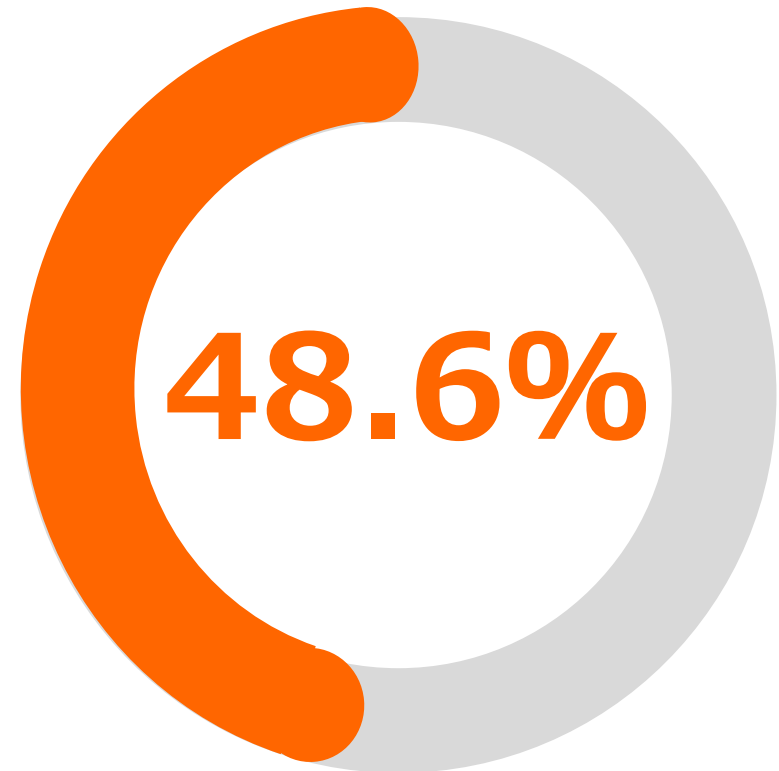
Overseas sales ratio rose to a record high

Overseas and Asian markets keep overwhelming sales ratio

- Sales ratio of overseas markets

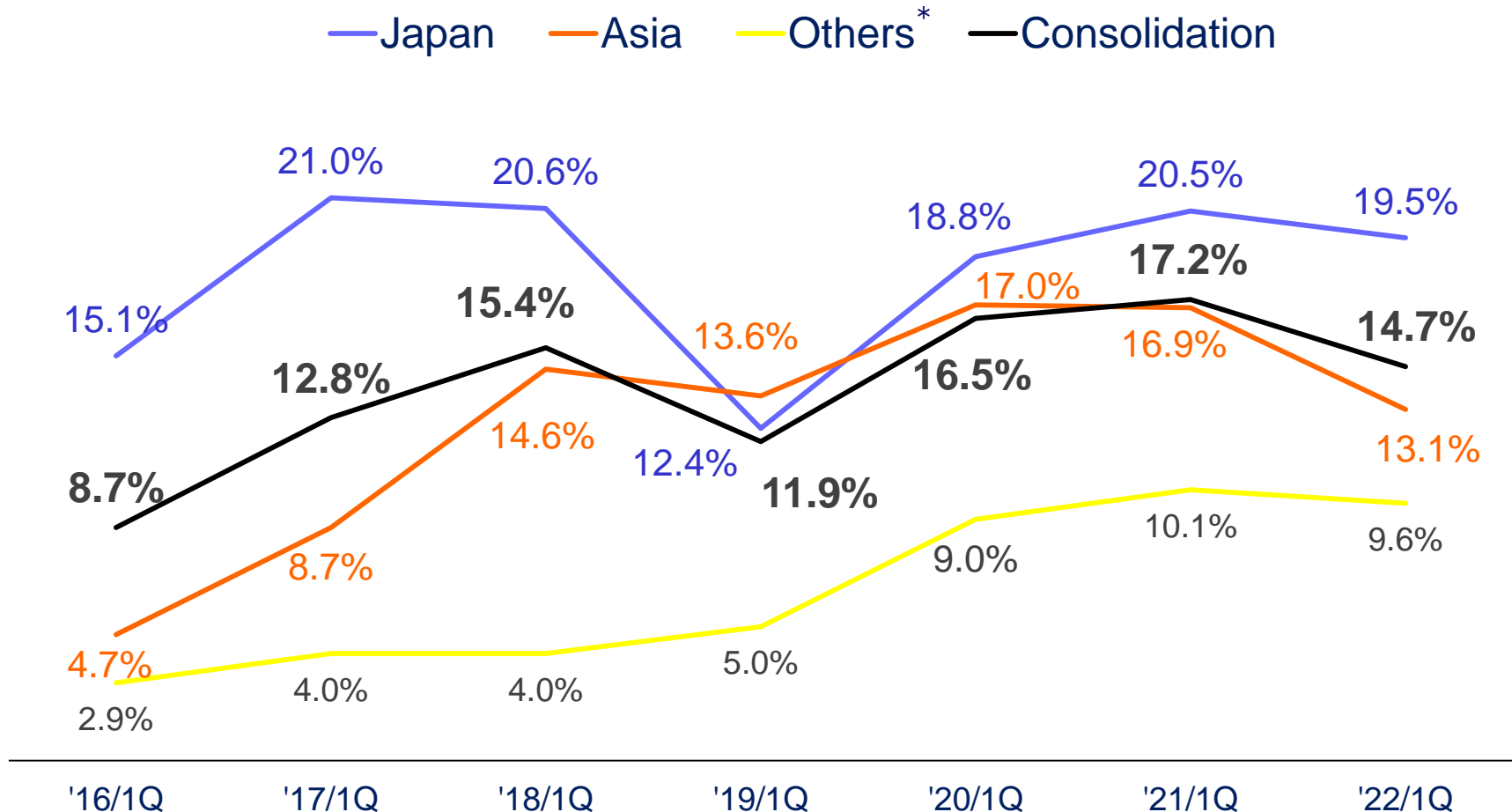


- Sales ratio of Asian markets



Secured high profitability despite sharp cost increases thanks to continuous improvement of product mix and expansion of value-added products

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



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

Feminine Care and Baby Care Business led Personal Care Business

Strong sales continued in Pet Care Business in North America

Investment increased in Asia



(100 millions of yen)

Business Segment Information (from Jan. to Mar.)

		1Q of FY Ended Dec. 31, 2021	1Q of FY Ending Dec. 31, 2022	gap(yen)	gap (%)
Personal Care	Net sales	1,578	1,763	+186	+11.8%
	Core operating income	278	263	-16	-5.6%
	(margin)	(17.6%)	(14.9%)		(-2.7P)
Pet Care	Net sales	223	263	+40	+17.8%
	Core operating income	33	35	+2	+6.4%
	(margin)	(14.9%)	(13.5%)		(-1.4P)
Others*	Net sales	19	18	-2	-9.4%
	Core operating income	2	1	-1	-30.7%
	(margin)	(9.7%)	(7.4%)		(-2.3P)
Consolidation	Net sales	1,820	2,044	+224	+12.3%
	Core operating income	314	299	-14	-4.5%
	(margin)	(17.2%)	(14.7%)		(-2.5P)

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

Impacts of foreign exchange fluctuations: Approx. 9.6 billion JPY increase in sales and approx. 1.2 billion JPY increase in core operating income



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

Currency	Exchange rate for 1Q of FY ended December 31, 2021	Exchange rate for 1Q of FY ending December 31, 2022	Rate change
China(CNY)	16.36	18.29	+11.8%
Indonesia(IDR)	0.0075	0.0081	+8.0%
Saudi Arabia(SAR)	28.27	31.02	+9.7%
Thailand(THB)	3.50	3.52	+0.6%
India(INR)	1.46	1.56	+6.8%
Vietnam(VND)	0.0046	0.0051	+10.9%
USA(USD)	105.90	116.20	+9.7%
Netherland(EUR)	127.69	130.39	+2.1%
Taiwan(TWD)	3.78	4.16	+10.1%
South Korea(KRW)	0.0952	0.0965	+1.4%
Malaysia(MYR)	26.05	27.72	+6.4%
Australia(AUD)	81.81	84.03	+2.7%
Brazil(BRL)	19.37	22.30	+15.1%
Egypt (EGP)	6.74	7.23	+7.3%

Summary of Performance Forecast FY Ending Dec.31, 2022

Fiscal Year Ending December 31, 2022

Summary of Consolidated Performance Forecast



Consolidated

Sales 850 billion JPY (YoY +8.6%)

Core operating income 127 billion JPY (YoY +3.7%)

[Progress]

- The sales show better performance than expected. Core operating income remains in line with expectations.

[Environmental change from initial assumption]

- Oil market prices continue to rise due to uncertainties in Ukraine.
- As a result, soaring prices related to raw materials and distribution costs are expected to rise further.
- Rapid exchange fluctuations (yen alone is weak).
- Supply stagnation due to lockdown in Shanghai, China.

[Response to environmental change]

- Promote value pass-through onto value-added products in each country and region.
- Accelerate the shift to high-gross profit products.
- Improve marketing efficiency furthermore to reduce costs.
- The weak yen against each currency is positive in total.
- In China, supply is covered by other bases to prepare for demand after lockdown.

No change in performance forecast

The cost increase will be absorbed by steady implementation of strategies with a medium- to long-term perspective



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

(100 million of yen)

	FY Ended Dec. 31, 2021	FY Ending Dec. 31, 2022	gap(yen)	gap (%)	(Ref.) Actual ^{*1} gap rate
Net sales	7,827	8,500	+673	+8.6%	+6.5%
Core operating income (margin-%)	1,225 (15.6%)	1,270 (14.9%)	+45	+3.7% (-0.7P)	+2.0%
Profit before tax (margin-%)	1,220 (15.6%)	1,260 (14.8%)	+40	+3.3% (-0.8P)	
Profit attributable to owners of parent company (margin-%)	727 (9.3%)	792 (9.3%)	+65	+8.9% (+0.0)	
Basic earnings per share (JPY)	121.78	132.81	+11.03	+9.1%	
USD Rate (JPY)	109.80	113.50	+3.70	+3.4%	
CNY Rate (JPY)	17.03	17.50	+0.47	+2.8%	

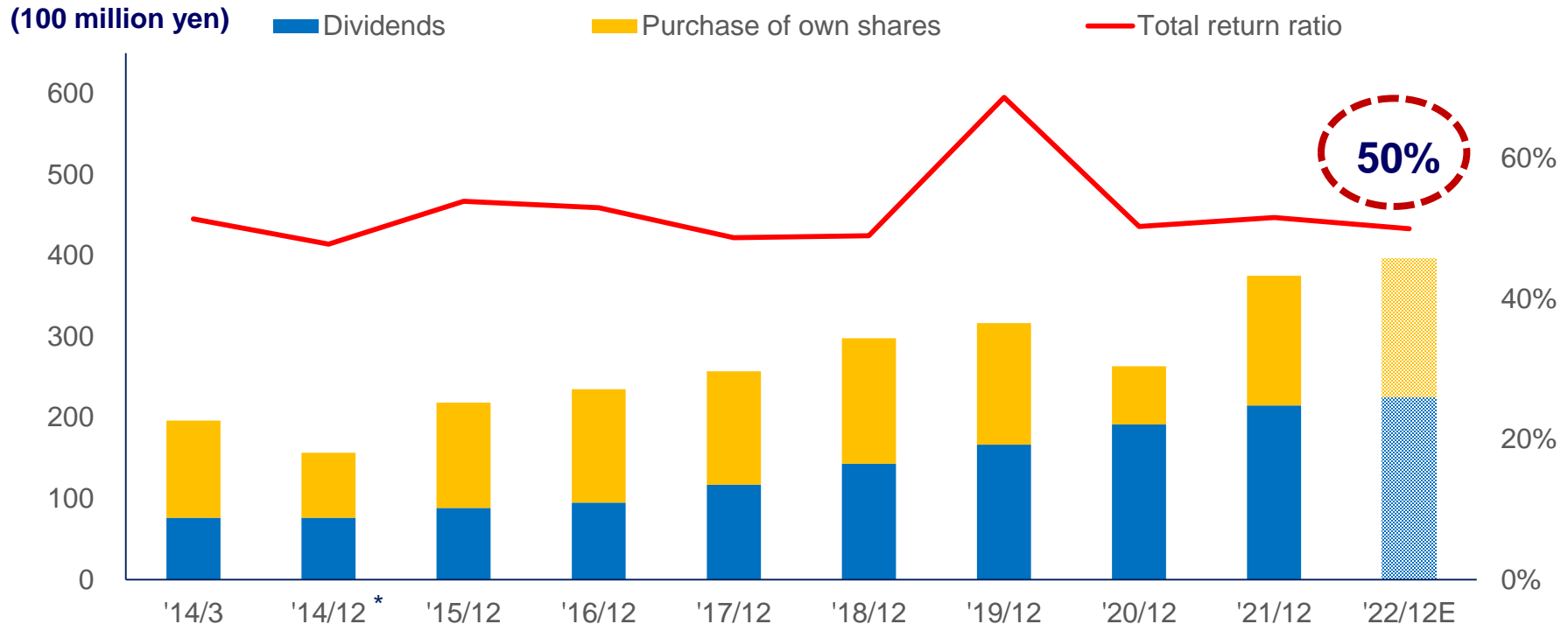
*1 Actual gap rate excluding foreign exchange effects

Shareholders Return Policy

Through the payment of dividend linking to the business performance and buy-back of our own shares, we are also aiming for total return ratio of 50% in 2022



● Shareholders return policy



* Irregular accounting period of 9 months.

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

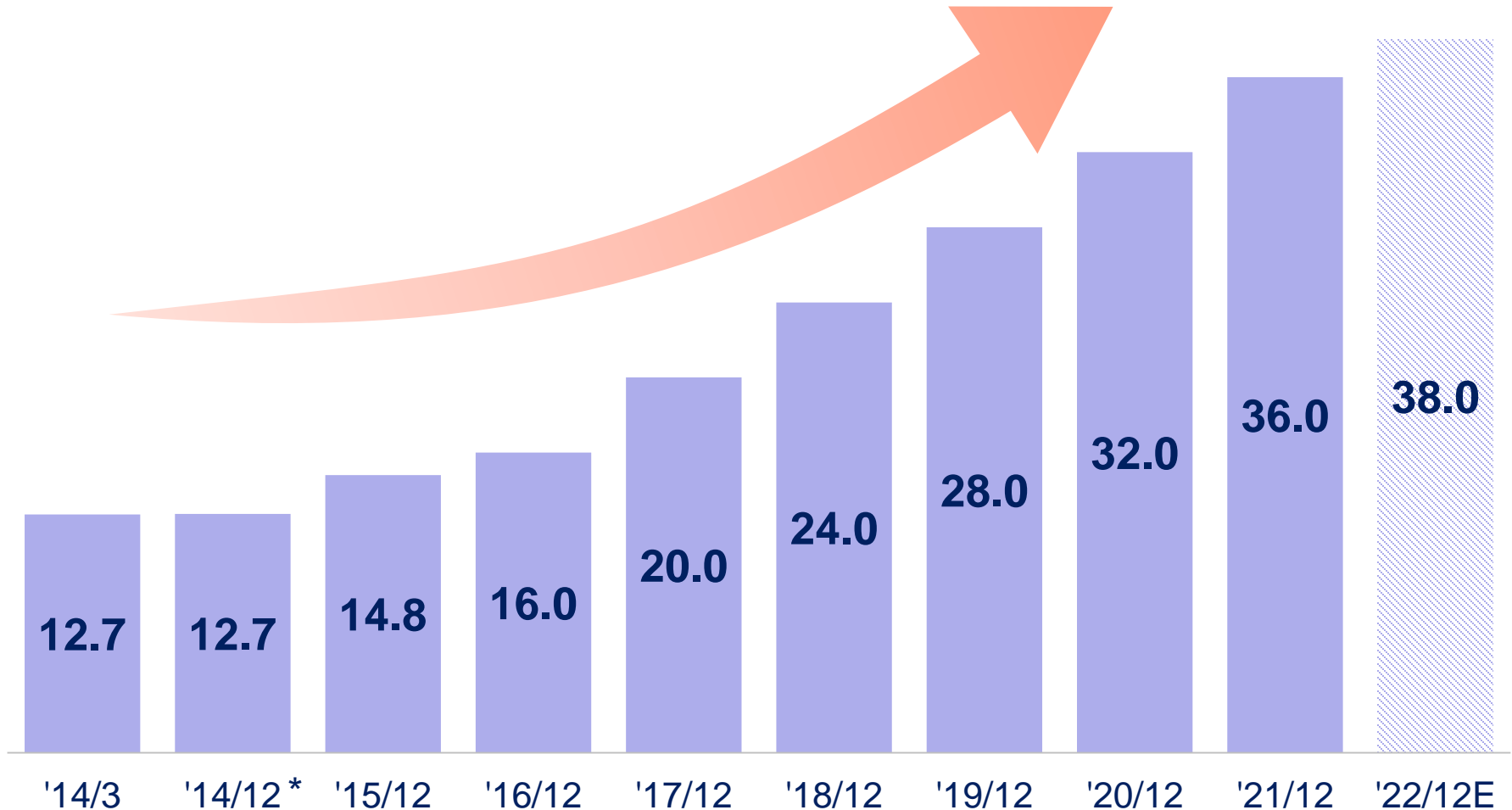
Dividend per share

Plan to increase dividend for 21 consecutive years

(38 yen a year)



- Dividends per share (JPY)

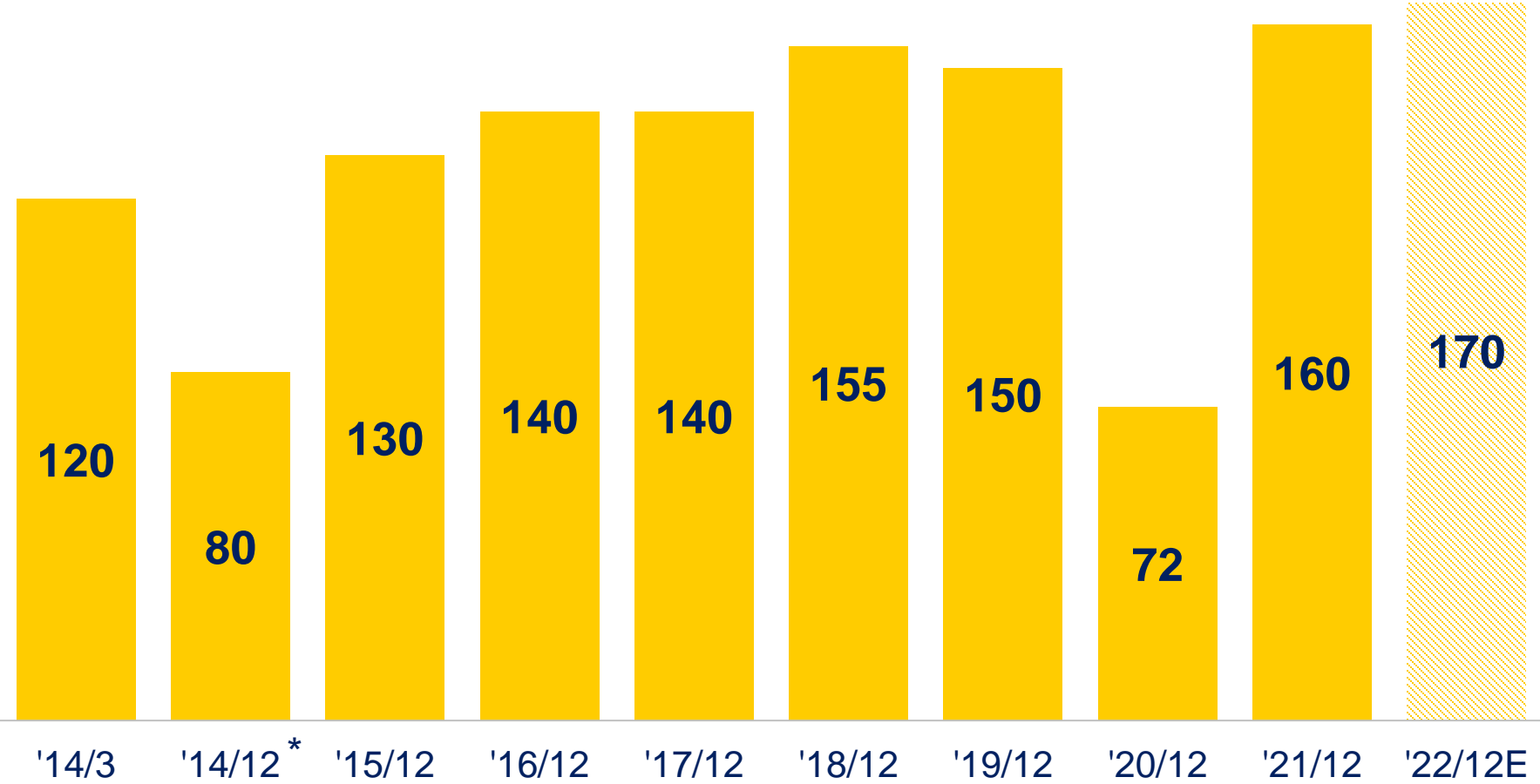


* Irregular accounting period of 9 months

Flexible purchase of own shares depending on the cash condition Plan to purchase up to 17 billion yen, 4.2 million shares, in 2022



● Share buy-back history (100 million JPY)



* Irregular accounting period of 9 months

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

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



◆ 20 key themes with the goal in 2030

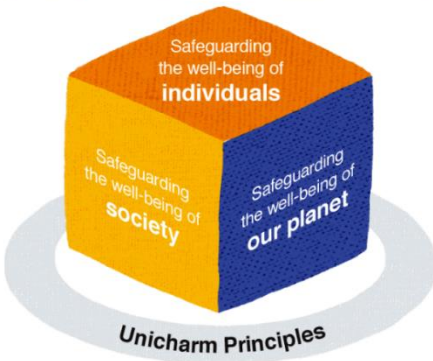
Safeguarding the well-being of individuals

<p>Our goal</p> <p>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.</p>	<p>Key initiatives</p> <ul style="list-style-type: none"> • Extension of healthy life expectancy and improvement of QOL • Support for a society where gender and sexual orientation do not restrict people’s activities • Coexistence with partner animals (pets) • Improvement of childcare • Improvement of public hygiene
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Safeguarding the well-being of society

<p>Our goal</p> <p>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.</p>
<p>Key initiatives</p> <ul style="list-style-type: none"> • 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

Realizing a Cohesive Society (Creating a Diverse, Inclusive, and Sustainable World)



<p>Our goal</p> <p>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.</p>
<p>Key initiatives</p> <ul style="list-style-type: none"> • 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

Safeguarding the well-being of our planet

<p>Our goal</p> <p>Our aim is to pursue fairness and transparency in order to establish and retain stakeholder trust.</p>	<p>Key initiatives</p> <ul style="list-style-type: none"> • Management practices that take sustainability into account • Practice of appropriate corporate governance • Promotion of diversity management • Fostering the development of competent human resources • Construction of healthier workplaces and workplace safety systems
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Unicharm Principles

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

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

Safeguarding the well-being of individuals

- Extension of healthy life expectancy and improvement of QOL
- Support for a society where gender and sexual orientation do not restrict people’s activities
- Coexistence with partner animals (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	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.	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).	100%	2030
Coexistence with partner animals (pets)	Percentage of products and services that contribute to the realization of a society where partner animals (pets) are welcomed by family members and community residents.	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.	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).	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



Expand toward 2030



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

◆ Support independent excretion with product rollout that suits users’ ADL (Activities of Daily Living)

Those who have light incontinence	
	Those who can go out alone 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



(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



Expand toward 2030



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

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

#NoBagForMe

話そう、知ろう。生理のこと。



生理について学ぶ企業向けプログラム

みんなの生理研修

> 参加企業募集中! 詳しくはこちら



◆ Promote women empowerment support globally



Women-only factory in consideration of culture



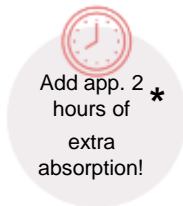
Project to create female entrepreneurs



Online menarche education

(Safeguarding the well-being of each individual) New value proposition tailored to national and regional characteristics

◆ Easy, comfortable, and convenient feminine product to be used along with a regular pad



* The amount of menstrual blood varies between individuals

◆ Pants-shaped pad and heating napkin featuring warm sensation (Devised by China subsidiary)



Mildly Warm

Strongly Warm

◆ Cool napkin featuring refreshing cooling sensation that reduces stuffy discomfort and deodorant-type napkin containing charcoal (Devised by Thailand subsidiary)



◆ Napkin featuring antibacterial sheet that inhibits 99.9% of bacterial growth and napkin containing olive oil

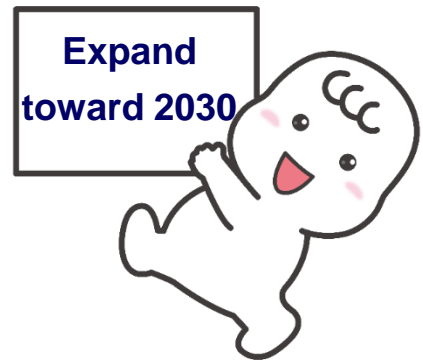


(Safeguarding the well-being of each individual)

Support everyday health of partner animals (pets) and the mind of owners with original technology



◆ Coexistence with partner animals (pets)



Rollout of products and services that enable partner animals (pets) to be welcomed by people

◆ High quality and delicious pet food that responds to various needs to support health

◆ Toiletry products that utilize processing and molding technology for nonwoven absorbent

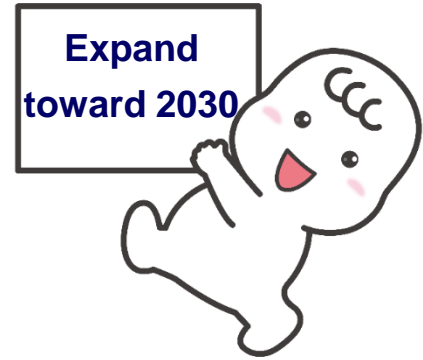


(Safeguarding the well-being of each individual)

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



◆ Improvement of childcare



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

◆ Product differentiation to suit the needs of different countries and regions.

◆ Subscription service (fixed charge system) for nursery schools can reduce the burden on parents and child care workers, as well as infection risk



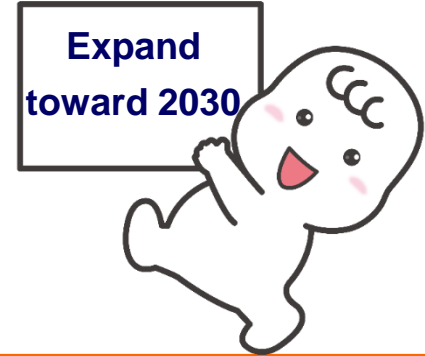
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(Safeguarding the well-being of each individual)
**Protect everyday health and support safe
and comfortable living**



◆ Improvement of public hygiene



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

◆ Pursuing functionality and comfort,
developing products that meet the actual
usage and needs of consumers

◆ Boost high value-added masks rollout
globally



Key initiatives, indicators, and target values



◆ Safeguarding the well-being of society

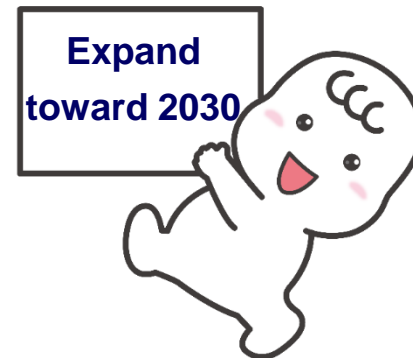
Key initiatives	Indicators	Target value	Target year
Our aim is to provide products and services that not only improve the safety, security, and satisfaction of our customers, but also contribute to solving social issues and promoting sustainability.			
Innovations to achieve “NOLA & DOLA”	Percentage of products and services that contribute to liberation from various burdens and finding enjoyment in life.	100%	2030
Practicing sustainable lifestyles	Percentage of products and services suitable for the “SDGs Theme Guideline,” an internal guideline for contributing to sustainability.	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.	Double (Compared to 2020)	2030
Improvement of customer satisfaction	Percentage of products and services supported by consumers (No. 1 market share).	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.	100%	2030

(Safeguarding the well-being of society)

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



◆ Innovations to achieve “NOLA & DOLA”



Rollout of products and services that contribute to liberation from various burdens and find joy in life

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



◆ The first diaper in the world that keeps mosquitoes, which are a dengue virus vector, away from diapers to protect babies from the threat of dengue fever *



* The structure in which microcapsule containing natural active ingredient is applied to the tape part that holds diaper. Survey targets are disposable baby diapers with major global brands. (Survey by Unicharm, December 2020)30

Key initiatives, indicators, and target values



◆ Safeguarding the well-being of our planet

Key initiatives	Indicators	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.	10 or more	2030
Addressing climate change	Percentage of renewable energy used for business operations in total.	100%	2030
Expanding our line of recycled models	Number of disposable paper diaper recycling facilities introduced.	10 or more	2030
Promotion of product recycling	Material recycling of non-woven products using recycling resources	Start of commercial usage	2030
Reduction of the amount of plastic materials used	Percentage of virgin plastics to total plastics.	Reduced by half (Compared to 2020)	2030

(Safeguarding the well-being of our planet)
Set 「Eco Plan 2030」



◆「0” waste plastic, “0” CO₂ emission, “0” natural forest destruction」 in 2050

Environmental issues	Implementation items	Baseline year	2030 targets	2050 vision
Responding to the problem of plastic waste	Reducing usage in relation to packaging materials	2019*	Per unit of sales –30%	Realizing a new society with “zero” plastic waste
	Sale of products that contain no petroleum-derived plastic	–	10 stock-keeping units (SKU) or more sold	
	Raising awareness about proper disposal of used products	–	Rolled out at all local management units (LMU)	
	Eliminating the use of plastic in sales promotional items	–	In principle, reduced to zero at all local management units (LMU)	
Addressing climate change	Reducing CO ₂ emissions associated with raw materials procurement	2016	Per unit of sales –17%	Realizing a society with “zero” CO ₂ emissions
	Reducing CO ₂ emissions in manufacturing	2016	Per unit of sales –34%	
	Reducing CO ₂ emissions associated with disposal of used products	2016	Per unit of sales –26%	
Not contributing to forest destruction (response to procurement-related issues)	Ensuring traceability to pulp and palm oil production locations (country/region)	–	Completed	Realizing a society with “zero” forest destruction related to the purchasing of timber
	Expanding the use of certified pulp (PEFC and CoC certified)	–	100%	
	Expanding the use of certified palm oil (RSPO certified)	–	100%	
	Promoting the recycling of disposable diapers	–	Rolled out in at least 10 municipalities	

*Initially, the baseline year for "Reducing usage in relation to packaging materials" was set to "2016", but it was reexamined in 2020 and changed to "2019".
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(Safeguarding the well-being of our planet)

Initiatives for safety and environmental consideration



◆ Development of environmentally friendly products



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

◆ Paper package products using 100% recycled materials and products using plant-derived resources as part of the raw materials

◆ Declared to reduce plastic volume in sales promotion items in cooperation with Shiseido Japan Co., Ltd., Fine Today Shiseido Co., Ltd., and Lion Corporation



(Safeguarding the well-being of our planet)

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



◆ Addressing climate change



Percentage of renewable electric power used for business operation

◆ Countries and regions with over 5% renewable electric power used

Country	Percentage of renewable electric power
Brazil	100%
Vietnam	About 13%
Thailand	About 8%
Japan	About 5%

◆ Offices with 100% of renewable electric power used

**Brazil
Jaguariuna Factory**



**Japan
Kyushu Factory**



(Safeguarding the well-being of our planet)

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



◆ Expand our line of recycle models



Number of disposable diaper recycling facilities introduced

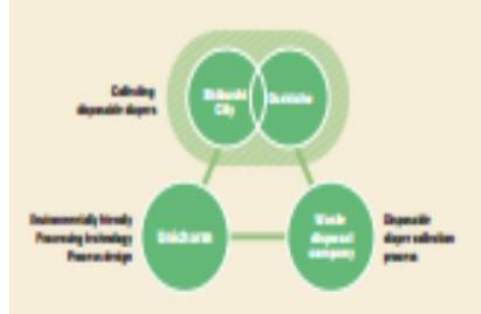
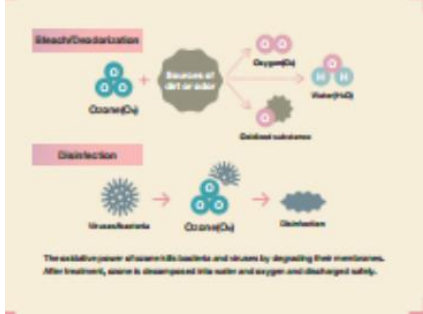
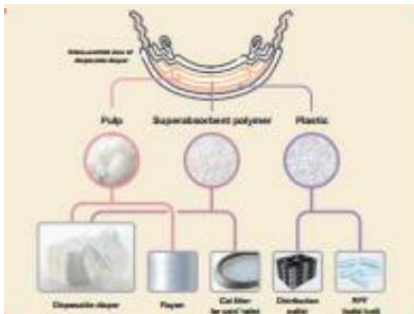
◆ Keep it safe and convenient, toward the future where recycling is the norm

Recycle
all materials

Used disposable diaper
sanitary material
Clean quality

No pollution to water and air
By ozone bleach and sterilization

Approaching
The future where recycling is the norm



(Safeguarding the well-being of our planet)

The world's first* "used disposable diaper recycling using the ozone-treatment technology"



◆ Realized the recycling of used disposable diaper by water-soluble crushing, segregating, and washing with ozone treatment

Toward safe and secure material without overburdening the environment



* In terms of horizontal recycling technology from disposable diaper to disposable diaper by ozone treatment technology (Survey by Unicharm, December 2020)
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(Safeguarding the well-being of our planet)

Demo-project to promote recycling used disposable diaper



◆ Promote demo-projects of separate collection of used disposable diapers with municipalities and Odakyu Railway



Tokyo



町田市
MACHIDA City



unicharm
ユニチャーム



odakyu

<Demo-experiment diagram>

【Nursing homes, child day care centers,
general households】

【Collection】

【Recycling】



Sorting used disposable diaper



Efficient separate collection by municipalities and Odakyu Railway



Recycling Unicharm disposable diapers

Demo-project implemented in: Shibushi City, Ohsaki Town, Higashiyamato City

Through this demo-project, we will build a recycling-oriented model based on which the used disposable diaper recycling business can be rolled out in Japan and overseas and take measures while identifying the new issues.

◆ Explain graphically how used diapers are not garbage with four-step "Study Notes" that can be used as a material of independent research for elementary and middle school students.

Study Note ①

Unicharm's circulation-based recycling of disposable diapers



- Study Theme: What is circulation-based recycling?
- World first! Unicharm's diaper circulation-based recycling

Study Note ②

Diaper recycling technology



- Study Theme: How disposable diapers are made of?
- Study Theme: How ozone treatment restores pulp?
- Study Theme: How acid treatment restores super-absorbent polymer (SAP)?

Study Note ③

What happens to the used diapers if they are not recycled?



- Study Theme: Problems with current ways of disposing used disposable diapers
- Recycling used disposable diapers contributes to the United Nations Sustainable Development Goals (SDGs)

Study Note ④

Safeguarding the global environment by recycling diapers



- Study Theme: Benefits of recycling used disposable diapers
- How can we keep used diapers out of the "garbage" ?

<https://www.unicharm.co.jp/ja/csr-eco/education.html>

Key initiatives, indicators, and target values

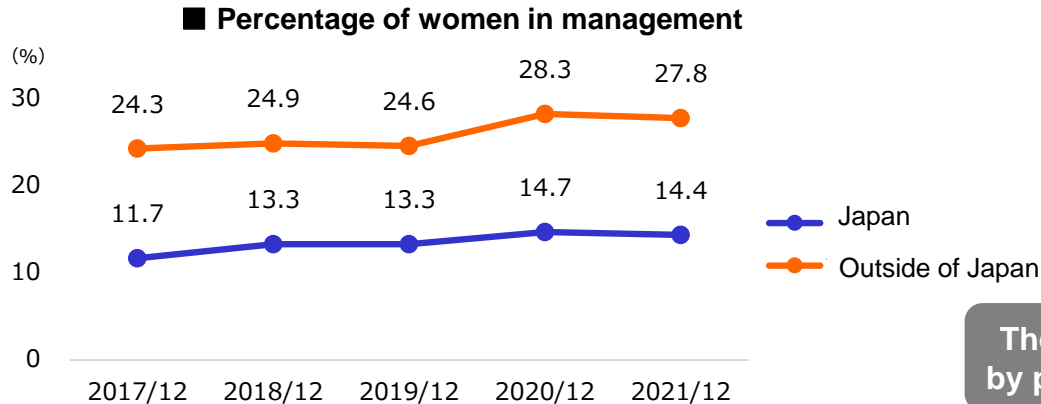


◆ Unicharm Principles

Key initiatives	Indicators	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	Every year
Practice of appropriate corporate governance	Number of serious compliance violations.	Zero occurrences	Every year
Promotion of diversity management	Percentage of female managers driven by the provision of various opportunities for women.	30% or more	2030
Fostering the development of competent human resources	Percentage of positive answers received for the “Growth through Work” employee awareness survey.	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.	Reduced by half (Compared to 2020)	2030

Strengthen initiatives toward women empowerment

◆ Promotion of diversity management



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

◆ Toward the promotion of women’s activity, joined “30% Club Japan” and signed Women’s Empowerment Principles

◆ By the establishment of "Room L +", a network of female employees to share and consult their career and life concerns, promote women empowerment



In support of

WOMEN’S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office



Utilize digital technology and create absolute value for consumers in order to realize sustainable improvement of corporate value and stronger competitiveness

Contribution to SUSTAINABLE DEVELOPMENT GOALS

Achieve a “Cohesive Society” (Social Inclusion)



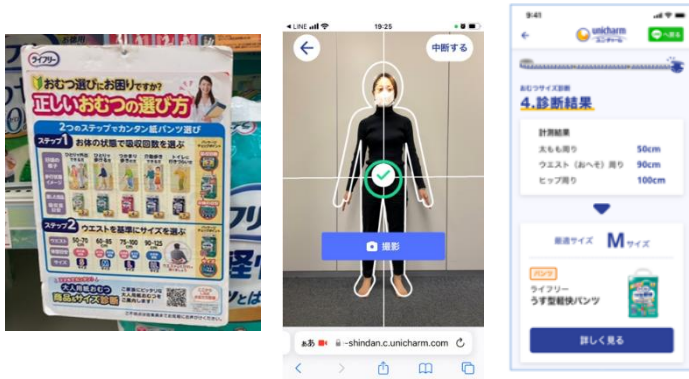
**Utilize digital technology
and understand
the deep psychology of consumers
to provide unique products and services**

**Customer data collection
Digital infrastructure development for data utilization**

**Foster digital human resources to
accelerate digital utilization**

◆ "Adult diaper counseling" that helps select the best choice of disposable diaper

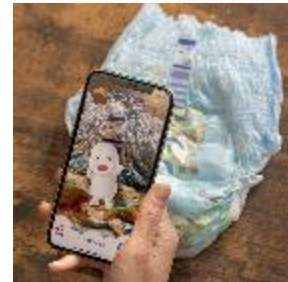
◆ Troubles about doggies and kitties are shared in DOQAT*



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

◆ “Sofy menstruation management app” helps to address menstrual problems

◆ “Online moony-chan class” and “Toilet training with moony-chan app” ease anxiety for childbirth and childcare



Domestic initiatives utilizing digital technology-2

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



with
Catlog



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

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



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

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



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

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



Domestic initiatives utilizing digital technology-3

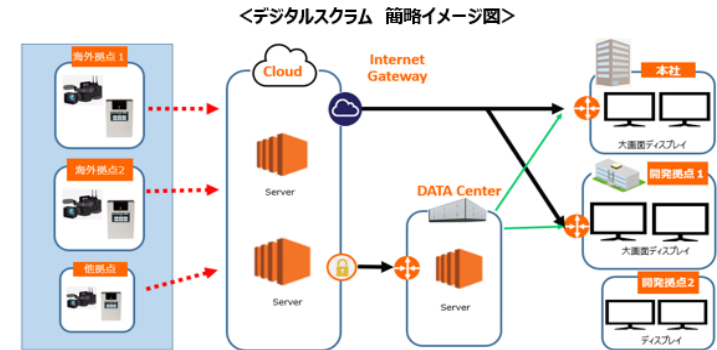
◆ Evolved value transmission through digital measures outside the store before visiting stores



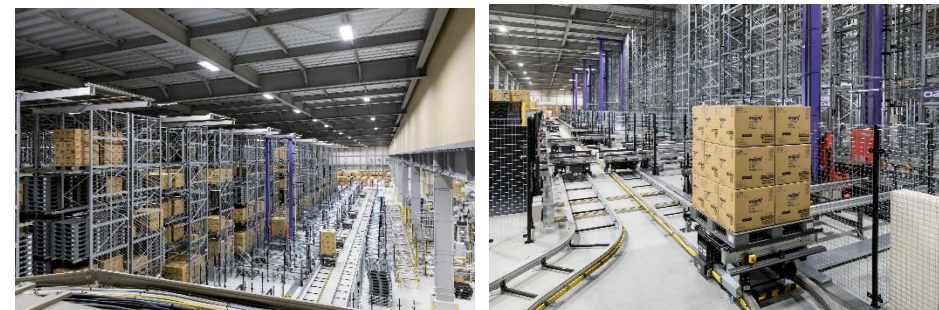
◆ Promoted visualized factories by installing various automated facilities and cutting-edge smart factories applying IoT



◆ Developed “Digital Scrum System” to discover customer insights



◆ Promoted labor/energy saving with smart logistics adopting automated warehouse equipment and the latest warehouse management system



Overseas initiatives utilizing digital technology

◆ Pet growth recording tool + O2O pet clinic introduction platform

“Pet note”



宠本本
悉心记录 相伴一生



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



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

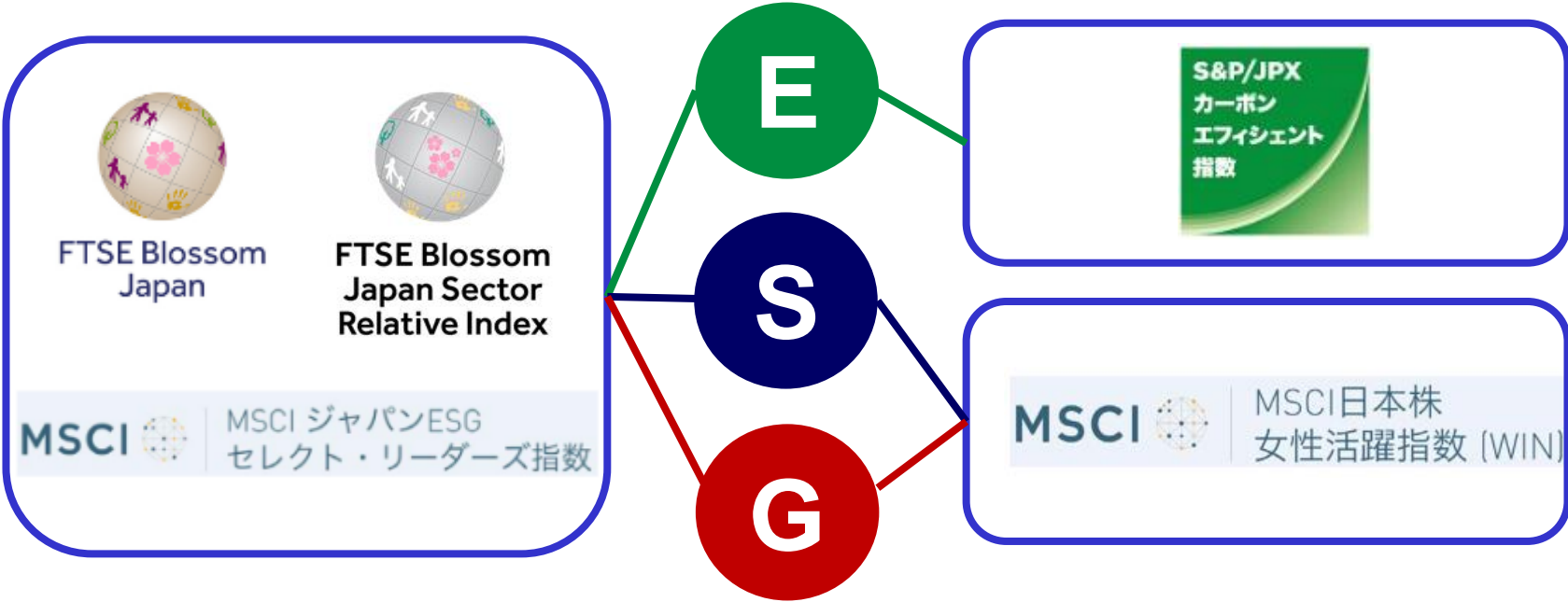


Evaluation by external organizations and coordination with them

Selected in 5 ESG investment indices of stock composites adopted by GPIF

Integrated Index

Thematic Index



Other ESG Index



Evaluation by external organizations (FY 2022)

◆ Selected as a “DX-certified operator”
(February)



◆ Won 7th “Consumer-Oriented Activity Award” (February)

◆ Selected as the “CDP 2021 Supplier Engagement Leader”
(February)



◆ Won “Bronze Prize” in Environment Sustainable Corporate Segment of the 3rd ESG Finance Award Japan
(March)



◆ Certified as a “Health and Productivity Management Outstanding Organization (large enterprise category)”
(March)



◆ Selected as the “Most Honored Company” of “2022 Japan Executive Team Ranking” by Institutional Investor (April)

Coordination with external organizations



The mark of
responsible forestry
FSC® N002492



In support of

WOMEN'S
EMPOWERMENT
PRINCIPLES

Established by UN Women and the
UN Global Compact Office





We support the Sustainable Development Goals (SDGs)

