

**First Quarter of Fiscal Year
Ending December 31, 2021
(January 1, 2021 to March 31, 2021)
Unicharm Investor Meeting
Presentation Materials**

May 14, 2021

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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, 2021 (January 1, 2021 to March 31, 2021) 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, 2021 (January 1, 2021 to March 31, 2021) Financial Results Summary



Consolidated

Sales 182 billion JPY (YoY -1.0%)

Core operating income 31.4 billion JPY (YoY +3.5%)

- Core operating income hit a record high. The highest core operating income margin ever for the first quarter.
- Performance steadily improved as expected. Profit growth was higher than expected.

Japan

**1.2% sales decrease, 7.2% profit increase,
Improved core operating income margin**

- Sales decreased due to the repercussion from the special demand caused by the expansion of COVID-19 in the previous fiscal year.
- Profitability improved by the product mix increase in high profitability segments.

Overseas

**0.8% sales decrease, 1.0% profit increase,
Improved core operating income margin**

- Sales and profits decreased in real terms in Asia. Recovery was seen in Southeast Asia. Supply is on the way to recovery in India.
- Sales decreased and profits increased in other areas. Brazil maintains favorable conditions. Cold wave and container shortage affected North America.

Shareholder Return

Yearly dividend 36 yen per share

Plan to increase dividend for 20 consecutive years

- Purchase of own shares: up to 16 billion JPY, 4 million shares

Core operating profit/quarterly profit attributable to owners of parent company achieved a new record high



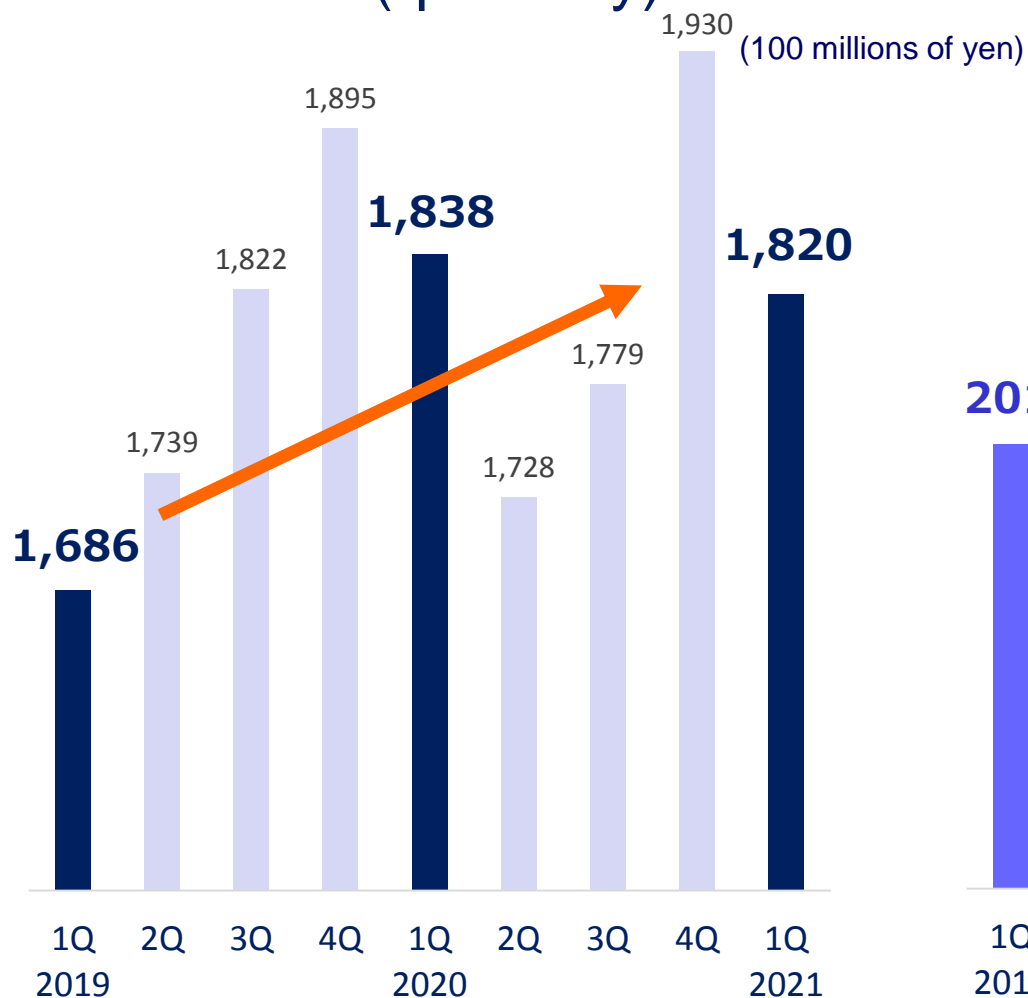
● Consolidated account highlights (from Jan. to Mar.)

(100 millions of yen)

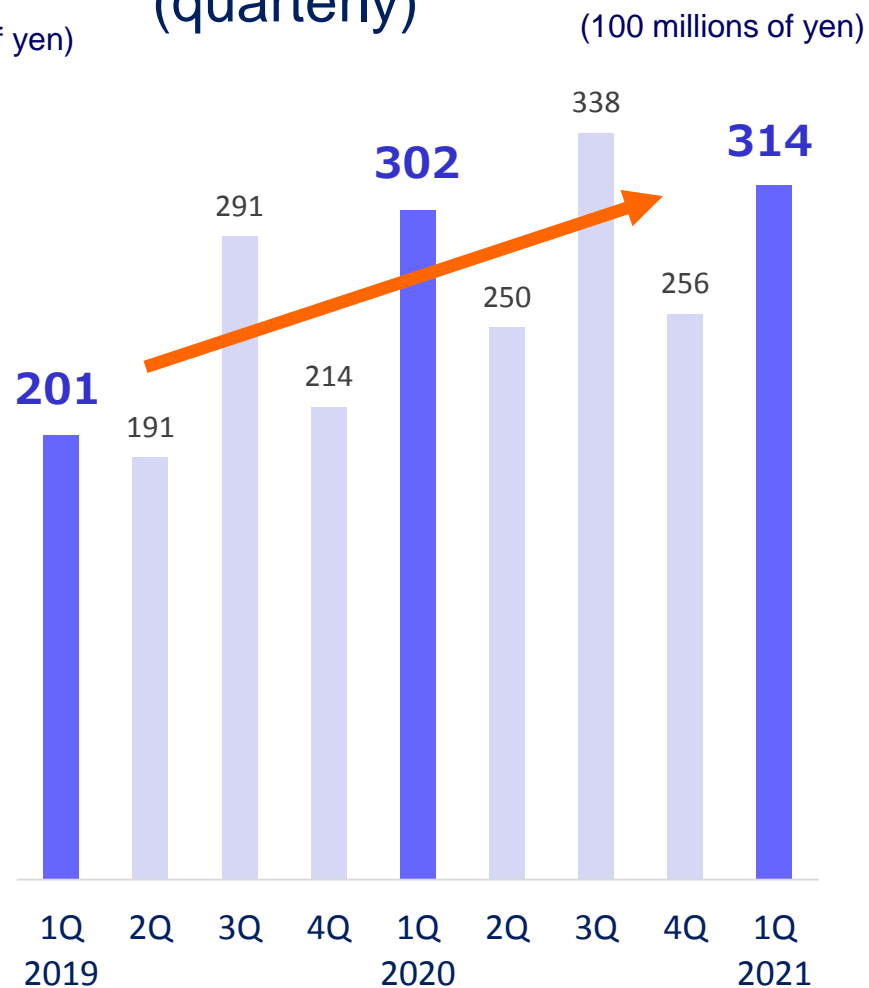
	1Q of FY Ended Dec. 31, 2020	1Q of FY Ending Dec. 31, 2021	gap(yen)	gap (%)	(Forecast) 1 Q of FY Ending Dec. 31, 2021	Achievement (%)
Net sales	1,838	1,820	-18	-1.0%	7,700	23.6%
Core operating income (margin-%)	303 (16.5%)	314 (17.2%)	+11	+3.5% (+0.7P)	1,190 (15.5%)	26.3%
Profit before tax (margin-%)	279 (15.2%)	342 (18.8%)	+63	+22.6% (+3.6P)	1,170 (15.2%)	29.2%
Profit attributable to owners of parent company (margin-%)	192 (10.5%)	201 (11.0%)	+9	+4.6% (+0.5P)	750 (9.7%)	26.8%
EBITDA (profit before tax + depreciation/ amortization + fire accident loss)	372	434	+62	+16.8%	1,570	27.7%
Basic earnings per share (JPY)	32.19	33.56	+1.37	+4.3%	125.17	26.8%
USD Rate (JPY)	108.92	105.90	-3.02	-2.8%	103.50	—
CNY Rate (JPY)	15.60	16.36	+0.76	+4.9%	15.80	—

The last FY showed stable growth with special demand caused by COVID-19

● Sales trend (quarterly)



● Core operating income trend (quarterly)



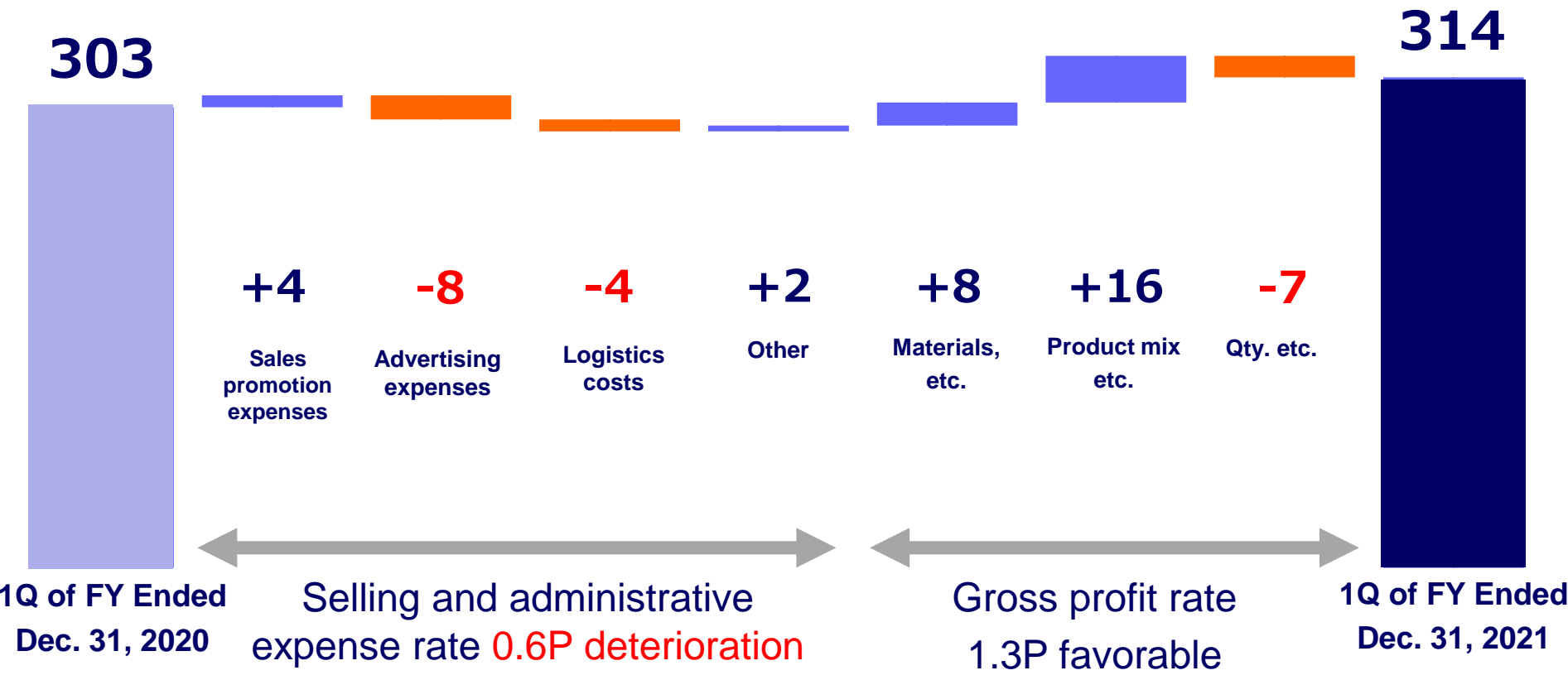
The volume decreased due to the repercussion from last FY's special demand caused by COVID-19



However, the decrease was offset by the improved product mix of high-margin products

(100 millions of yen)

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



Repercussion from last FY's special demand caused by COVID-19 in Japan



In Asia, China drove sales growth but India was short of supply

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

		1Q of FY Ended Dec. 31, 2020	1Q of FY Ending Dec. 31, 2021	Difference	Difference (%)	(Ref.) Actual gap rate	*1
		(100 million yen)					
Japan	Net sales	666	657	-8	-1.2%	—	—
	Core operating income (margin)	125 (18.8%)	135 (20.5%)	+9	+7.2% (+1.7P)	—	—
Asia	Net sales	882	883	+1	+0.1%	-0.7%	-0.7%
	Core operating income (margin)	150 (17.0%)	149 (16.9%)	-0	-0.3% (-0.1P)	-2.5%	-2.5%
Others	Net sales	290	280	-10	-3.5%	-0.7%	-0.7%
	Core operating income (margin)	26 (9.0%)	28 (10.1%)	+2	+8.6% (+1.1P)	+11.7%	+11.7%
		*2					
Consolidation	Net sales	1,838	1,820	-18	-1.0%	-0.9%	-0.9%
	Core operating income (margin)	303 (16.5%)	314 (17.2%)	+11	+3.5% (+0.7P)	+2.7%	+2.7%

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

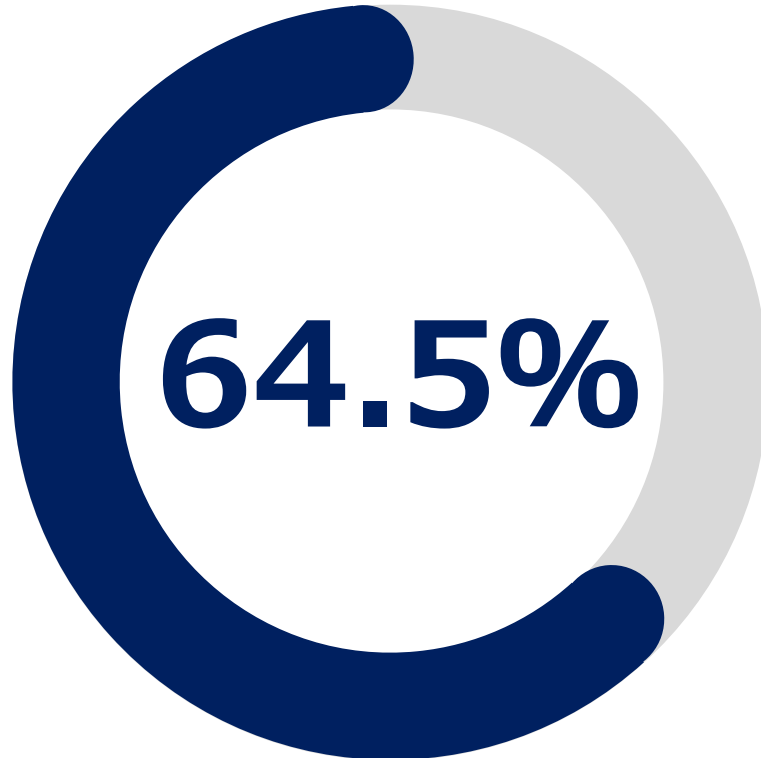
China +9% Indonesia +3% Thailand +3% India -10% Vietnam +2% Middle East +1% North America -6% Brazil +16%

*1 : Actual gap rate excluding foreign exchange effects

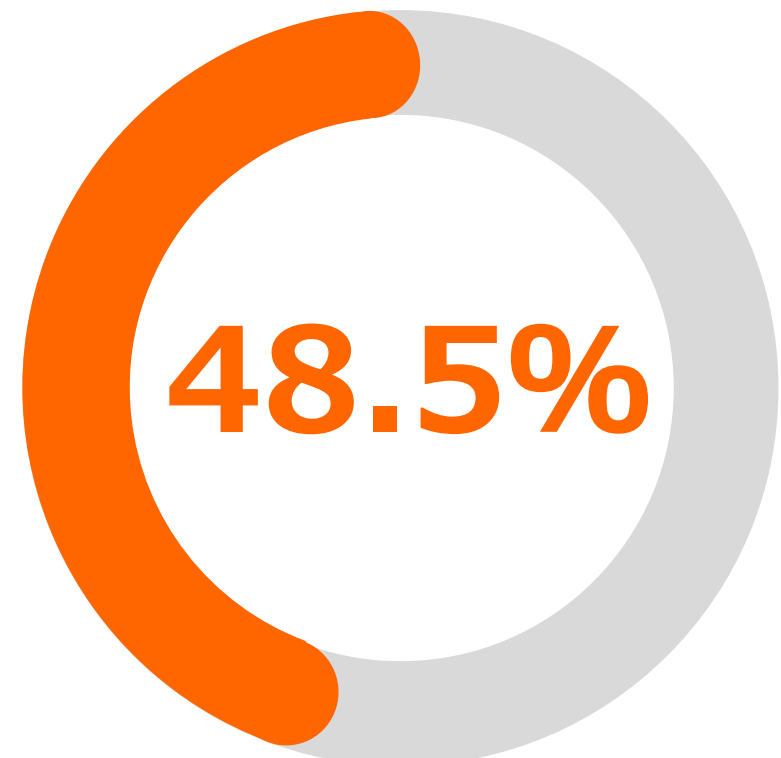
*2 : Others: Main regions are U.S.A., Saudi Arabia, Brazil and the Netherlands

Overseas and Asian markets keep overwhelming sales ratio

- Sales ratio of overseas markets



- Sales ratio of Asian markets

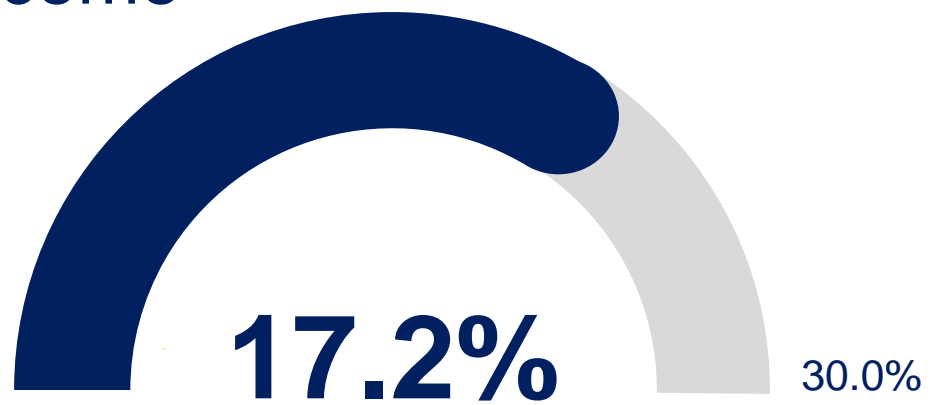


Profitability was improved in Japan and sustained in each area
Consolidated core operating income margin reached a new high



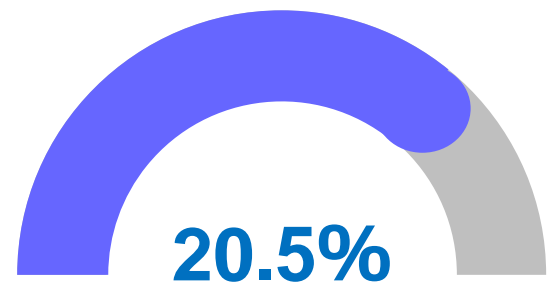
● Core operating income
(from Jan. to Mar.)

Consolidation

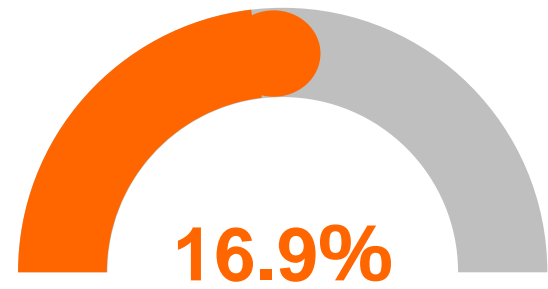


● Core operating income margin by geographical segment

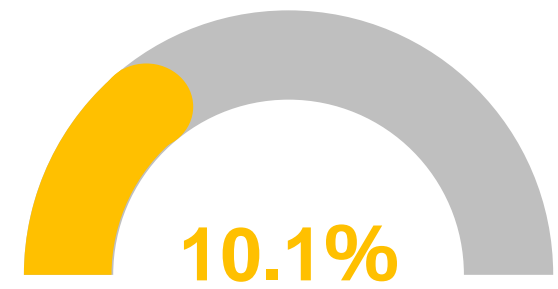
Japan



Asia



Others*



* Others: Main regions are U.S.A., Saudi Arabia, Brazil and the Netherlands

Personal Care Business was affected by last FY's special demand caused by COVID-19



Pet Care Business was driven by strong sales of cat-related products in Japan

■ Business Segment Information (from Jan. to Mar.)

		1Q of FY Ended Dec. 31, 2020	1Q of FY Ending Dec.31, 2021	(100 million yen)	
				gap (yen)	gap (%)
Personal Care	Net sales		1,578	-28	-1.8%
	Core operating	1,606	278	+6	+2.2%
	income (margin)	272 (17.0%)	(17.6%)		(+0.6P)
Pet Care	Net sales		223	+10	+4.6%
	Core operating	213	33	+4	+15.5%
	income (margin)	29 (13.5%)	(14.9%)		(+1.4P)
Others*	Net sales		19	+1	+4.3%
	Core operating	19	2	+0	+20.4%
	income (margin)	2 (8.4%)	(9.7%)		(+1.3P)
Consolidation	Net sales		1,820	-18	-1.0%
	Core operating	1,838	314	+11	+3.5%
	income (margin)	303 (16.5%)	(17.2%)		(+0.7P)

* Other products refer to those related to industrial materials, etc. and child-care video streaming service.

Impacts of foreign exchange fluctuations:

Approx. 0.1 billion JPY decrease in sales and
approx. 0.3 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, 2020	Exchange rate for 1Q of FY ending December 31, 2021	Rate change
China(CNY)	15.60	16.36	+4.9%
Indonesia(IDR)	0.0078	0.0075	-3.8%
Saudi Arabia(SAR)	29.07	28.27	-2.8%
India(INR)	1.52	1.46	-3.9%
Thailand(THB)	3.49	3.50	+0.3%
Vietnam(VND)	0.0047	0.0046	-2.1%
USA(USD)	108.92	105.90	-2.8%
Taiwan(TWD)	3.62	3.78	+4.4%
South Korea(KRW)	0.0915	0.0952	+4.0%
Australia(AUD)	71.77	81.81	+14.0%
Malaysia(MYR)	26.10	26.05	-0.2%
Brazil(BRL)	24.56	19.37	-21.1%
Netherland(EUR)	120.11	127.69	+6.3%
Egypt (EGP)	6.90	6.74	-2.3%

Summary of Performance Forecast FY Ending Dec.31, 2021

Summary of Performance Forecast

FY Ending Dec.31, 2021



Consolidated

Sales 770 billion JPY (YoY +5.8%)

Core operating income 119 billion JPY (YoY +3.7%)

- Both sales and core operating income are **planned to be an all-time high**.
- Changes in products, sales, production, R & D, etc. are promoted by utilizing digital technology.

Japan

Plan 1-5% sales increase

- Presume a gradual recovery in baby and feminine care markets.
- Increase production to cope with the high demand for sanitary products such as masks.

Overseas

Plan 5-10% sales increase and profitability improvement

- Expect a gradual market recovery from the impact of COVID-19.
- Plan higher sales and profits driven by the growth of Asia.

Shareholder Return

Yearly dividend 36 yen per share

Plan to increase dividend for 20 consecutive years

- Purchase of own shares: up to 16 billion JPY, 4 million shares

No performance forecast change for FY2021



■ Consolidated (from Jan. to Dec.)

	FY ended Dec. 31, 2020	FY ending Dec.31, 2021	gap(yen)	gap (%)	(100 million yen) (Ref.) Actual gap rate
Net sales	7,275	7,700	+425	+5.8%	+6.7%
Core operating income (margin-%)	1,147 (15.8%)	1,190 (15.5%)	+43	+3.7% (-0.3P)	+4.0%
Profit before tax (margin-%)	958 (13.2%)	1,170 (15.2%)	+212	+22.1% (+2.0P)	—
Profit attributable to owners of parent company (margin-%)	523 (7.2%)	750 (9.7%)	+227	+43.3% (+2.5P)	—
Basic earnings per share (JPY)	87.60	125.17	+37.57	+42.9%	—
USD Rate (JPY)	106.82	103.50	-3.32	-3.1%	
CNY Rate (JPY)	15.48	15.80	+0.32	+2.1%	

Mid- and long- term strategies and financial goals (2023 and 2030)

Outline of key strategies for continuing growth with SDGs as Purpose toward 2030

WC Wellness Care Business

- Accelerated expansion in Asia with the care model which has the top share in Japan market
- Concentrated investment in China market
- Establishment of recycling business

WC

PC Pet Care Business

- Premiumization promotion
- Creation of new markets in North America
- Concentrated investment in China market

PC

FC Feminine Care Business

- Share expansion in China market
- Accelerated development in areas where the products are not widespread, mainly in India

FC

BC

BC Baby Care Business

- Expansion of the share in premium market
- New entry into Africa
- Establishment of recycling business

'Sustainable growth strategy' with SDGs as Purpose

Kyo-Sei Life Vision 2030

Mid-term Management Plan
(2021-2023)

Sales
CAGR +6.9%

COPM*
15.5%

Sales
CAGR +6.8%

COPM
17%

2023
Sales
880 billion JPY

2030
Sales
1.4 trillion JPY

* COMP means core operating income margin

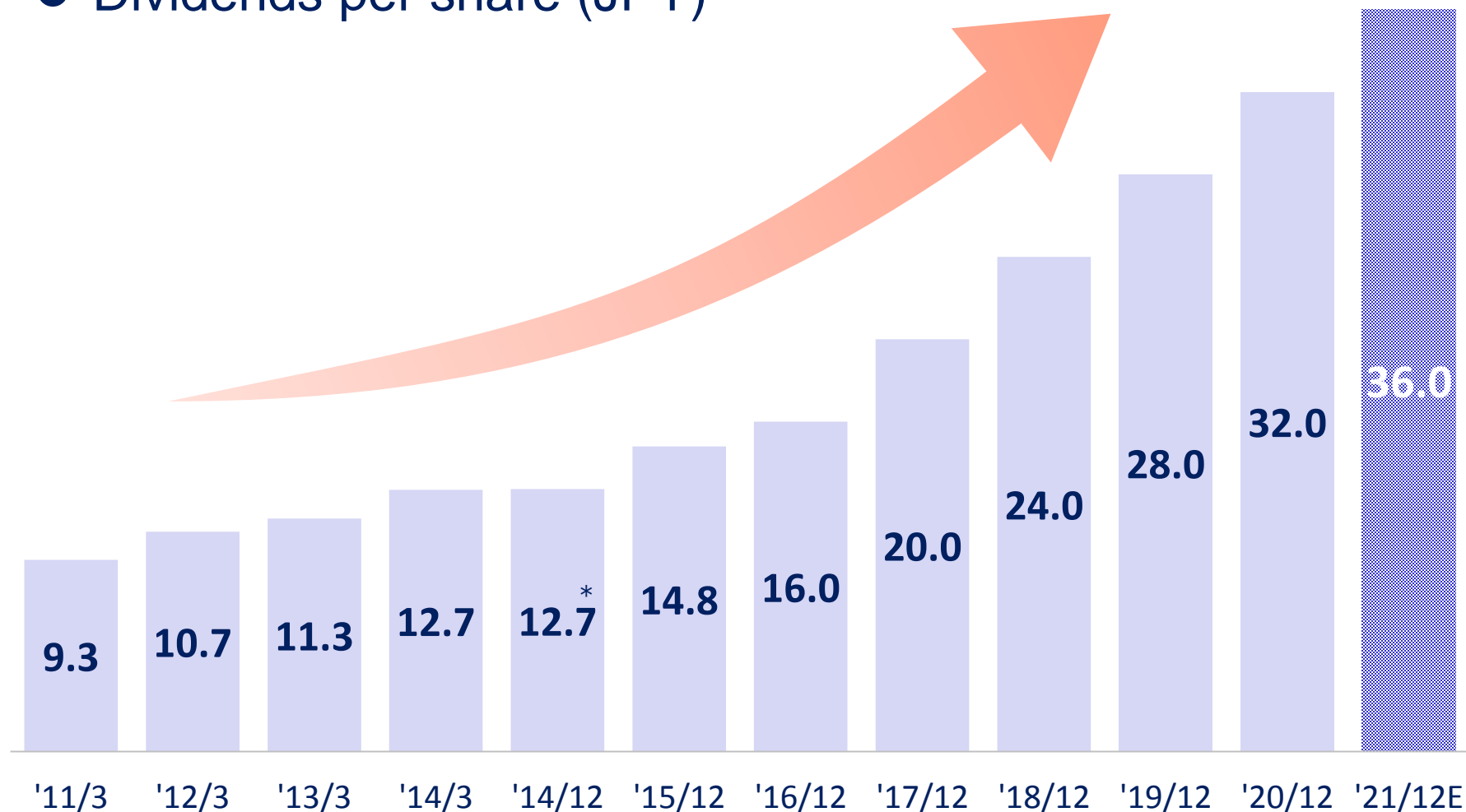
Shareholders Return Policy

Dividend per share

Plan to increase dividend for 20 consecutive years (36 yen a year)



- Dividends per share (JPY)



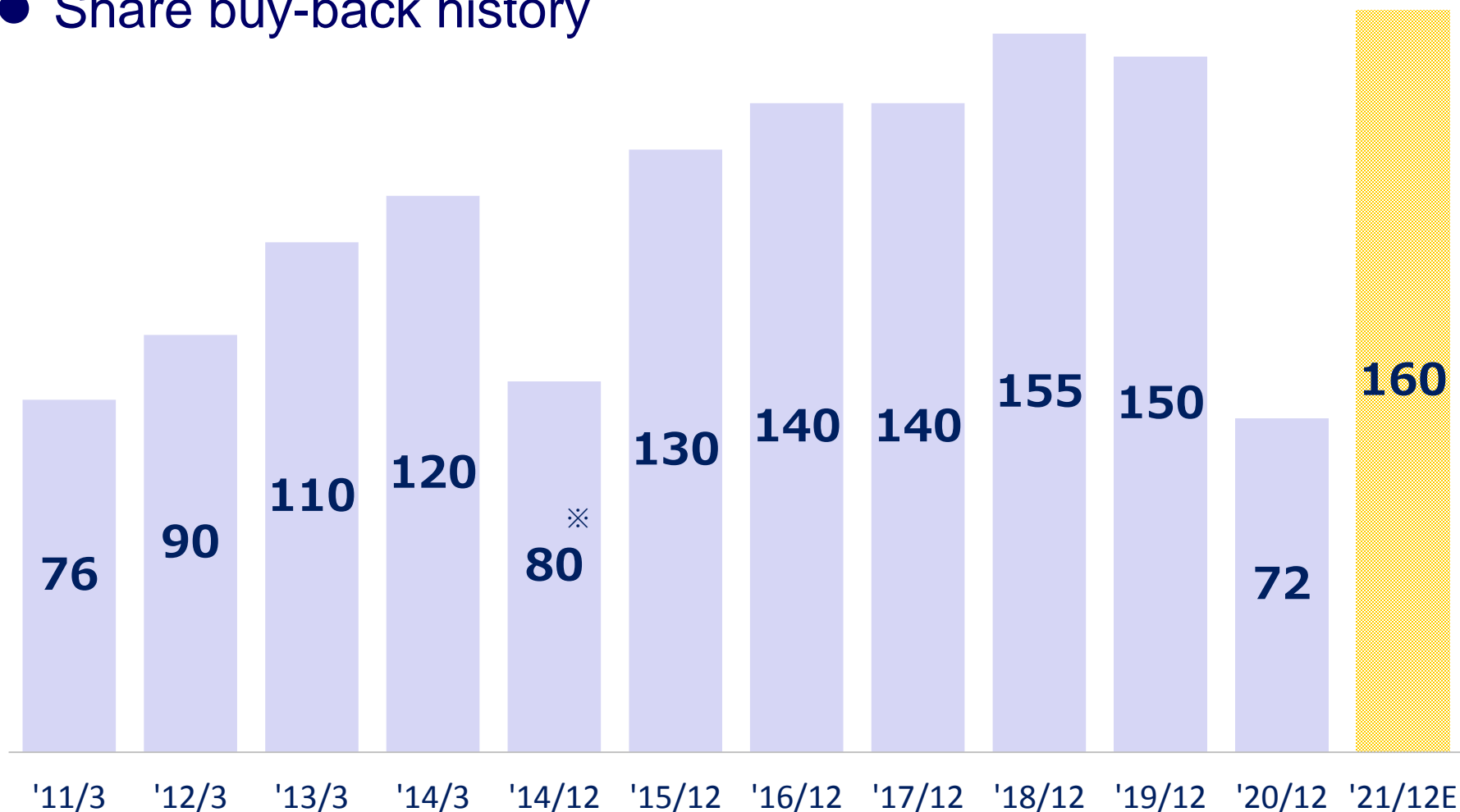
* Irregular accounting period of 9 months

Purchase of own shares

Plan to purchase up to 16 billion JPY (4 million shares) in 2021



● Share buy-back history



* 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

Our goal

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.

Key initiatives

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

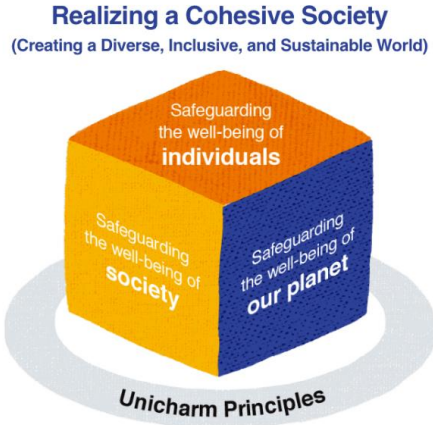
Safeguarding the well-being of society

Our goal

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

Key initiatives

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



Safeguarding the well-being of our planet

Our goal

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.

Key initiatives

- 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

Our goal

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

Key initiatives

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

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

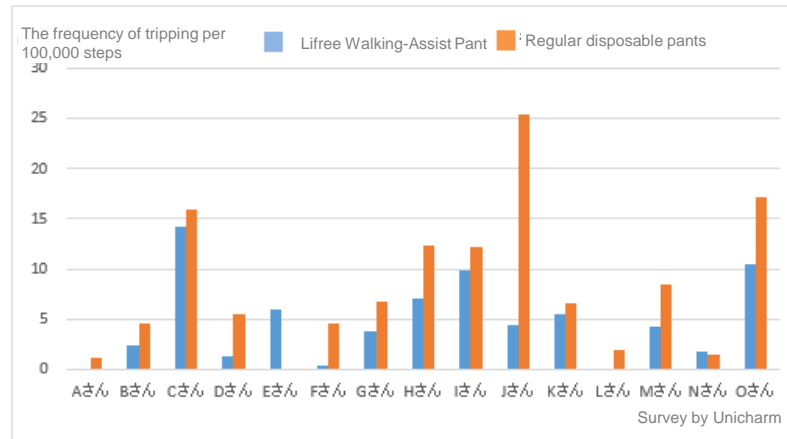
(Safeguarding the well-being of each individual)
Support “lengthening healthy life expectancy” with products and services for the senior citizens



◆ Reduction in tripping is proven when wearing “Lifree Walking-Assist Pants” that provides support for the torso



The frequency of tripping
per 100,000 steps
is reduced by half:
“Regular disposable pants”
6.89 times
“Lifree Walking-Assist Pant”
3.96 times



30 individuals, including males and females between the age of 65 to 90, used Lifree Walking-Assist Pants after using regular disposable diapers for several weeks. (The verification outcomes derived from 18 individuals whose data was continually collected.)

◆ Launch services to support “healthy life expectancy” that suits each and all members

新提案 あなたのもっとそばで ライフリーいきいきパートナー

ライフリーから、こころとからだで皆さまの「健康寿命」を支える新しいサービスが始まります。「もっとやりたい」という気持ち、「できた」という達成感をライフリーをお使いの皆さまに感じていただけるようなサービスをお届けいたします。

Video lesson for Active rehabilitation care exercise

Video lesson for Support and relief

Perfect Choice

Video lesson on how to wear/ dress properly

(Safeguarding the well-being of each individual)
Create a new market with the original technology
Support everyday health of kitties and mind of cat owners



◆ Health-promoting food “All Well” supports cats’ mind and body with 7 features centered on reducing vomiting made with original technology

ユニ・チャームペット



オールウェル
AllWell

7つの機能で健康サポート



(Safeguarding the well-being of each individual)

New value proposition in response to changing lifestyles of women and their diversifying needs



◆ Shorts-shaped pad that integrates a pad and shorts



◆ Sofy Hot “Dan” °C, a heating napkin featuring warm sensation during menstruation



◆ Cool napkin featuring refreshing cooling sensation that reduces stuffy discomfort



◆ Unbleached pads dedicated to reassurance



Communicate with “unbleached” logo

(Safeguarding the well-being of each individual)

Decreasing stress during menstruation by choosing the best period care according to each and everyone's body and lifestyles



◆ "Sofy Synchro Fit", an easy, comfortable, and convenient feminine product to be used along with a regular pad



◆ "Sofy Soft Cup," an Eco-friendly feminine hygiene product



◆ Introduced Sofy menstrual cycle management app that supports concerns regarding the period



◆ Launched "can change the seven days" campaign.
Launched limited-edition packaging design



(Safeguarding the well-being of each individual)
Aims to create a world where we feel free to talk about period
with Sofy “#NoBagForMe”



- ◆ Won “Social Impact” category
at the first Internet Media Awards



- ◆ Won “Unstereotype Advertisement” Award
at Nikkei Woman Empowerment Award
presented by Nikkei



#NoBagForMe 

- ◆ Won “ACC Silver” in Marketing Effectiveness category
and “ACC Bronze” Branded Communication C category (PR) at
2020 60th ACC TOKYO CREATIVITY AWARDS
presented by All Japan Confederation of Creativity



TOKYO CREATIVITY AWARDS

(Safeguarding the well-being of each individual)

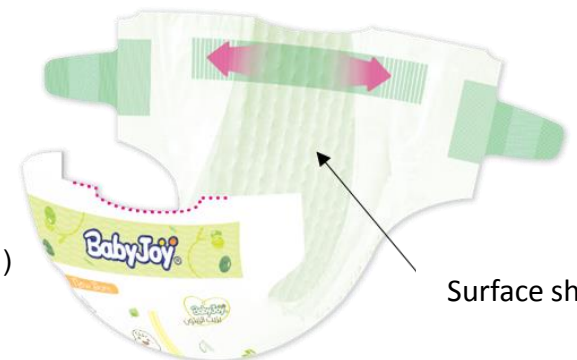
Launched disposable baby diaper containing olive oil in harmony with the Saudi Arabia's culture (climate, custom, awareness)



◆ Launched “BabyJoy Olive”, Saudi Arabia’s first^{※1} disposable baby diaper containing olive oil that is gentle on the skin



Received the highest rating of 5 stars
 (“clinically tested”) by dermatest^{※2}



Surface sheet

※1 Among major domestic baby diapers in Saudi Arabia (Survey by Unicharm, February 2021)

※2 A testing standard established by an internationally renowned dermatological laboratory in Germany in 1978

(Safeguarding the well-being of each individual)

Launched the world's first ※ baby diaper that keeps dengue virus-transmitting mosquitoes away from diaper



◆ Launched "MamyPoko Extra Dry Protect" in Malaysia and Singapore featuring the world's first ※ AntiMos Capsule for keeping dengue virus-transmitting mosquitoes away from diaper

*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. (by Unicharm in Feb. 2020)



Panel session with doctors



Announce through video



Held panel discussion with medical specialists on the dangers and preventive measures of dengue fever and sent out “Declaration to protect children from dengue fever” through “MamyPoko” video

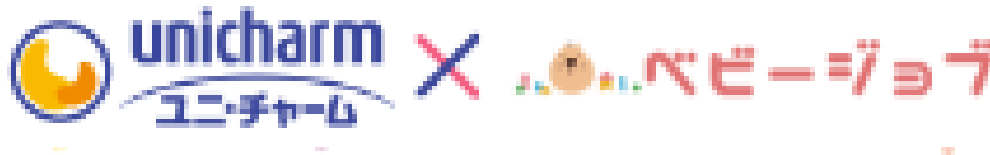
<https://www.youtube.com/watch?v=X34Zu0jQhs4>

(Safeguarding the well-being of society)

Support everyone involved in childrearing with safe and trustworthy goods and services



◆ Reducing burden on parental guardians and childcare staff and infection risk of COVID-19 through new lifestyles “Tebura Toen” *1, a subscription service for baby diapers for nursery schools



*1 Flat-rate service of baby paper diapers for nurseries launched to reduce the burden of parents preparing diapers and carrying bulky bags to nurseries.

◆ Launched “moony” series presented in antibacterial packaging



Society of International sustaining growth for Antimicrobial Articles

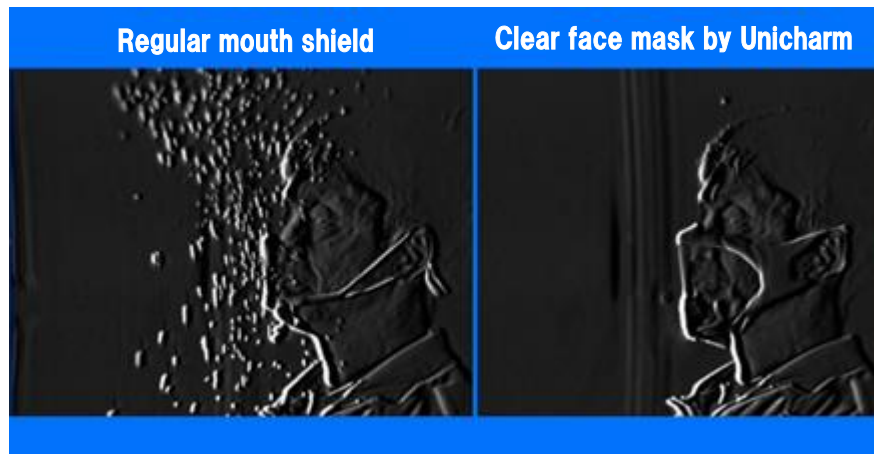


(Safeguarding the well-being of society)

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



◆ Launched clear face mask especially for those who struggle with communication due to hindered mouth and expressions.



◆ Respond to growing global demand for masks and diversifying needs



(Safeguarding the well-being of society)

Inhibition of COVID-19 by liquid squeezed from "Silcot Wet Tissues" is proven by Commissioned research at Kitasato University



◆ Over 99.99% inhibition of COVID-19 is proven after 20-second mild treatment with the liquid squeezed from "Silcot Noroclear Antibacterial Wet Tissues" "Silcot 99.99% Antibacterial Wet Tissues" "Silcot Disinfecting Wet Wipes"



	(1) TCID ₅₀ Assay※	(2) Plaque Assay※
1. Silcot Noroclear Antibacterial Wet Tissues®	Effective in 20 seconds (Percentage of inhibition : > 99.99%)	Effective in 20 seconds (Percentage of inhibition : > 99.99%)
2. Silcot 99.99% Antibacterial Wet Tissues		
3. Silcot Disinfecting Wet Wipes		

* Virus inactivation test

用途に合わせて

選べるラインナップ！



99.99% 除菌
対物専用



アルコール 除菌



ノロクリア 除菌



ナノクリア 除菌



ピュアウォーター



消毒 ウエット
指定医薬部外品

※ Not in the actual use environment

(Safeguarding the well-being of society)

Capital and business alliance with First Ascent inc. to create a moving experience that enables understanding babies' feelings and comfortably enjoy childrearing



◆ Establish partnership with First Ascent inc. to develop disposable baby diaper based on babies' "cry" analysis, and expand childrearing support service



First Ascent

Realize the cohesive society where all generations live independently together by supporting each other and respecting boundaries

Promote digital transformation in childrearing
"Change childrearing through technology"



Realize a healthy environment for babies to grow

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

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(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)	
Responding to climate change	Reducing CO2 emissions associated with raw materials procurement	2016	Per unit of sales –17%	Realizing a society with “zero” CO2 emissions
	Reducing CO2 emissions in manufacturing	2016	Per unit of sales –34%	
	Reducing CO2 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".

(Safeguarding the well-being of our planet)

Baby diaper made from sustainable resources



◆ Unicharm acquired PEFC^{*2} Forest Stewardship, an international forest stewardship council compatible “CoC Certification^{*3}” at its 5 local plants, first in Japan^{*1}.



PEFC Certified

This product is from sustainably managed forests and controlled sources.

www.sgec-pefcj.jp



^{*1} Unicharm is the first supplier of disposable diaper and feminine napkin in Japan who acquired PEFC and CoC Certification

^{*2} A program aiming at utilizing and protecting the sustainable forests by inscribing the certification mark on the wood materials and others sourced from the properly administered forests

^{*3} A scheme that certifies the proper management and processing of forest products sourced from the Forest Management certified forests. Applicable to all business entities that have ownership in the product from FM certified forest to the final product.

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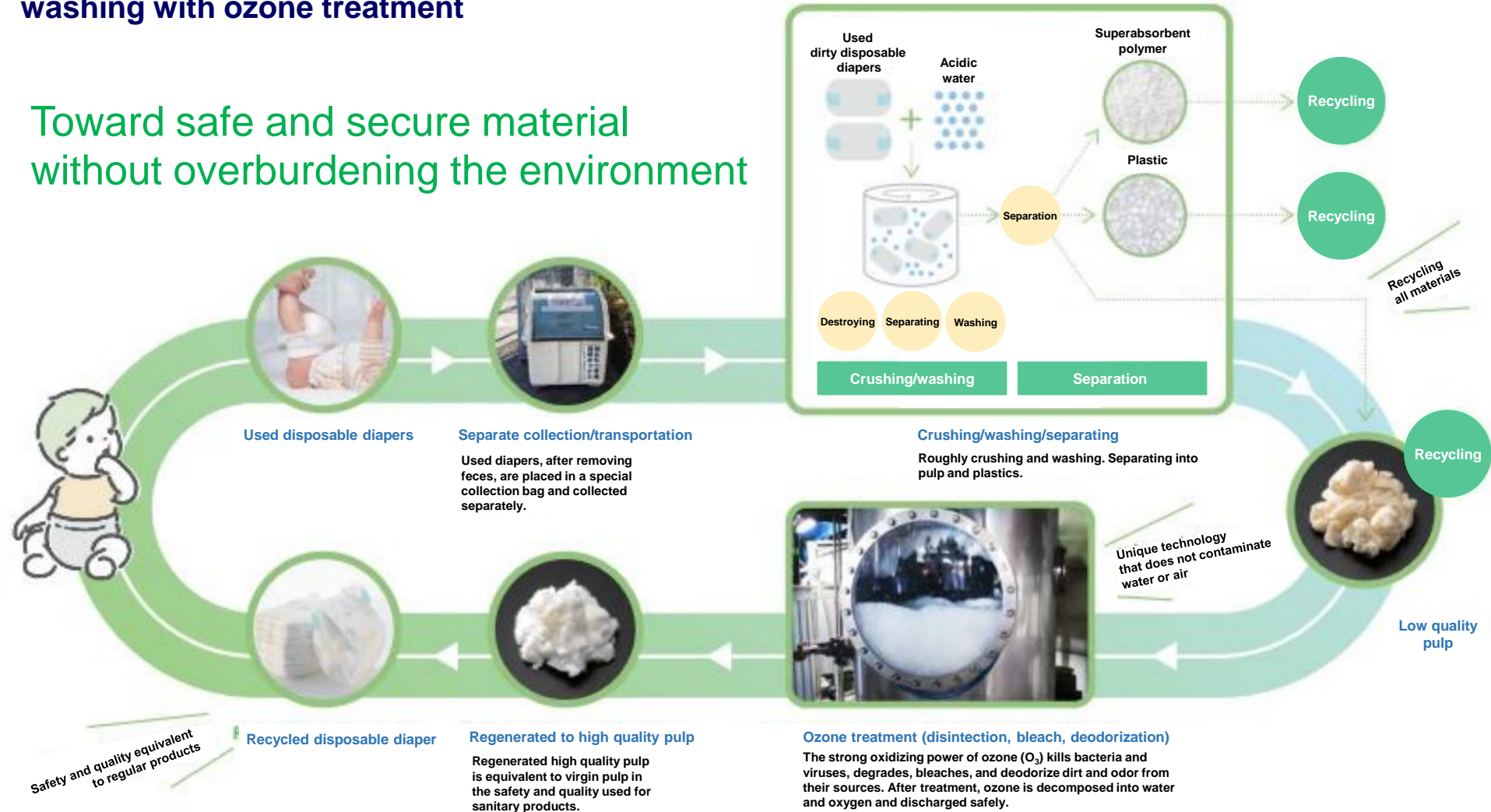
(Safeguarding the well-being of our planet)

The world's first "used disposable diaper recycling 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



(Safeguarding the well-being of our planet)
Contribute to the reduction of waste disposal cost and environmental burden through recycling used paper diaper



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

Recycle

all materials

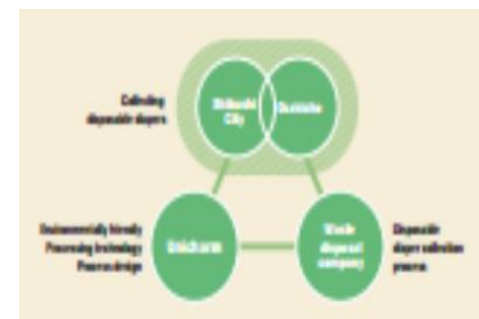
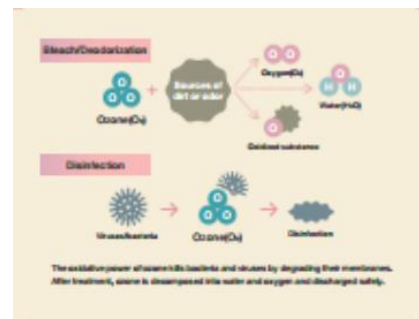
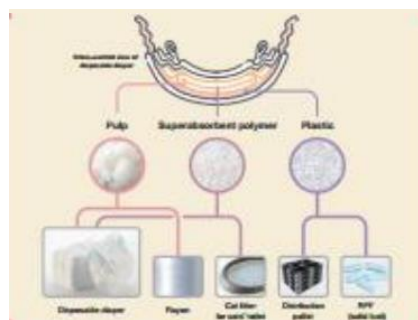
Used disposable diaper
sanitary material

Clean quality

**No pollution
to water and air**

By ozone bleach and
sterilization

Approaching
**The future where
recycling is
the norm**



Amount of CO2 emitted from
burning disposable diapers

Amount of waste generated
from disposable diaper

Amount of recycling recycled pulp

over **- 90%**^{*1}

over **- 80%**^{*2}

over **100Kg / 1 t**^{*3}

used diaper

* 1 Ministry of Environment Guidelines for recycling used disposable diaper

* 2 Survey by Unicharm

* 3 Journal of Environmental Information Science Vol.33 (2019)

(Safeguarding the well-being of our planet)

Started a demo-project of collection and transportation methods in Tokyo metropolitan area to promote the recycling of used disposable diaper



◆ **Started demo-trial for separation and collection of used disposable diaper in association with the collection companies and others at nursing home for elderly and child day care center.**



Tokyo
Metropolitan Area



【Nursing home for elderly and child day care center】



Sorting used disposable diaper

【Collection】



Collection of used disposable diaper
(used disposable diaper only)

【(image) Recycling Plant】



Bringing in used diapers
(used disposable diaper only)

(Above pictures are images and may be different from actual demo-project)

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.

(Safeguarding the well-being of our planet)

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



◆ **Thai Factory**

**Switch 11% of its annual electric power consumption
(9 million kWh)**



◆ **Vietnam Factory**

**Switch 22% of its annual electric power consumption
(10.2 million kWh)**



◆ **Kyushu Factory**

**Switch all of its annual electric power consumption
(9.8 million kWh)**



◆ **Itami Factory**

**Switch 3% of its annual electric power consumption
(0.27 million kWh)**



◆ **Toyohama Works, Shikoku Factory**

**Switch all of its annual electric power consumption
(5 million kWh)**



* It refers to electricity generated by natural or renewable energy such as wind power, solar power, biomass, small-scale hydropower, etc.

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◆ Endorsed Women's Empowerment Principles (WEPs) ^{*1} and signed the statement to act in accordance with the principles.

In support of

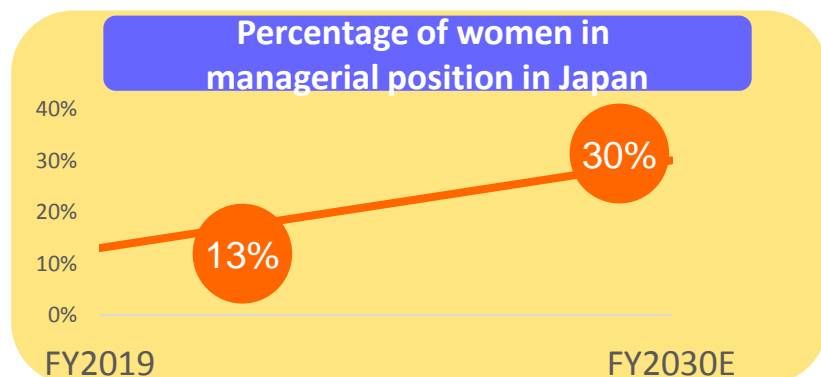
WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the
UN Global Compact Office

^{*1} Women's Empowerment Principles (WEPs) is founded by UN Global Compact in partner with UN Women, and consists of the following 7 principles.

1. Establish high-level corporate leadership for gender equality
2. Equality of opportunity, inclusion, nondiscrimination
3. Health, safety, elimination of violence
4. Education and training
5. Business development, supply chain, marketing practices
6. Community initiative and advocacy
7. Transparency, measure and report progress

◆ Joined “30% Club Japan”^{*2} that
aims at women's empowerment



◆ Support “Male childcare leave 100%”
to create the work place where all employees are
able to shine and having work that is rewarding



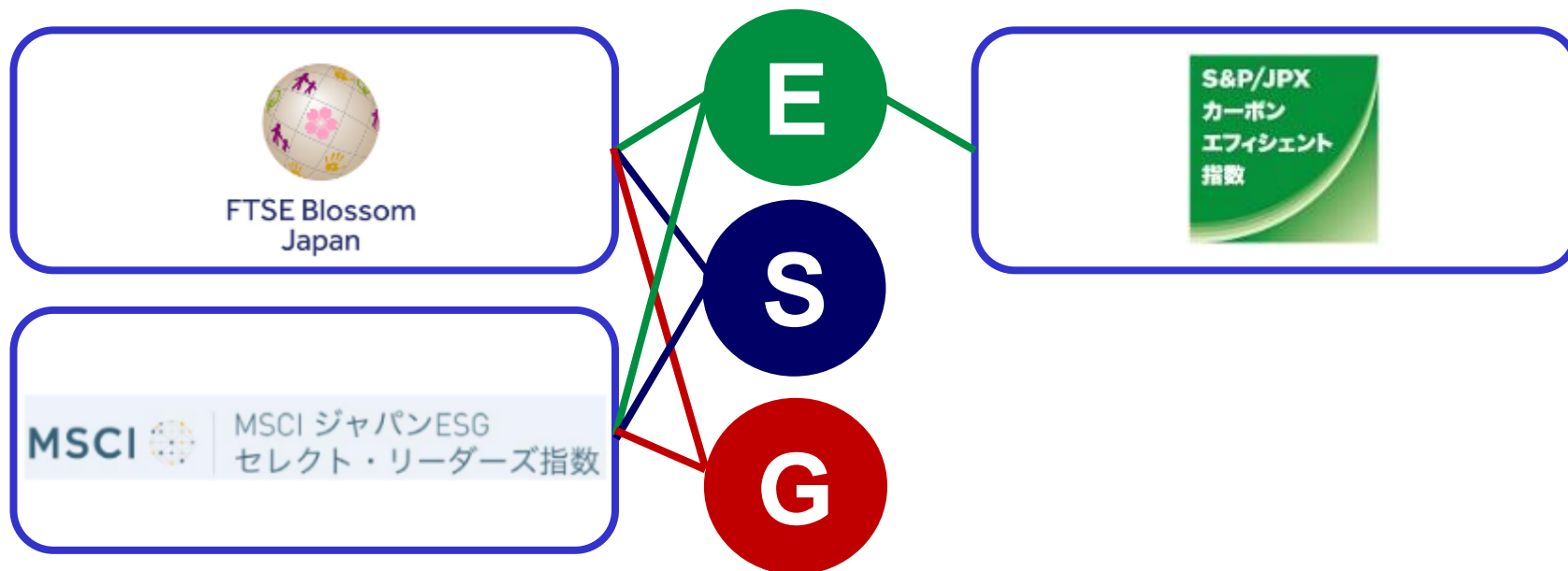
^{*2} “30% Club Japan”: “30% Club” is an international group of companies which aims at raising the weight of female management in the key decision-making panels including board of directors meeting of each company to 30% or higher. It was founded in the UK in 2010 and is rolling out in 14 countries as of December 2020. “30% Club Japan” is its unit in Japan.

Evaluation by external organizations and coordination with them

Selected in 4 ESG investment indices of stock composites adopted by GPIF

Integrated Index

Thematic Index



Other SRI Index



Evaluation by external organizations and coordination with them

■ Science Based Target



- ✓ In June 2018, the company was certified as the 17th target-setting company in Japan.
- ✓ Set the target for CO2 overall reduction amount.

■ JCI (Japan Climate Initiative)



- ✓ Rolled out the best practices for advanced group as a startup member

■ FSC (Forest stewardship council)



- ✓ Preferential use of the pulp which cleared the strictest certification standards in forest certification.
- ✓ Cosponsoring the FSC Japan promotional campaign for 3 consecutive years

■ TCFD (Task Force on Climate-related Financial Disclosures)



- ✓ Endorsed "TCFD Recommendations"
- ✓ Participated in TCFD consortium

■ RSPO



- ✓ Started using certified palm oil (Mass Balance) in 2018 with the aim of procuring responsible palm oil

■ CDP Japan 500



- ✓ Obtained A- rating for efforts to combat climate change and excelling in information disclosure.

■ SOMPO Sustainability Index



- ✓ Efforts related to ESG were highly valued and we were selected in stock composites of "SOMPO Sustainability Index" for 9 consecutive years.

Evaluation by external organizations and coordination with them

■ Sedex



- ✓ Joined as AB member toward the expansion of sustainable supply chain built on a global scale
- ✓ Completed registration of UC group's factories in Japan and overseas

■ Ecorailmark



■ DX Stock2020



- ✓ Such efforts as "Consumer Insight System Operation at China Digital Innovation Center (DIC)" and "Smart Factory in Kyushu" were valued and we were selected in DX Stock 2020.

■ Certified as Sports Yell Company 2021 by Japan Sports Agency



■ Won a special prize in Environment Sustainable Corporate category of the 2nd ESG Finance Awards Japan



■ Inclusion for people with disabilities Advancement of International Initiative Joined "The Valuable 500"





We support the Sustainable Development Goals (SDGs)

