

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Unicharm is a company that specializes in a wide range of products related to wellness care, pet care, feminine care, baby care, Kirei care, and food packaging materials. While its primary market is in Japan and East Asia, the company also serves customers in approximately 80 countries and regions worldwide.

Under the wellness care category, Unicharm offers adult diapers and incontinence pads. In the pet care segment, they provide dog food, cat food, and toiletry products. For feminine care, Unicharm manufactures sanitary products, and for baby care, they produce baby diapers and butt wipes. Kirei care products include wet tissues for personal hygiene and sheet cleaners for utensils. Additionally, Unicharm offers other products like drip absorption sheets for food trays.

The financial performance of Unicharm over the past three years (2020, 2021, and 2022) is as follows:

- Sales: (millions of yen)

- 2022: 898,022

- 2021: 782,723

- 2020: 727,475

- Operating Profit: (millions of yen)

- 2022: 115,708

- 2021: 121,977

- 2020: 95,849

- Return on Equity (ROE):

- 2022: 11.5%

- 2021: 13.8%

- 2020: 10.8%

Unicharm has a workforce of 16,206 employees in 2020, 16,308 employees in 2021, and 16,665 employees in 2022.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1 2022

End date

December 31 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for

3 years

Select the number of past reporting years you will be providing Scope 2 emissions data for

3 years

Select the number of past reporting years you will be providing Scope 3 emissions data for

3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia
Brazil
China
Egypt
India
Indonesia
Japan
Malaysia
Myanmar
Netherlands
Philippines
Republic of Korea
Russian Federation
Saudi Arabia
Singapore
Taiwan, China
Thailand
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

JPY

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Consumption	Yes [Consumption only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Do not own/manage land

Please explain

Unicharm does not own land or forests for agricultural or forestry activities and therefore is not relevant to our CDP climate change disclosure.

C-AC0.6f/C-FB0.6f/C-PF0.6f

(C-AC0.6f/C-FB0.6f/C-PF0.6f) Why are emissions from distribution activities within your direct operations not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Outside the direct operations of my organization

Please explain

All logistics are outsourced (3PL) and therefore not relevant to our CDP climate change disclosure.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Timber

% of revenue dependent on this agricultural commodity

60-80%

Produced or sourced

Sourced

Please explain

We use pulp and tissue for our baby care products, feminine care products and health care products, and related sales are 500 billion yen, affecting about 70%.

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a CUSIP number	90460M204
Yes, a Ticker symbol	UNICY
Yes, an ISIN code	JP3951600000

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	<p>As part of our efforts to address climate-related issues, we are using the SBT (Science-Based Targets) mechanism and have set targets until 2050. Our goal is to reduce CO2 emissions from Scope 1 and Scope 2 by 34% by 2030 and 80% by 2045, using 2016 as the base year. These targets have been explained to the Board of Directors and approved by the CEO&President, who serves as the company's legal representative. The CEO&President is responsible for achieving these targets. In June 2018, our targets were reviewed and approved by the SBT Initiative, making us the 17th Japanese company to receive such approval.</p> <p>We utilize SBT as a metric to assess whether our energy policies are on track with the levels outlined in the Paris Agreement. If we fail to meet the SBT levels, the Board of Directors will make decisions on additional investments in energy efficiency and renewable energy, as determined by their collective judgment.</p> <p>The ESG Committee, which operates under the authority of the Board of Directors, is chaired by the President and includes directors and executive officers as members. In 2022, the committee made decisions and drove initiatives such as developing a roadmap for procuring renewable energy, updating SBT targets to align with the 1.5°C goal, and advancing energy-saving measures throughout the entire organization.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Reviewing innovation/R&D priorities Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing and guiding scenario analysis Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing value chain engagement Reviewing and guiding the risk management process	<Not Applicable>	<p>The Board of Directors actively oversees climate-related issues within the company through various mechanisms and initiatives. At Board of Directors meetings, the CEO&President and the executive officer responsible for quality (Chief Quality Officer) provide detailed reports on the progress made against the medium-to-long-term environmental target "Environmental Targets 2030", the Unicharm Group's medium-to-long-term ESG target "Kyo-sei Life Vision 2030." These reports include numeric results and updates on the company's environmental performance.</p> <p>Based on the progress towards Environmental Targets 2030 and Kyo-sei Life Vision 2030, the Board of Directors provides instructions for necessary changes and adjustments to initiatives. This may involve conducting additional investigations or issuing directives to ensure the plan's successful implementation.</p> <p>In the decision-making process in the investment area, the normal internal decision-making criteria are adjusted. This includes extending the recovery period twofold and considering external factors such as average carbon pricing.</p> <p>As part of the company's climate-related disclosures, a representative from the ESG Division provides an explanation of the potential scenarios outlined in the Task Force on Climate-related Financial Disclosures (TCFD) scenario analysis. This includes scenarios related to global temperature increases of 2°C, over 2°C, and over 4°C. Countermeasures required for each scenario are also discussed.</p> <p>The company also reports on investment plans aimed at increasing energy efficiency and the impact of replacing existing machinery on emissions reduction. One of the priority issues in reducing CO2 emissions within the supply chain is the recycling of used disposable diapers. The company actively works towards realizing a circular economy and provides updates on the progress of demonstration experiments being conducted in Kagoshima Prefecture, Japan.</p> <p>Through these comprehensive reporting and oversight measures, the Board of Directors ensures effective management and progress in addressing climate-related issues within the company.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>The competence of board members in addressing climate-related issues is assessed based on various criteria, including their expertise, experience, and contributions in relevant areas. One such example is the Director and Senior Managing Executive Officer, who possesses specific qualifications in this context.</p> <p>This board member's background in the development department provides them with a deep understanding of the company's products and manufacturing facilities. Their familiarity with these aspects allows them to assess the environmental impact of the company's operations and identify areas where energy conservation measures can be implemented.</p> <p>Furthermore, their knowledge and expertise in energy conservation and renewable energies demonstrate their understanding of sustainable practices and the potential solutions for mitigating climate change. This expertise equips them to contribute effectively to discussions and decision-making on climate-related issues within the Board.</p> <p>The officer's active role in obtaining certifications such as SBT (Science-Based Targets) certification and TCFD (Task Force on Climate-related Financial Disclosures) endorsement further highlight their commitment to positioning climate change measures as integral components of the company's important management strategies. These certifications are recognized indicators of the officer's proficiency and engagement in climate-related matters.</p> <p>Overall, the competence of board members in addressing climate-related issues is evaluated based on their relevant knowledge, experience, and proactive involvement in driving sustainable practices, as demonstrated by their background, expertise, and active participation in obtaining certifications and endorsements related to climate change initiatives.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

- Managing annual budgets for climate mitigation activities
- Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
- Providing climate-related employee incentives
- Developing a climate transition plan
- Implementing a climate transition plan
- Integrating climate-related issues into the strategy
- Conducting climate-related scenario analysis
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing value chain engagement on climate-related issues
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The highest management-level position responsible for climate-related issues is the CEO, who also chairs the ESG Committee. The ESG Committee operates under the supervision of the Board of Directors and convenes on a quarterly basis. The committee comprises directors and executive officers and is accountable for various tasks, including formulating strategies to combat climate change and other environmental problems. It assesses climate risks, identifies opportunities and threats, establishes targets to reduce CO2 emissions, and develops specific measures to achieve those targets. The ESG Committee reports its activities to the Board of Directors for approval.

In October 2020, the CEO, in their capacity as the chair of the ESG Committee, released the Kyo-sei Life Vision 2030. This vision outlines our long-term ESG objectives. As part of this vision, we announced a new goal to utilize 100% renewable electricity for all our business operations by 2030. Furthermore, we have realigned our climate change mitigation plan, which was initially approved in 2018 in consultation with SBT, with the objective of limiting global warming to 1.5°C.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Director on board

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary
Shares

Performance indicator(s)

Board approval of climate transition plan
Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative
Increased value chain visibility (traceability, mapping, transparency)
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)
Implementation of employee awareness campaign or training program on climate-related issues

Incentive plan(s) this incentive is linked to

Long-Term Incentive Plan

Further details of incentive(s)

The incentives provided for the management of climate-related issues are determined through the evaluation of performance results for directors (excluding audit committee members) and executive officers. This evaluation includes ESG assessment and is based on four categories and eight themes. Additionally, evaluation weights are assigned to each position according to the level of responsibility.

For example, the evaluation criteria for the CEO consist of 50% overall company performance and 50% company-wide strategic priorities. Similarly, for line department executive officers, the evaluation criteria include 30% overall company performance, 30% department-specific performance, 20% company-wide strategic priorities, and 20% department-specific strategic priorities.

Furthermore, starting from the fiscal year 2020, we have introduced ESG evaluation as an additional metric to our evaluation framework. We strive to quantitatively assess ESG performance as much as possible by adopting initiatives such as the FTSE Blossom Japan Index and improving our ESG scores. From the fiscal year 2022 onwards, we have implemented a mechanism to allocate specific themes from our "Kyo-sei Life Vision 2030," our long-term ESG objectives announced in October 2020, to each executive officer. This ensures that each executive officer is assigned themes they should focus on and that their efforts are reflected in the evaluation process.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Our incentives are designed to support the implementation of our organization's climate commitments and climate transition plan. Here are two key ways in which our incentives drive progress:

Renewable Power Procurement Roadmap: We have developed a roadmap for sourcing renewable electricity in each country. The performance evaluation of our Country Producers (executive officers) takes into account their contributions and advancements in this area.

Kyo-sei Life Vision 2030 and Environmental Goals 2030: We have established long-term objectives, such as the Kyo-sei Life Vision 2030 and our environmental goals. The achievement of these objectives is tied to the performance evaluation of each director and executive officer. By aligning incentives with these goals, we ensure that our leadership team actively works towards their successful realization.

Entitled to incentive

Director on board

Type of incentive

Non-monetary reward

Incentive(s)

Internal company award

Performance indicator(s)

Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target
Implementation of an emissions reduction initiative

Incentive plan(s) this incentive is linked to

Long-Term Incentive Plan

Further details of incentive(s)

Unicharm presents awards for contributions to climate change-related goals in "Environmental Goals 2030" and "Kyo-sei Life Vision 2030." Unicharm holds "The Unicharm Awards" once a year. This is a system in which individuals, groups, and departments compete for the degree of contribution they make to the company and society over the course of the year, and are rewarded. Under this system, individuals, groups, and departments that have achieved results, as well as the directors and executive officers in charge of them, who have boldly taken on ESG-related issues related to climate change, are commended and honored by all Unicharm employees. In the evaluation, the individuals, groups, and divisions that won the preliminary rounds make final presentations, and the ranking is determined by voting by all Unicharm employees.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Since the renewable power procurement roadmap has been established for each country, the company president (country producer) evaluates its progress based on its progress. In addition, the achievement of Kyo-sei Life Vision 2030 and Environmental Targets 2030 will be achieved by linking the performance evaluation of each director and executive officer.

Entitled to incentive

Management group

Type of incentive

Monetary reward

Incentive(s)

Bonus – set figure
Shares

Performance indicator(s)

Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target

Incentive plan(s) this incentive is linked to

Long-Term Incentive Plan

Further details of incentive(s)

The remuneration of our executive officers consists of basic remuneration (monetary) and performance-linked remuneration, and performance-linked remuneration consists of monetary remuneration as a short-term incentive and restricted stock remuneration as a medium- to long-term incentive. In addition, basic remuneration is determined for each position according to the degree of responsibility.

We conduct ESG evaluations, including responses to issues related to climate change, as performance evaluation indicators. As for ESG evaluation, which was newly added to the index from FY2020, we are striving to evaluate quantitatively as much as possible, such as adopting the FTSE Blossom Japan Index and improving the ESG score.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Since the renewable power procurement roadmap has been established for each country, the company president (country producer) evaluates its progress based on its progress. In addition, the achievement of Kyo-sei Life Vision 2030 and Environmental Targets 2030 will be achieved by linking the performance evaluation of each director and executive officer.

Entitled to incentive

Management group

Type of incentive

Non-monetary reward

Incentive(s)

Internal company award

Performance indicator(s)

Achievement of climate transition plan KPI
Progress towards a climate-related target
Achievement of a climate-related target

Incentive plan(s) this incentive is linked to

Long-Term Incentive Plan

Further details of incentive(s)

Unicharm presents awards for contributions to climate change-related goals in "Environmental Goals 2030" and "Kyo-sei Life Vision 2030."

Unicharm holds "The Unicharm Awards" once a year. This is a system in which individuals, groups, and departments compete for the degree of contribution they make to the company and society over the course of the year, and are rewarded. Under this system, individuals, groups, and departments that have achieved results, as well as the directors and executive officers in charge of them, who have boldly taken on ESG-related issues related to climate change, are commended and honored by all Unicharm employees. In the evaluation, the individuals, groups, and divisions that won the preliminary rounds make final presentations, and the ranking is determined by voting by all Unicharm employees.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Since the renewable power procurement roadmap has been established for each country, the company president (country producer) evaluates its progress based on its progress. In addition, the achievement of Kyo-sei Life Vision 2030 and Environmental Targets 2030 will be achieved by linking the performance evaluation of each director and executive officer.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	These targets are linked with annual (single-year) sales plans, as well as procurement and production plans.
Medium-term	1	10	In 2020, we drew up two sets of targets for 2030, namely, the Environmental Targets 2030 and the Kyo-sei Life Vision 2030. We make annual reports on material issues and progress in KPIs via Integrated Reports and Sustainability Reports.
Long-term	10	30	In order to meet the 1.5°C target limit under the COP 26, we are utilizing the recommendations of SBTi and other external organizations to develop climate change countermeasures and adaptation measures appropriate for our corporate role.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

The organization defines risks that are estimated to cause 100 million yen or greater in damage to assets, or require more than 100 days to restore operations, as having a significant impact. This includes risks related to supply chain disruptions, transportation halts, and facility damages, where the supply is halted for a week or more.

To identify climate-related risks that have a substantial financial or strategic impact, the company conducts physical risk assessments at each plant and office under a Group-wide scenario. The estimated value of damage from these assessments is aggregated on a company-wide level. This calculation helps determine the potential financial impact across the organization.

The estimated value of damage on a company-wide level is considered a latent risk, as it represents the potential future impact. This assessment takes into account the damage to assets and the estimated number of days required to restore operations.

To address these identified risks, specific countermeasures and their implementation timelines are discussed and determined at ESG Committee meetings. The committee, comprised of relevant stakeholders, evaluates the severity of the risks and proposes appropriate actions to mitigate or manage them effectively.

In summary, the organization defines risks with a significant impact as those that result in substantial financial or strategic consequences, typically involving significant damage to assets or extended disruption to operations. Climate-related risks are assessed through physical risk assessments, and the estimated value of damage on a company-wide level helps identify risks with substantial financial or strategic implications. The ESG Committee plays a critical role in discussing and deciding on countermeasures to address these identified risks.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

The ESG Division conducts climate-related risk assessments throughout the entire value chain, including direct operations, upstream, and downstream, at least three times per year. These assessments cover a wide range of risks, including those related to corporate activities, reputational risks, employee labor risks, and environmental risks at our plants. We also evaluate risks with significant strategic and financial impacts in the upstream and downstream value chains.

To assess these risks, we employ a comprehensive approach based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We begin by simulating the potential impact of climate change, considering factors such as severity, scope, and transition risks like Carbon Pricing and Energy prices. Our simulations incorporate various assumptions from authoritative sources, including climate change reports from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency's (IEA) World Energy Outlook.

Using the insights gained from these simulations, we develop multiple qualitative scenarios that extend until 2050, considering different climate change pathways such as the 2°C (1.5°C) scenario and the 4°C scenario. These scenarios, along with the estimated value of damage calculated through site-level risk assessments, help us estimate the total value of potential damage at the company level.

The results of these assessments are reported to the ESG Committee and the Board of Directors. This information is then linked to the formulation of our business strategies and the development of our business plan. If the directors and divisional heads participating in the ESG Committee determine that the identified scenarios could impact our business, a dedicated division is assigned to lead the response efforts. The ESG Division serves as the secretariat for these response activities.

The assigned division, in collaboration with the ESG Division, develops a response plan that addresses the identified risks. This plan is presented for approval at the subsequent ESG Committee meeting, and the division responsible for implementation is accountable for executing the approved plan. Additionally, divisions across the organization report on the progress of their respective response plans at ESG Committee meetings, ensuring ongoing monitoring and improvement.

By conducting rigorous climate-related risk assessments and integrating them into our decision-making processes, Unicharm aims to enhance our resilience, effectively respond to emerging risks, and align our business operations with long-term sustainability goals.

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>In our organization's climate-related risk assessments, we consider various types of risks that are relevant to our business operations. These risks include:</p> <ol style="list-style-type: none"> 1. CO2 Emissions and Sales Volume: As a product manufacturer, our CO2 emissions are closely linked to our sales volume. Without implementing appropriate measures, an increase in our sales would result in a corresponding increase in CO2 emissions. This relationship highlights the need for effective strategies to manage and mitigate emissions as our business expands. 2. Regulatory and Policy Risks: Changes in regulations and policies related to global warming countermeasures pose potential risks to our business. For instance, if taxes for such countermeasures in Japan were to be raised to levels similar to those in Europe, it would lead to increased operating costs for our company. This highlights the importance of staying informed about evolving regulations and considering their potential impact on our operations. <p>By considering these risks and conducting thorough assessments, we aim to identify and address the potential challenges and opportunities associated with climate-related issues. This proactive approach allows us to develop strategies and implement measures to minimize our environmental impact, manage costs, and remain resilient in the face of changing regulations and market conditions.</p>
Emerging regulation	Relevant, always included	<p>In our organization's climate-related risk assessments, we take into consideration various factors that influence our operations and the potential risks associated with them.</p> <p>Firstly, we recognize the international frameworks established, such as the Paris Agreement, which address climate change and set rules for greenhouse gas (GHG) emissions. These frameworks apply not only to advanced industrial nations but also to developing nations. We consider the implications of these agreements on our business operations and the potential impact of compliance requirements.</p> <p>Additionally, we assess the energy consumption of our plants, with a major portion being electric power. This energy usage contributes to approximately 400,000 tons of CO2 emissions per year across the Unicharm Group. Understanding the magnitude of our emissions allows us to evaluate the associated risks and identify opportunities for improvement.</p> <p>To align with global climate targets, organizations like the OECD highlight the need for effective carbon pricing. The OECD's Effective Carbon Rates report suggests that achieving the 2°C target requires a minimum carbon price of €100 per ton of CO2. This information is considered in our risk assessments as it directly impacts our energy costs and carbon pricing strategies.</p> <p>As we strive to reduce our emissions and meet climate goals, we recognize the necessity of developing energy-saving measures within our operations. This includes exploring energy-efficient technologies and practices to minimize our carbon footprint.</p> <p>Moreover, we assess the potential risk of higher costs for power companies, manufacturing bases, and suppliers due to the need for emission reduction measures and potential carbon pricing mechanisms. By evaluating these risks, we can proactively identify cost management strategies and seek opportunities for collaboration with suppliers and partners to address shared challenges.</p> <p>By considering these factors in our climate-related risk assessments, we aim to gain a comprehensive understanding of the risks and opportunities associated with climate change mitigation and develop strategies to navigate them effectively.</p>
Technology	Relevant, always included	<p>When assessing climate-related risks in relation to Unicharm's main product line of disposable diapers, one significant risk to consider is the potential emergence of competing products designed to address climate change. Specifically, there is a possibility that a competitor may introduce a product that utilizes alternative materials or employs more efficient processing technologies to reduce CO2 emissions.</p> <p>This poses a risk to Unicharm as it could lead to a contraction in the market demand for our products. If consumers perceive these climate-friendly alternatives as more sustainable or environmentally friendly, they may opt for those products instead of our disposable diapers.</p> <p>To mitigate this risk, Unicharm needs to closely monitor the market and stay aware of any advancements or innovations made by competitors in terms of climate-friendly products. This involves conducting thorough research and development efforts to enhance our own products, incorporating sustainable materials and adopting more efficient manufacturing processes. By staying ahead of the competition and continuously improving our offerings, we can maintain our market share and address the evolving consumer preferences for environmentally conscious products.</p> <p>It is also crucial to engage in effective marketing and communication strategies to educate consumers about the sustainability features and benefits of our disposable diapers. Emphasizing factors such as responsible sourcing, recyclability, and our commitment to reducing CO2 emissions can help differentiate our products and maintain customer loyalty.</p> <p>By proactively monitoring and addressing the risk of competing climate-friendly products, Unicharm can adapt to changing market dynamics, retain its competitive edge, and continue to meet consumer demands for sustainable solutions.</p>
Legal	Relevant, always included	<p>We recognize an elevated risk of litigation across our supply chain due to investigations or whistleblowing, often initiated by non-profit organizations (NPOs) or non-governmental organizations (NGOs). These actions can lead to legal proceedings related to various concerns, including human rights issues.</p> <p>One specific area of concern involves litigation associated with timber sourced from plantations established through slash-and-burn agriculture, as well as deforestation resulting from the production of primary commodities like palm oil. Deforestation, in particular, is closely intertwined with climate change, as it contributes to the release of carbon dioxide and the loss of critical ecosystems.</p> <p>To address these risks, we prioritize responsible sourcing practices and strive to ensure that our supply chain adheres to sustainable and ethical standards. This includes conducting thorough due diligence on suppliers and establishing clear guidelines regarding the origin and sustainability of the materials used in our products.</p> <p>By actively monitoring and engaging with our suppliers, we aim to mitigate the risk of litigation related to deforestation and other environmental concerns. We work towards promoting sustainable practices, supporting initiatives that combat deforestation, and seeking alternative sources of raw materials that are produced responsibly.</p> <p>Additionally, we maintain open channels of communication with NPOs, NGOs, and other stakeholders to address any concerns that may arise. By fostering transparency and accountability, we aim to proactively identify and rectify any issues within our supply chain, thereby reducing the likelihood of litigation.</p> <p>Our commitment to mitigating the risks associated with deforestation and related environmental issues extends beyond legal compliance. We strive to be proactive in our approach, continuously improving our practices, and supporting initiatives that promote sustainability and combat climate change.</p> <p>By actively managing these risks, we aim to safeguard our business operations, protect our reputation, and contribute to the broader goal of environmental conservation and sustainable development.</p>

	Relevance & inclusion	Please explain
Market	Relevant, always included	<p>Around 80% of Unicharm's product portfolio consists of disposable items that provide a convenient and hygienic solution for consumers. However, there is a potential risk associated with a rapid market shift driven by consumer preferences towards environmentally-oriented products aimed at mitigating climate change. For instance, recent movements advocating for the discontinuation of plastic straws to reduce marine pollution highlight this trend.</p> <p>Should consumer behavior significantly change in favor of more sustainable alternatives, there is a possibility of a market contraction for our disposable products. Consumers opting for environmentally-friendly options may choose alternatives to our products, leading to a potential decline in demand.</p> <p>To address this risk, Unicharm recognizes the importance of adapting to evolving consumer preferences and market dynamics. We are committed to sustainability and are actively exploring ways to make our products more eco-friendly. This includes researching and developing materials that are biodegradable, recyclable, or have a reduced environmental impact.</p> <p>Furthermore, we continuously invest in innovation and product development to offer sustainable solutions that align with consumer expectations. By incorporating environmentally-friendly practices and materials into our products, we aim to meet the growing demand for more sustainable choices and minimize the potential market shrinkage.</p> <p>In addition to product development, Unicharm emphasizes effective marketing and communication strategies. We strive to educate consumers about the environmental benefits and efforts we undertake to minimize our products' impact on climate change. Transparently sharing information about our sustainability initiatives and emphasizing our commitment to reducing environmental footprints can help retain customer loyalty and maintain market share.</p> <p>By proactively addressing the risk of market shrinkage through sustainable product innovation and effective communication, Unicharm aims to adapt to changing consumer preferences, ensure long-term business resilience, and contribute to a more sustainable future.</p>
Reputation	Relevant, always included	<p>We consider reputational risk to be relevant and always included in our organization's climate-related risk assessments, as our products are perceived to be linked to deforestation.</p> <p>We face reputational risk for our perceived role in contributing to deforestation. We use pulp in 70% of our products. As a company that uses pulp in its products, a reputation for not being serious about deforestation can evolve into a reputation for not being serious about climate change, and as such we assess the risk of damage to our brand.</p>
Acute physical	Relevant, always included	<p>As acute physical risks from climate change could result in supply shortages and reduced operational efficiency, we consider them relevant and always include them in our organization's climate-related risk assessments.</p> <p>A sudden massive hurricane or flood caused by climate change could result in a supply shortage or supply chain disruption due to damage to forest resources, resulting in a reduction in our operating rate, as we source materials globally and primarily use conifer and oil-based materials. In North America, the production areas for pulp (the main ingredient of our products) could be damaged by acute physical risks due to factors such as an increase in the number of hurricanes, the amount of damage, etc. There is also a risk of a significant reduction in the production capacity of our mills due to the increase in the number of hurricanes.</p> <p>There is also a risk of a significant decrease in work efficiency due to heat stroke among outdoor workers as a result of an increase in summer temperatures due to climate change.</p>
Chronic physical	Relevant, always included	<p>As chronic physical risks from climate change could result in increased workplace environment costs and reduced manufacturing efficiencies, we consider this to be relevant and always include it in our organization's climate-related risk assessments.</p> <p>Ensuring a suitable working environment and maintaining product quality in the face of rising temperatures will result in an increase in air-conditioning costs, while the cost of flood-related insurance will increase and the value of our real estate holdings is likely to decrease. These factors will have a negative impact on our earnings and assets.</p> <p>We source our materials globally, primarily from coniferous trees and petroleum-based materials. We also operate manufacturing facilities in 16 countries and there is a risk that high temperatures or heavy rainfall caused by global warming could lead to a reduction in operating rates or disruptions to manufacturing facilities or our supply chain.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
---------------------	---------------------------

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Our company is involved in the manufacturing of products such as diapers and sanitary goods, which necessitate a considerable amount of energy due to the use of materials like absorbent substances and non-woven fabrics. With 40 factories spread across Asia and other parts of the world, we face the challenge of mitigating the potential impact of carbon taxation on our business profitability. In this context, it is essential to consider our plans for expanding into new markets, increasing product usage rates, and the expected rise in demand for hygiene-related items post-COVID-19.

To drive growth, we are focusing on expanding our operations in regions with untapped potential, particularly in less-utilized areas of Asia and Africa. This expansion includes plans to increase the adoption of disposable diapers and sanitary goods in these markets. Additionally, we anticipate a surge in demand for products such as masks and wet wipes as a result of heightened hygiene awareness following the COVID-19 pandemic.

Taking into account the aforementioned factors, our strategic target is to achieve a total group revenue of 1.4 trillion yen by 2030, representing approximately 1.6 times our current (2022) revenue. However, the imposition of carbon taxes on this revenue poses a significant risk to our business profitability. Assuming a carbon tax rate of \$102/t-CO₂, this would result in an annual tax burden of approximately 14.3 billion yen when calculated based on an estimated CO₂ emissions of 1,003,500 tons in 2030. The

impact of this tax will account for 1.0% (=143/14,000 million yen*100) of our group's planned sales of 1,400 billion yen and 6.0% (=143/238 billion yen*100) of operating income of 238 billion yen in 2030, so the impact will be significant.

*IEA carbon price (130 dollars/ton-CO₂ for developed countries, 90 dollars/ton-CO₂ for less developed countries) is estimated at 102 dollars as a weighted average of Unicharm's results.

*Estimated at an exchange rate of 140 yen/\$.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

3800000000

Potential financial impact figure – maximum (currency)

14300000000

Explanation of financial impact figure

The carbon tax calculation utilized the predicted prices from the International Energy Agency (IEA), as determined by the International Environmental Economics Institute. The anticipated greenhouse gas (GHG) emissions, which impact our group's operating costs, are expected to reach 1,003,500 tons of CO₂ (a 185% increase compared to the previous year). Assuming a carbon tax rate of \$130/ton-CO₂ for advanced countries and \$90/ton-CO₂ for developing countries, this would result in an annual tax burden of approximately 14.3 billion yen for our group.

The impact of this tax burden represents approximately 1% of the projected revenue of 1.4 trillion yen for 2030, and about 6% of the operating profit of 238 billion yen (17%). Even if we achieve our Science-Based Targets (SBTs), it is still expected that a carbon tax of 3.8 billion yen would be incurred, and the potential impact of carbon taxation on our operations and financial performance is significant.

The calculation formula for carbon tax

Business As Usual:

1,003,500/ton-CO₂ x \$102 *1 x ¥140/\$ *2 = ¥14,329 million

The emission is estimated based on the expected sales increase in 2030

At the time of achieving SBT:

266,482/ton-CO₂ x \$102 *1 x ¥140/\$ *2 = ¥3,805 million

The emission is projected emissions in 2030 if we achieve our 2030 target.

*1 Weighted average of \$130/ton-CO₂ for developed countries and \$90/ton-CO₂ for emerging countries

*2 Rate 140 yen estimated at the time

Cost of response to risk

1720000000

Description of response and explanation of cost calculation

In May 2020, Unicharm Group established the medium-to-long-term environmental target "Environmental Targets 2030" and in October of the same year, formulated the medium-to-long-term ESG target "Kyo-sei Life Vision 2030." We have set quantifiable reduction targets and implemented initiatives to reduce our overall resource usage. Environmental representatives at each site engage in energy-saving activities through quarterly networking sessions, where they review annual plans and progress. As a result of these efforts, our group achieved a reduction of approximately 12.4% (baseline) in CO₂ emissions (Scope 1 and 2) in 2022 compared to 2021.

Furthermore, in 2022, we launched the "GHG Emissions Visualization Project" and began collaborating with material suppliers to visualize the entire supply chain's CO₂ emissions and work towards emission reductions.

By promoting the goal of achieving 100% renewable energy by 2030, we anticipate that Scope 1 and 2 emissions will be nearly zero. We plan to discontinue incineration in Scope 1, electrify (Scope 2 conversion) the portion that previously used heat for air conditioning, and recycle the waste generated from incineration. Regarding Scope 2, we are promoting the transition to renewable energy sources at all our sites, which includes the introduction of solar panels and the purchase of credits, with an estimated cost of 1.72 billion yen.

Considering the expenditure of 190 million yen for the introduction of renewable energy in 2022, and the overall renewable energy ratio for the group in 2022 was 11.0%, we have calculated that an additional 1.72 billion yen is required to achieve the plan of raising it to 100% by 2030 (190 million yen x 100%/11% = 1.72 billion yen)

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Unicharm is a company that manufactures and sells primarily paper diapers and feminine hygiene products in Japan and Asia. With changes in population demographics, aging populations in many advanced countries and regions are leading to an increase in the proportion of disposable diapers in waste. In fact, in Japan, disposable diapers currently account for about 12% of all waste generated, and we expect this percentage to increase by approximately 30% by 2030 compared to 2015 (according to data from the Ministry of the Environment).

It's important to note that more than 90% of the countries and regions where Unicharm operates dispose of used diapers through incineration, open dumping, or landfilling.

To address these environmental challenges, since 2016, Unicharm has been actively working on recycling used diapers using our unique ozone sterilization technology. Through this technology, we can effectively treat used diapers, eliminate bacteria, and transform them into hygienic and safe pulp, which can be used as a raw material for adult and caregiving diapers. We started selling diapers made from recycled pulp in June 2022. By 2024, our plan is to expand the use of recycled pulp to produce baby diapers, pet sheets, wet wipes, and other products, and make them available through various sales channels, including e-commerce.

In addition to reducing waste and utilizing recycled materials, our recycling process contributes to mitigating greenhouse gas (GHG) emissions. By recycling 100 adult diapers for one year, we estimate a reduction of approximately 46 tons of waste and the avoidance of using around 100 trees, according to our life cycle assessment (LCA). When compared to procuring the same amount of softwood kraft pulp, utilizing recycled pulp reduces land use by approximately 180 square meters.

Furthermore, since 2022, we have actively partnered with consulting firm Deloitte and various suppliers to measure and reduce GHG emissions from each product. By raising consumer awareness and promoting ethical consumption, we aim to lead consumers in reducing their carbon footprint.

Through these initiatives, Unicharm believes that we can set industry standards and capture a sales increase opportunity of ¥45.6 billion in Japan.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

16000000000

Potential financial impact figure – maximum (currency)

160000000000

Explanation of financial impact figure

The potential financial impact ranges from a minimum of 16 billion yen to a maximum of 160 billion yen within Japan.

Unicharm has set goals in its "Environmental Targets 2030" initiative, which includes objectives such as expanding diaper recycling in over 10 local governments and regions. In the market for adult diapers, which represents Japan, the estimated market size in 2030 is 400 billion yen. Assuming a market share of 60% (in-store + domestic clients), there is an untapped segment worth 160 billion yen. If we assume that 10%* of this untapped segment consists of consumers who have an interest in ethical consumption and actually make purchases, there is a potential for latent demand to materialize by 2030, presenting an opportunity for a sales increase of 16 billion yen (10% of 160 billion yen). The maximum sales increase would be 160 billion yen of the entire untapped segment.

Cost to realize opportunity

240000000

Strategy to realize opportunity and explanation of cost calculation

Unicharm believes that cooperation with local governments is key to the realization of the used disposable diaper recycling business in Japan, the country where Unicharm is headquartered, as the disposal of used disposable diapers is mainly handled by local governments.

Unicharm participated in a large-scale environmental exhibition (Eco-Products Exhibition) and recruited local governments to participate. We received an application from Shibushi City, Kagoshima Prefecture, and have started the project. Unicharm was in charge of building the technology to recycle used diapers, and Shibushi City was in charge of setting up the site for the plant and cooperating in the collection of used diapers.

In June 2022, we started test sales of "Lifree" adult diapers made from recycled materials at nursing care facilities in Kagoshima Prefecture.

This initiative is also targeted in the mid- to long-term plan "Environmental Targets 2030" from an environmental perspective and the mid- to long-term plan "Kyo-sei Life Vision 2030" from an ESG perspective, and we aim to build a recycling model that can be deployed not only in Japan but also overseas, and to introduce it to more than 10 municipalities by 2030.

The increase in sales from the development of this new technology is an opportunity in Japan as indicated in the column of explanation of financial impact figure, and we believe that there is an opportunity for an increase in sales of 16 billion yen. We estimate that development costs for this recycling business will be 1.0% to 1.5% of the estimated sales increase of 16 billion yen, which are 160 million yen to 240 million yen.

In addition, we launched the GHG Emissions Visualization Project in 2022 to visualize and reduce CO₂ emissions through our supply chain, and from 2024 onward, we will use the results of product-specific calculations to actually start reducing GHG emissions from our products. We are working to achieve our goal of zero CO₂ emissions by

2050 by establishing a plan for each fiscal year.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Unicharm has received SBT approval for 2°C aligned targets in 2018.
We are currently developing a 1.5°C aligned transition plan.
For Scope 1 and 2, we are targeting 100% renewable energy by 2030.
By achieving 100% renewable energy, Scope 1 and 2 will be almost zero.
Roadmaps for 100% renewable energy has been prepared for each country, agreed upon by the ESG Committee, and approved by the Board of Directors.
Scope 3 is currently calculated only for Japan, but we are now beginning to include overseas countries in the calculation and plan to disclose the results in 2023. To this end, we have formed a project to visualize GHG emissions and have started to understand the GHG emissions of each material on a global basis. We held a mid- to long-term policy briefing session for material suppliers and OEM customers to share the purpose of calculating GHG emissions by material, and have completed primary data collection for approximately 90% of the sales composition. With the understanding of the entire Supplychain, we will set a Scope 3 reduction target and submit to SBT by December 2023 .

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	RCP 1.9	Company-wide	<Not Applicable>	When calculating our cost projections for 2030 based on forecasted sales, we set carbon prices at \$100 per ton for advanced countries and \$75 per ton for developing countries. We also set carbon prices at \$140 per ton for advanced countries and \$125 per ton for developing countries for 2040. If international agreements progress and the goal of limiting temperature rise to below 2 degrees Celsius is achieved, we anticipate that our sales in Asia will experience a Compound Annual Growth Rate (CAGR) of 7% to 9%.
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>	Focusing on economic growth leads to an increase in CO2 emissions, which can drive short-term revenue growth. However, this approach also brings about greater physical risks, rising material costs, and increased expenses for environmental protection measures. As a result, maintaining a return on equity (ROE) of 15% becomes challenging.
Physical climate scenarios	RCP 2.6	Company-wide	<Not Applicable>	If international agreements progress and the target of limiting temperature rise to below 2 degrees Celsius is achieved, we anticipate a Compound Annual Growth Rate (CAGR) of 7% to 9% for sales in the Asian region. This growth would allow us to absorb the associated increase in energy costs and sustain our growth beyond 2050.
Physical climate scenarios	RCP 6.0	Company-wide	<Not Applicable>	If the focus of the Sustainable Development Goals (SDGs) shifts towards pursuing economic development, resulting in a global temperature rise of 3 degrees Celsius or more, we anticipate a Compound Annual Growth Rate (CAGR) of 7% to 10% for sales in the Asian region. Despite the higher growth rate, the increase in energy costs would be lower than the RCP2.6 scenario, and the expected ROE would exceed 15%. However, this growth becomes unsustainable due to the impacts of global warming, and we would face a decline in sales beyond 2050.
Physical climate scenarios	RCP 4.5	Company-wide	<Not Applicable>	If the private sector actively adopts the spirit of "We Are Still In" (WASI) as non-state actors in the United States, effectively limiting global temperature rise to approximately 2 degrees Celsius, we believe that physical risks can be minimized, and the increase in material costs can be kept within acceptable levels. Furthermore, we can expect to secure sufficient time and resources to protect corporate assets (such as addressing sea-level rise, temperature increases, and related insurance). In this scenario, we anticipate an ROE exceeding 15%.
Transition scenarios	IEA NZE 2050	Company-wide	<Not Applicable>	Unicharm aims to achieve sales of 1.4 trillion yen in its 2030 business strategy. Using sales as a parameter, SCOPE1+2 emissions will increase in proportion to sales. The carbon tax in 2030 for developed countries based on IEA NZE 2050 is US\$130/t-CO2. SCOPE1+2 emissions in 2030 are 3.8 times higher (1,003,500 ton-CO2/266,482 ton-CO2 = 3.76) compared between Business As Usual and the achievement of the SBT target. According to our calculations, this translates into a carbon tax of approximately 14.3 billion yen/year and must be reduced. Therefore, Unicharm has set a target to reduce SCOPE 1+2 emissions by 34% from 2016 levels by 2030. Achievement of the target will reduce the carbon tax to 3.8 billion yen.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

In our scenario analysis, we identified the following issues in terms of policy/legislation, technology, market, valuation, and physical risks.

From a policy and regulatory perspective, as risks, increased costs due to the introduction of GHG emissions trading and the introduction or increase of carbon taxes, and increased costs due to the introduction of plastics regulations.

From a technology perspective, the upfront costs of transitioning to low-carbon technologies.

From a market perspective, there are cost increases due to higher energy prices, higher prices for naturally occurring raw materials due to raw material prices, higher prices for pulp, a key material, higher water usage fees, and the development of ethical products in response to changes in consumer behavior.

In terms of evaluation, reputational risk as a company using forest resources.

In terms of physical risk, there is an increase in the amount of flood damage due to the severity of extreme weather events.

Results of the climate-related scenario analysis with respect to the focal questions

We have identified the significant impacts under the 1.5°C Scenario. From a policy and regulatory standpoint, the introduction of carbon pricing and emissions trading is anticipated to increase operational costs. Mandatory reporting and the need for accurate reporting on emissions will also be required, and the implementation of taxation is predicted to result in higher production costs. The imbalance in the supply and demand of recycled plastics is expected to lead to rising raw material costs and increased production expenses. To address these challenges, we have established medium- to long-term ESG goals known as 'Kyo-sei Life Vision 2030,' which involve setting reduction targets and implementing measures to decrease overall usage.

In terms of technology, there is a need for investment in system development to facilitate the transition to low-carbon technologies. As a result, we launched the 'GHG Emissions Visualization Project' in 2022 to visualize GHG emissions and develop specific methods for reduction.

From a market perspective, the increased use of renewable energy is projected to raise procurement costs, and the shift from petrochemical-derived materials to natural materials may lead to cost increases. The demand for certified pulp is expected to surge due to forest conservation efforts, resulting in higher procurement costs. In response, we have established medium- to long-term ESG goals called 'Kyo-sei Life Vision 2030,' aiming to achieve a 100% ratio of renewable energy usage in all our business operations by 2030 and setting targets to reduce the consumption of petrochemical-derived plastics. We promote responsible procurement based on our 'Procurement Basic Policy' and 'Sustainable Procurement Guidelines,' focusing on sourcing product materials that prioritize manufacturing and supply capabilities.

From a reputation perspective, the use of certified materials serves as a criterion for assessing a company's commitment to environmental initiatives. We have set targets to procure 100% certified pulp (PEFC/CoC certification) and 100% certified palm oil by 2030.

Regarding physical risks, we conduct medium- to long-term water risk analyses and identify factories that face high water stress.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Through the "GHG Emission Visualization Project," we have implemented a system to transparently visualize raw materials with lower CO2 emissions. As part of our strategic plans in the 5th stage of our mid-term management plan, we have planned the development of a circular value chain. We continue to develop and sell products that align with our internal guidelines, the "SDGs Theme Guideline," which contribute to the sustainability of our long-term ESG goal, the "Kyo-sei Life Vision 2030." By driving activities to achieve the objectives of the "Kyo-sei Life Vision 2030," we are committed to the ongoing development and sale of products that realize "NOLA & DOLA," enabling the expansion of climate-responsive goods and services.
Supply chain and/or value chain	Yes	We held a medium- to long-term policy briefing session and obtained primary data on GHG emissions from approximately 90% of our suppliers. We have started tracking the purchasing records of Category 1 in Scope 3, which accounts for half of Unicharm's total CO2 emissions. Furthermore, to drive efforts throughout our supply chain, we have implemented the Sedex system. Currently, 80% of our suppliers have joined Sedex, and we encourage them to respond to self-assessment questionnaires (SAQs) that include environmental aspects, thereby promoting their sustainability initiatives.
Investment in R&D	Yes	We have established internal guidelines called "SDGs Theme Guideline" to contribute to sustainability. Under this framework, we conduct research and development activities that align with the "Input 10% Reduction, Output 10% Increase & SDGs Theme" approach, aiming to support the achievement of SDGs. These guidelines are implemented across all our product development initiatives, and in 2022, we allocated JPY 8,270 million to product development. Furthermore, our ReF (Leaf) project aims to create a new future through recycling. As part of this initiative, we are actively involved in horizontal recycling, which involves recycling used diapers into new ones. We have conducted pilot experiments in Shibushi City, Kagoshima Prefecture, and Osaka Town. In June 2022, we began testing the use of recycled materials in absorbent paper for adult diapers called "LIFE" in select elderly care facilities within Kagoshima Prefecture. Our future plans include expanding our recycling model not only in Japan but also internationally and introducing it to over 10 municipalities by 2030.
Operations	Yes	In order to achieve the sustainable lifestyle practices outlined in our medium to long-term ESG goal, "Kyo-sei Life Vision 2030," we have established the SDGs Theme Guideline. This guideline is integrated into our product development process, where we set themes that contribute to reducing environmental impact and addressing social issues. To ensure transparency and accountability, we have implemented company-wide gates that track progress from the initiation of each initiative through to its implementation and post-launch results. Through regular progress reports given by the ESG committee, led by the CEO, we facilitate two-way communication with all executives and above.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities	<p>Approximately 87% of our personal care products' revenue, such as diapers and sanitary products, manufactured by Unicharm, is derived from products that use pulp as a raw material. While used diapers are typically incinerated, our recycling system utilizes ozone treatment to sterilize and disinfect them, transforming them into high-quality pulp that can be reused as a raw material for diapers. Through ozone treatment, approximately 84kg of pulp, which can be used as a raw material for diapers, is recycled from one ton of used diapers. If we were to source an equivalent amount of needle-leaf craft pulp instead of recycled pulp, it would require approximately 200 square meters of land. However, recycling reduces this requirement by approximately 180 square meters. Furthermore, by expanding the use of environmentally conscious design and certified materials in our products, we aim to meet the expectations for ethical consumption and set industry standards for paper pulp.</p> <p>Additionally, by developing recycling technologies for diapers, we strive to establish ourselves as leaders in the diaper industry. In our medium to long-term environmental goal, "Environmental Goal 2030," we have set a target to "expand diaper recycling in 10 or more municipalities and regions." In the adult paper diaper market in Japan, the estimated market size in 2030 is 400 billion yen, and our market share accounts for approximately 60% (domestic retailers + business partners), leaving approximately 160 billion yen worth of untapped market potential. If we can capture 10% of this as ethical consumption, it would result in additional sales of 16 billion yen.</p> <p>At Unicharm, we use planned and selectively harvested slash pine (pine trees) as the forest-derived resources for materials such as pulp and tissue. The pulp used in our flagship product, diapers, is derived from slash pine, a specific species of tree. However, if the supply of this raw material were to decrease (for example, due to forest fires preventing the cultivation of slash pine in planned harvesting areas), it would result in a situation similar to the material shortage we have experienced in the past. In such cases, the price of pulp has previously increased by approximately 10%.</p> <p>Moreover, due to the increasing demand for diapers in recent years, Unicharm plans to achieve a sales growth of approximately 156% by 2030 compared to 2022 (targeting 1.4 trillion yen in sales by 2030, compared to 898 billion yen in 2022). This expansion would also result in a 1.8-fold increase in pulp procurement. However, there is a risk of increased material sourcing costs amounting to 9 billion yen if chronic shortages, such as forest fires, occur.</p> <p>Regarding capital allocation, we have developed a recycling system that converts used diapers into hygienic pulp. This groundbreaking initiative aims to create a horizontal circulation of used diapers as raw materials. We are conducting joint demonstration experiments with Kagoshima Prefecture's Shibushi City and Osaki Town. According to our calculations, to achieve one of the goals of "Kyo-sei Life Vision 2030," which is to establish 10 recycling facilities by 2030, an investment of approximately 1.3 billion yen is required. In the fiscal year 2022, we began selling products utilizing the recycling equipment in Kagoshima Prefecture.</p>

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

- Absolute target
- Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2017

Target coverage

Company-wide

Scope(s)

- Scope 1
- Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Base year

2016

Base year Scope 1 emissions covered by target (metric tons CO2e)

41102

Base year Scope 2 emissions covered by target (metric tons CO2e)

371829

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

412931

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:

Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

34

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

26884.448

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

535650.573

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

562535.021

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The aggregated data until 2021 includes Japan, Thailand (only UCT), China, Indonesia, India, Vietnam, Taiwan - Greater China region, the United States, and Brazil. Starting from 2022, the scope will be expanded to include South Korea, Saudi Arabia, Egypt, Myanmar, Malaysia, and Thailand (DSG-Thailand).

Considering the expansion of the target countries and their contribution to the 1.5°C target, we are contemplating reapplying to SBT (Science-Based Targets).

Plan for achieving target, and progress made to the end of the reporting year

In Scope 1, we are transitioning facilities that previously used gas to facilities that use electricity. For facilities where conversion is not feasible, we are considering the introduction of CO2-free gases and other alternatives. Additionally, in 2022, we discontinued our in-house incineration facility that was previously used in Japan.

In Scope 2, we are actively promoting a transition to 100% renewable energy, with a goal to achieve full conversion by 2030. In 2022, we exceeded a renewable energy ratio of 10% through the implementation of solar power generation facilities, thereby reducing our Scope 2 emissions.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2017

Target coverage

Country/area/region

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 2: Capital goods

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution

Category 5: Waste generated in operations

Category 6: Business travel

Category 7: Employee commuting

Category 8: Upstream leased assets

Category 9: Downstream transportation and distribution

Category 10: Processing of sold products

Category 11: Use of sold products
Category 12: End-of-life treatment of sold products
Category 13: Downstream leased assets
Category 14: Franchises
Category 15: Investments

Base year

2016

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

519799

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

40000

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

3000

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

47000

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

1000

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

1000

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

1000

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

344550

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

957349

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

957349

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1:

Purchased goods and services (metric tons CO2e)

100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

100

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

100

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

100

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

100

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

18

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

948593.097

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

12609.533

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

18976.435

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

48674.147

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

1198.628

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

426.66

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

1971.563

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

847.157

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

28393.102

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

791200

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1852890.322

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1852890.322

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

The coverage of Scope 3 calculations is limited to Japan only.

Our current target aligns with the 2°C goal, and we are setting additional targets to contribute to the 1.5°C goal. We are considering reapplying to SBT (Science-Based Targets) in light of these targets.

Plan for achieving target, and progress made to the end of the reporting year

We have expanded the calculation coverage including OEM and pet care business compared to the baseline year, resulting in an increase in performance figures.

To align our achievements with the expanded scope and contribute to the 1.5°C target, we are considering redefining our goals and reapplying to SBT (Science-Based Targets). We aim to set emission reduction targets that reflect our actual situation.

Specifically, we have initiated an GHG emissions visualization project within our organization to promote renewable energy and energy efficiency among suppliers, requesting reductions in Category 1 emissions. We are also establishing recycling technologies for used diapers, planning reductions in Category 12 emissions.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

<Not Applicable>

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Intensity metric

Metric tons CO2e per unit revenue

Base year

2016

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.0963872236

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0.8719664491

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.9683536728

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

34

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

% change anticipated in absolute Scope 1+2 emissions

-4.5

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.029937405

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0.5964782301

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.6274931799

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Achieved

Please explain target coverage and identify any exclusions

This is the target of the 2030 medium-term environmental goal, which establishes objectives from 2020 to 2030 using 2016 as the baseline year. The target is aimed at reducing energy consumption.

Plan for achieving target, and progress made to the end of the reporting year

<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target

Renewable Energy Transition

- Introduction of Solar Power Purchase Agreements (PPA)

(Japan, Thailand, Vietnam, China, Indonesia)

- Purchase of Renewable Energy Certificates

(Japan, United States)

Target reference number

Int 2

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

<Not Applicable>

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 12: End-of-life treatment of sold products

Intensity metric

Metric tons CO2e per unit revenue

Base year

2016

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

3.7663683277

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

3.1044058474

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

6.8707741751

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

6.8707741751

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

<Not Applicable>

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

100

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

100

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

100

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

21.07

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

-4.5

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

3.2919755057

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

2.7457338997

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

6.0377094055

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

6.0377094055

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We streamlined the calculation process by eliminating duplicate calculations between the entity producing the product and the entity producing the raw materials. Currently, calculations are being conducted only in Japan, but we plan to extend the calculation to other countries within two years.

Plan for achieving target, and progress made to the end of the reporting year

We initiated an internal GHG emissions visualization project with the goal of making GHG emissions visible, measurable, and actionable. As part of this effort, we are collaborating with suppliers to improve the reporting of CO2 emissions for materials in Scope 3 Category 1. Instead of solely relying on the previous environmental ministry database, we plan to utilize CO2 reports provided by suppliers to calculate emissions. In this process, we are encouraging suppliers to promote renewable energy and energy efficiency, requesting their commitment to reducing CO2 emissions and working together to achieve emission reductions across the value chain.

In 2022, we received reports for approximately 90% of the raw materials and are currently conducting data validation and analysis.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Net-zero target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2019

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2020

Consumption or production of selected energy carrier in base year (MWh)

35719.29998

% share of low-carbon or renewable energy in base year

4.1

Target year

2030

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

11

% of target achieved relative to base year [auto-calculated]

Target status in reporting year

Underway

Is this target part of an emissions target?

In the Unicharm Group, Scope 2 accounts approximately 95% of Scope 1 and 2, so by achieving 100% procurement of renewable energy sources, Scope 1 and 2 will be reduced to almost zero.

Is this target part of an overarching initiative?

Other, please specify (Applying to participate in RE100)

Please explain target coverage and identify any exclusions

The entire group is covered and no exclusions.

Plan for achieving target, and progress made to the end of the reporting year

Each country has developed a roadmap for renewable energy procurement, is introducing PPAs and purchasing energy attribute certificates in accordance with the plan. The ratio of renewable electricity in 2022 exceeded 10%.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Target year for achieving net zero

2050

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Please explain target coverage and identify any exclusions

Scope 1, 2, 3 emissions in countries where we operate production activities (parent company and its consolidated subsidiaries) are covered by the target.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

We will first reduce Scope 2 to zero by 2030; for Scope 1, we plan to introduce electrification and CO₂-free gas; for Scope 3, we will focus on collaboration with suppliers and recycling of used diapers, and we are also considering purchasing renewable energy certificates as a final measure.

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

	Number of initiatives	Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *)
Under investigation	18	16200
To be implemented*	7	110200
Implementation commenced*	1	2000
Implemented*	49	68940
Not to be implemented	1	1000

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

28800

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

255984062

Investment required (unit currency – as specified in C0.4)

300000000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Initiative category & Initiative type

Low-carbon energy consumption	Solar PV
-------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

22390

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

22800000

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

16-20 years

Comment

Initiative category & Initiative type

Low-carbon energy consumption	Other, please specify (Purchase of renewable energy certificates)
-------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

17750

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

32200000

Payback period

No payback

Estimated lifetime of the initiative

16-20 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Capital investment is prioritized to achieve the 1% annual improvement in energy efficiency required by Japan Act on the Rational Use of Energy.
Financial optimization calculations	Regarding energy-saving investment, it promotes judgment of investment collection by extending the judgment criteria of the normal depreciation year.
Dedicated budget for low-carbon product R&D	We set up a budget that makes it easier for developers to prefer low-carbon materials by implementing system investment and database management that can collect data on CO2 emissions / material weights for material manufacturers by supplier and part number. We also set a budget to evaluate consumers of products replaced with low-carbon materials
Dedicated budget for energy efficiency	Set ESG investment quota. In the future, we plan to discuss and utilize large-scale projects and projects that span multiple countries.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (Addressing the Avoided Emissions Challenge- Chemicals sector)

Type of product(s) or service(s)

Other	Other, please specify (disposable mop elements)
-------	---

Description of product(s) or service(s)

- i.) We aim to reduce Scope 2 emissions through the efforts of our product users.
- ii.) By utilizing our floor mop product (branded as "Wave"), which features disposable mop elements and is also sold under the P&G OEM label as part of the "Swiffer" series, we can promote the reduction of CO2 emissions. Traditionally, households predominantly used vacuum cleaners for floor cleaning, but our floor mop requires no electricity, allowing for a reduction in energy consumption when used in conjunction with a vacuum cleaner. This contributes to the reduction of Scope 2 emissions.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Addressing the Avoided Emissions Challenge- Chemicals sector

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

Floor cleaning of a household for a year.

Reference product/service or baseline scenario used

We evaluate based on whether cleaning can be performed without using electricity, as compared to using an electric vacuum cleaner.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

8.01

Explain your calculation of avoided emissions, including any assumptions

Using a vacuum cleaner for 10 minutes a day results in a total of 3,650 minutes or 60 hours per year. Assuming a power output of 300Wh for the vacuum cleaner, the calculation is as follows:

60 hours × 300Wh = 18kWh

18kWh × Japan's emission factor of 0.445 = 8.01 tons.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

2

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

41102

Comment

Regarding fuel, if suppliers prioritize using sample data for heat generation and CO2 emission factors, we obtain and calculate the values using publicly available data. We used CO2 emission factors based on GHG Protocol Version 4.8. In Japan, the calculations are based on emission factors defined by the Act on the Rational Use of Energy and the Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures.

Scope 2 (location-based)

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

370922

Comment

We used CO2 emission factors based on GHG Protocol Version 4.8. In Japan, the calculations are based on emission factors established by the Energy Conservation Act and the Law Concerning the Promotion of Measures to Tackle Global Warming for energy use rationalization and climate change mitigation.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

519799

Comment

Scope 3 category 2: Capital goods

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

40000

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

3000

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

47000

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

1000

Comment

Scope 3 category 6: Business travel

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

1000

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

1000

Comment

Scope 3 category 8: Upstream leased assets

Base year start
January 1 2016

Base year end
December 31 2016

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start
January 1 2016

Base year end
December 31 2016

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 10: Processing of sold products

Base year start
January 1 2016

Base year end
December 31 2016

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 11: Use of sold products

Base year start
January 1 2016

Base year end
December 31 2016

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start
January 1 2016

Base year end
December 31 2016

Base year emissions (metric tons CO2e)
344550

Comment

Scope 3 category 13: Downstream leased assets

Base year start
January 1 2016

Base year end
December 31 2016

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 14: Franchises

Base year start
January 1 2016

Base year end
December 31 2016

Base year emissions (metric tons CO2e)
0

Comment

Scope 3 category 15: Investments

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

0

Comment

Scope 3: Other (upstream)

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

0

Comment

Scope 3: Other (downstream)

Base year start

January 1 2016

Base year end

December 31 2016

Base year emissions (metric tons CO2e)

0

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Japan Ministry of the Environment, Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures (2005 Amendment)

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
26884

Start date
January 1 2022

End date
December 31 2022

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
30811

Start date
January 1 2021

End date
December 31 2021

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
31145

Start date
January 1 2020

End date
December 31 2020

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)
27716

Start date
January 1 2019

End date
December 31 2019

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

543492

Scope 2, market-based (if applicable)

535651

Start date

January 1 2022

End date

December 31 2022

Comment

The aggregated data until 2021 includes Japan, Thailand (UCT only), China, Indonesia, India, Vietnam, Taiwan - Greater China region, the United States, and Brazil. In 2022, the scope was expanded to include South Korea, Saudi Arabia, Egypt, Myanmar, Malaysia, and Thailand (DSG-Thailand).

Past year 1

Scope 2, location-based

425084

Scope 2, market-based (if applicable)

405109

Start date

January 1 2021

End date

December 31 2021

Comment

Past year 2

Scope 2, location-based

425279

Scope 2, market-based (if applicable)

435178

Start date

January 1 2020

End date

December 31 2020

Comment

Past year 3

Scope 2, location-based

443902

Scope 2, market-based (if applicable)

446744

Start date

January 1 2019

End date

December 31 2019

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions

Overseas Scope3 emissions.

Scope(s) or Scope 3 category(ies)

Scope 3: Purchased goods and services
Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Upstream transportation and distribution
Scope 3: Waste generated in operations
Scope 3: Business travel
Scope 3: Employee commuting
Scope 3: Upstream leased assets
Scope 3: Downstream transportation and distribution
Scope 3: Processing of sold products
Scope 3: Use of sold products
Scope 3: End-of-life treatment of sold products
Scope 3: Downstream leased assets
Scope 3: Franchises
Scope 3: Investments

Relevance of Scope 1 emissions from this source

<Not Applicable>

Relevance of location-based Scope 2 emissions from this source

<Not Applicable>

Relevance of market-based Scope 2 emissions from this source

<Not Applicable>

Relevance of Scope 3 emissions from this source

Emissions are relevant but not yet calculated

Date of completion of acquisition or merger

<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents

<Not Applicable>

Estimated percentage of total Scope 3 emissions this excluded source represents

50

Explain why this source is excluded

We have currently launched an internal GHG emissions visualization project, driving towards the goals of "Visible," "Measurable," and "Actionable." As part of this initiative, we are organizing the calculation methods in Japan and developing a framework to expand the project overseas.

Explain how you estimated the percentage of emissions this excluded source represents

Approximately 66% of our sales are generated from overseas markets. However, many regions in these markets have landfill disposal practices and Scope3 Category 12 emissions are expected to be smaller than in Japan, leading us to estimate approximately 50%.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

948593.097

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

For the calculation of Scope 3 emissions, we only consider emissions generated in Japan and disclose the results.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

12609.533

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

For the calculation of Scope 3 emissions, we only consider emissions generated in Japan and disclose the results.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

18976.435

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

For the calculation of Scope 3 emissions, we only consider emissions generated in Japan and disclose the results.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

48674.147

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

We are using 3PL, and we have third party (logistics company) provide us with the data that needs to be notified as a specified consignor under the Energy Conservation Law and we are using it for calculation.

Regarding Scope 3 emissions, we are currently only disclosing data in Japan.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1198.628

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

For the calculation of Scope 3 emissions, we only consider emissions generated in Japan and disclose the results.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

426.66

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

For the calculation of Scope 3 emissions, we only consider emissions generated in Japan and disclose the results.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1971.563

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

For the calculation of Scope 3 emissions, we only consider emissions generated in Japan and disclose the results.

Upstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

847.157

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The fuel for business vehicles required for the calculation is provided by the group company and is calculated by multiplying the basic unit of the Ministry of the Environment.

Regarding Scope 3 emissions, we are currently only disclosing data in Japan.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

28393.102

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Transportation from wholesalers to retailers and from retailers to consumers (home) was calculated by transportation distance, shipping weight, and delivery area. We only consider emissions generated in Japan and disclose the results.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not sell intermediate products.

Use of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not sell products that consume energy during use.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

791200

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

For the calculation of the waste weight after use of the product to be sold, we calculate the original unit by sampling the weight after use at shipment number.

From 2020, it increased due to the addition of original equipment manufacturer (OEM) emissions to in-house production (compared to the same range as the base year, it is almost flat).

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not own and lease assets to others.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We do not engage in franchise business.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Investment is not our main business.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

There are no applicable items.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

There are no applicable items.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1 2021

End date

December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)

958828.781

Scope 3: Capital goods (metric tons CO2e)

67635.233

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

21546.981

Scope 3: Upstream transportation and distribution (metric tons CO2e)

48429.33

Scope 3: Waste generated in operations (metric tons CO2e)

1168.08

Scope 3: Business travel (metric tons CO2e)

129.675

Scope 3: Employee commuting (metric tons CO2e)

1855.792

Scope 3: Upstream leased assets (metric tons CO2e)

786.306

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

841044.559

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

0

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Past year 2

Start date

January 1 2020

End date

December 31 2020

Scope 3: Purchased goods and services (metric tons CO2e)

1064898.947

Scope 3: Capital goods (metric tons CO2e)

41497.865

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

2953.529

Scope 3: Upstream transportation and distribution (metric tons CO2e)

47526.389

Scope 3: Waste generated in operations (metric tons CO2e)

1148.448

Scope 3: Business travel (metric tons CO2e)

128.778

Scope 3: Employee commuting (metric tons CO2e)

1687.567

Scope 3: Upstream leased assets (metric tons CO2e)

735.124

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

817113.452

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

0

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Past year 3

Start date

January 1 2019

End date

December 31 2019

Scope 3: Purchased goods and services (metric tons CO2e)

770684.685

Scope 3: Capital goods (metric tons CO2e)

83643.6

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

2675.091

Scope 3: Upstream transportation and distribution (metric tons CO2e)

48309

Scope 3: Waste generated in operations (metric tons CO2e)

1133.119

Scope 3: Business travel (metric tons CO2e)

421.72

Scope 3: Employee commuting (metric tons CO2e)

1784.226

Scope 3: Upstream leased assets (metric tons CO2e)

1098.621

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

531172.88

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

0

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

Yes

C-AC6.8a/C-FB6.8a/C-PF6.8a

(C-AC6.8a/C-FB6.8a/C-PF6.8a) Account for biogenic carbon data pertaining to your direct operations and identify any exclusions.

CO2 emissions from biofuel combustion (processing/manufacturing machinery)

Emissions (metric tons CO2)

4932.21

Methodology

Region-specific emissions factors

Please explain

Product loss from the manufacturing process is incinerated in an incinerator boiler.

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Timber

Do you collect or calculate GHG emissions for this commodity?

Yes

Reporting emissions by

Total

Emissions (metric tons CO2e)

270910.036787641

Denominator: unit of production

<Not Applicable>

Change from last reporting year

About the same

Please explain

Calculated by Scope3Category1.

Calculated by multiplying the purchased amount of pulp and tissue by the CO2 emission coefficient of the emission database for calculating greenhouse gas emissions by organizational unit.

Calculated by multiplying the amount of raw materials purchased by the emission factor of the Ministry of the Environment "Emission intensity database for calculating greenhouse gas emissions of organizations through the supply chain (Ver.3.2)".

Explain why you do not calculate GHG emission for this commodity and your plans to do so in the future

<Not Applicable>

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000006275

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

562535.02

Metric denominator

unit total revenue

Metric denominator: Unit total

896479897327

Scope 2 figure used

Market-based

% change from previous year

11.4

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Please explain

By introducing energy saving and renewable energy (solar power), we have been able to reduce electricity consumption.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Japan	21793.182
China	2046.512
India	304.101
Indonesia	2004.961
Thailand	68.811
Republic of Korea	68.597
Viet Nam	81.153
United States of America	4.673
Myanmar	512.453

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Personalcare production plant	14153.298
Petcare production plant	7697.614
Raw material production plant	5036.773
Others (headquarters, technical center, sales branches, etc.)	0.503

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Processing/Manufacturing

Emissions category

<Not Applicable>

Emissions (metric tons CO2e)

26884.448

Methodology

Region-specific emissions factors

Please explain

There are no exclusions.

Fuel use by leased vehicles in operating activities is calculated using Scope 3 Category 8.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Japan	104749.461	121215.34
China	81048.52	81048.52
India	62018.037	62018.037
Indonesia	117011.559	117011.559
Thailand	56964.73	49194.55
Taiwan, China	7832.223	7832.223
Viet Nam	21835.178	21616.827
United States of America	0	0
Brazil	1293.578	0
Republic of Korea	11887.897	11887.897
Saudi Arabia	38738.074	38738.074
Egypt	9533.567	9533.567
Myanmar	0	0
Malaysia	7565.442	7565.442

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Personalcare production plant	503125.641	499854.962
Petcare production plant	5848.117	6612.065
Raw material production plant	32523.567	27446.053
Others (headquarters, technical center, sales branches, etc.)	2397.645	2140.658

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name

Unicharm Products Co., Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

6689.256

Scope 2, location-based emissions (metric tons CO2e)

85090.995

Scope 2, market-based emissions (metric tons CO2e)

81820.317

Comment

Subsidiary name

Unicharm Kokko Nonwoven Co., Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

5860.535

Scope 2, location-based emissions (metric tons CO2e)

31437.226

Scope 2, market-based emissions (metric tons CO2e)

27074.521

Comment

Subsidiary name

Cosmotec Corporation

Primary activity

Plastic products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

1553.136

Scope 2, location-based emissions (metric tons CO2e)

4282.59

Scope 2, market-based emissions (metric tons CO2e)

3567.78

Comment

Subsidiary name

Peparlet Co., Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

3598.936

Scope 2, location-based emissions (metric tons CO2e)

786.281

Scope 2, market-based emissions (metric tons CO2e)

991.397

Comment

Subsidiary name

Kinsei Products Corporation

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

182.117

Scope 2, location-based emissions (metric tons CO2e)

2364.829

Scope 2, market-based emissions (metric tons CO2e)

1970.114

Comment

Subsidiary name

Unicharm Mōlnlycke K.K.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

26.349

Scope 2, market-based emissions (metric tons CO2e)

26.349

Comment

Subsidiary name

United Charm Company Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0.775

Scope 2, location-based emissions (metric tons CO2e)

7832.225

Scope 2, market-based emissions (metric tons CO2e)

7832.225

Comment

Subsidiary name

Uni.Charm (Thailand) Co.,Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

68.555

Scope 2, location-based emissions (metric tons CO2e)

48900.657

Scope 2, market-based emissions (metric tons CO2e)

41130.477

Comment

Subsidiary name

Unicharm Household Products (China) Co., Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

52.66

Scope 2, location-based emissions (metric tons CO2e)

31932.958

Scope 2, market-based emissions (metric tons CO2e)

31932.958

Comment

Subsidiary name

Unicharm Household Products (Tianjin) Co., Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

218.603

Scope 2, location-based emissions (metric tons CO2e)

22415.784

Scope 2, market-based emissions (metric tons CO2e)

22415.784

Comment

Subsidiary name

Unicharm Household Products (Jiangsu) Co., Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

18455.7

Scope 2, market-based emissions (metric tons CO2e)

18455.7

Comment

Subsidiary name

Unicharm Nonwovens (Tianjin) Co., Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

1422.543

Scope 2, location-based emissions (metric tons CO2e)

5323.121

Scope 2, market-based emissions (metric tons CO2e)

5323.121

Comment

Subsidiary name

Unicharm Packaging Materials (Tianjin) Co., Ltd.

Primary activity

Plastic products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

352.707

Scope 2, location-based emissions (metric tons CO2e)

2920.961

Scope 2, market-based emissions (metric tons CO2e)

2920.961

Comment

Subsidiary name

PT. UNI-CHARM INDONESIA Tbk

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

91.107

Scope 2, location-based emissions (metric tons CO2e)

111163.598

Scope 2, market-based emissions (metric tons CO2e)

111163.598

Comment

Subsidiary name

PT. Unicharm Nonwoven Indonesia

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

1914.825

Scope 2, location-based emissions (metric tons CO2e)

6180.338

Scope 2, market-based emissions (metric tons CO2e)

6180.338

Comment

Subsidiary name

LG Unicharm Co.,Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

68.597

Scope 2, location-based emissions (metric tons CO2e)

11958.686

Scope 2, market-based emissions (metric tons CO2e)

11958.686

Comment

Subsidiary name

Diana Unicharm Joint Stock Company

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

81.159

Scope 2, location-based emissions (metric tons CO2e)

22053.527

Scope 2, market-based emissions (metric tons CO2e)

21835.175

Comment

Subsidiary name

Unicharm Gulf Hygienic Industries Co. Ltd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

38738.075

Scope 2, market-based emissions (metric tons CO2e)

38738.075

Comment

Subsidiary name

Unicharm Middle East & North Africa Hygienic Industries Company S.A.E

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

9533.562

Scope 2, market-based emissions (metric tons CO2e)

9533.562

Comment

Subsidiary name

Unicharm India Private Limited

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

304.102

Scope 2, location-based emissions (metric tons CO2e)

62018.065

Scope 2, market-based emissions (metric tons CO2e)

62018.065

Comment

Subsidiary name

The Hartz Mountain Corporation

Primary activity

Plastic products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

4.67

Scope 2, location-based emissions (metric tons CO2e)

0

Scope 2, market-based emissions (metric tons CO2e)

0

Comment

Subsidiary name

UNICHARM DO BRASIL INDÚSTRIA E COMÉRCIO DE PRODUTOS DE HIGIENE LTDA.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

1293.578

Scope 2, market-based emissions (metric tons CO2e)

0

Comment

Subsidiary name

Unicharm Myanmar Company Limited

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

512.453

Scope 2, location-based emissions (metric tons CO2e)

0

Scope 2, market-based emissions (metric tons CO2e)

0

Comment

Subsidiary name

Disposable Soft Goods (Malaysia) Sdn. Bhd.

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

7565.436

Scope 2, market-based emissions (metric tons CO2e)

7565.436

Comment

Subsidiary name

DSG International(Thailand)PLC

Primary activity

Paper products

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

15834.224

Scope 2, market-based emissions (metric tons CO2e)

15834.224

Comment

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	27952.521	Decreased	6.9	The increase in the ratio of renewable energy reduced emissions by 27952.521 t-CO2e, and our total Scope 1 and 2 emissions in the previous year was 405,190 t-CO2e, therefore we arrived at -6.9% through $(-27952.521/405,190) * 100 = -6.9\%$.
Other emissions reduction activities	30022	Decreased	7.4	Energy-saving activities as mentioned in C4.3a reduced emissions by 30022t-CO2e, and our total Scope1 and 2 emissions in the previous year was 405,190 t-CO2e, therefore we arrived at -7.4% through $(-30022/405,190) * 100 = -7.4\%$.
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output	64080.24	Increased	15.8	The increase in sales resulted in increase of emissions by 64080.240 t-CO2e, and our total Scope 1 and 2 emissions in the previous year was 405,190 t-CO2e, therefore we arrived at 15.8% through $(64,080.240/405,190) * 100 = 15.8\%$
Change in methodology		<Not Applicable >		
Change in boundary	68306.032	Increased	16.9	The aggregated data until 2021 includes Japan, Thailand (UCT only), China, Indonesia, India, Vietnam, Taiwan - Greater China region, the United States, and Brazil. In 2022, the scope was expanded to include South Korea, Saudi Arabia, Egypt, Myanmar, Malaysia, and Thailand (DSG-Thailand), resulting in increase of the emissions by 68306.033t-CO2e, and our total Scope 1 and 2 emissions in the previous year was 405,190 t-CO2e, therefore we arrived at 16.9% through $(68306.033/405,190) * 100 = 16.9\%$
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	105919.25	105919.25
Consumption of purchased or acquired electricity	<Not Applicable>	92926.93	754820.1	847747
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	24861.36	24861.36
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	659.12	<Not Applicable>	659.12
Total energy consumption	<Not Applicable>	93586.05	885600.72	979186.78

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

21563.78

MWh fuel consumed for self-generation of electricity

2167.68

MWh fuel consumed for self-generation of heat

19396.09

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

86523.15

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

20174.64

MWh fuel consumed for self-generation of steam

66345.88

MWh fuel consumed for self-generation of cooling

2.62

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
108086.94

MWh fuel consumed for self-generation of electricity
2167.68

MWh fuel consumed for self-generation of heat
39570.74

MWh fuel consumed for self-generation of steam
66345.88

MWh fuel consumed for self-generation of cooling
2.62

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	59.99	59.99	59.99	59.99
Heat	39570.74	39570.74	0	0
Steam	66345.88	66345.88	0	0
Cooling	2.62	2.62	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption
Japan

Sourcing method
Purchase from an on-site installation owned by a third party (on-site PPA)

Energy carrier
Electricity

Low-carbon technology type
Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
659.12

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
Japan

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2021

Comment

Country/area of low-carbon energy consumption
Japan

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
33615.1

Tracking instrument used

NFC – Renewable

Country/area of origin (generation) of the low-carbon energy or energy attribute

Japan

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2020

Comment

Country/area of low-carbon energy consumption

Thailand

Sourcing method

Purchase from an on-site installation owned by a third party (on-site PPA)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

10678.18

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

Thailand

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2020

Comment

Country/area of low-carbon energy consumption

Viet Nam

Sourcing method

Purchase from an on-site installation owned by a third party (on-site PPA)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

5146.19

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

Viet Nam

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2020

Comment

Country/area of low-carbon energy consumption

China

Sourcing method

Purchase from an on-site installation owned by a third party (on-site PPA)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

7384

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

China

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2022

Comment

Country/area of low-carbon energy consumption

Indonesia

Sourcing method

Purchase from an on-site installation owned by a third party (on-site PPA)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

927.09

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

Indonesia

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2022

Comment

Country/area of low-carbon energy consumption

United States of America

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

6187.71

Tracking instrument used

US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Comment

Country/area of low-carbon energy consumption

Brazil

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

13229.6

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

Brazil

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2017

Comment

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Japan

Consumption of purchased electricity (MWh)

269845.17

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

24533.64

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Thailand

Consumption of purchased electricity (MWh)

110262.29

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

China

Consumption of purchased electricity (MWh)

93964.34

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Indonesia

Consumption of purchased electricity (MWh)

145564.37

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

India

Consumption of purchased electricity (MWh)

62620.79

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Viet Nam

Consumption of purchased electricity (MWh)

38176.89

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Taiwan, China

Consumption of purchased electricity (MWh)

7596.1

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

United States of America

Consumption of purchased electricity (MWh)

6187.71

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Republic of Korea

Consumption of purchased electricity (MWh)

13039.98

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

327.72

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Saudi Arabia

Consumption of purchased electricity (MWh)

59232.53

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Egypt

Consumption of purchased electricity (MWh)

16471.73

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Myanmar

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)

2167.68

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Brazil

Consumption of purchased electricity (MWh)

13229.6

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

Country/area

Malaysia

Consumption of purchased electricity (MWh)

12214.61

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Other, please specify (Reduction of water usage)

Metric value

4881

Metric numerator

Thousand cubic meters

Metric denominator (intensity metric only)

% change from previous year

1.8

Direction of change

Decreased

Please explain

We reduced usage through water circulation, etc.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

1

en-ucsus2023_Third-Party Assurance Report.pdf

Page/ section reference

P.139 Third-Party Assurance Report

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

1

en-ucsus2023_Third-Party Assurance Report.pdf

Page/ section reference

P.139 Third-Party Assurance Report

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services

Scope 3: End-of-life treatment of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

1

en-ucsus2023_Third-Party Assurance Report.pdf

Page/section reference

P.139 Third-Party Assurance Report

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Japan carbon tax
Saitama ETS
Shanghai pilot ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

Saitama ETS

% of Scope 1 emissions covered by the ETS

87

% of Scope 2 emissions covered by the ETS

13

Period start date

April 1 2022

Period end date

March 31 2023

Allowances allocated

3913

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

1810

Verified Scope 2 emissions in metric tons CO2e

261

Details of ownership

Facilities we own and operate

Comment

We have started purchasing non-fossil fuel certificates from April 2022 onwards.

Shanghai pilot ETS

% of Scope 1 emissions covered by the ETS

0

% of Scope 2 emissions covered by the ETS

100

Period start date

January 1 2022

Period end date

December 31 2022

Allowances allocated

38270

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

0

Verified Scope 2 emissions in metric tons CO2e

38270

Details of ownership

Facilities we own and operate

Comment

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Japan carbon tax

Period start date

January 1 2022

Period end date

December 31 2022

% of total Scope 1 emissions covered by tax

100

Total cost of tax paid

6298177

Comment

The price of carbon in Japan is 289 yen / tons of CO2. Japan's Scope 1 emissions reported in cc7.2 are 21,793. CP: 6,298,177 = 21,793 × 289

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Unicharm's participation in the emissions trading scheme (ETS) is based on historical emission data measured over several years, which determines our emission allowances. As per our 11th Mid-Term Management Plan (2021-2023), with a projected annual sales growth rate of 107%, our CO2 emissions will also increase at an annual rate of 107% compared to business-as-usual (BAU) levels. In our current mid-term management plan, we prioritize energy efficiency and the procurement of renewable energy, which are embraced throughout the entire company. We publicly announced our 2050 Vision and 2030 targets in 2020, aiming to achieve decarbonization by 2050 and ensure that all our operations run exclusively on renewable energy by 2030.

Additionally, we organize meetings with representatives from different countries to drive energy efficiency and renewable energy initiatives. In 2022, we held meetings four times which serve as platforms for sharing success stories and exploring the potential for implementing them globally. In terms of energy efficiency, we assess the viability of adopting effective practices from various countries. For renewable energy, we have developed a roadmap up to 2030 and are currently strategizing the methods and timeline for its implementation. We will keep promoting the plan while reviewing it as needed.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Provide training, support, and best practices on how to make credible renewable energy usage claims

% of suppliers by number

75

% total procurement spend (direct and indirect)

75

% of supplier-related Scope 3 emissions as reported in C6.5

80

Rationale for the coverage of your engagement

In Japan, of the Scope 1, 2, and 3 Totals, Scope 3 Category 1 account for about 48%. Of these, personal care products account for about 75% and they have significant impacts on our emissions. Therefore, we firstly selected suppliers of personal care products as our coverage of engagement. Specifically, individual consultation meetings were held with suppliers of personal care products, followed by a policy briefing session in October that brought all suppliers of personal care products together.

Cooperation with suppliers is essential for reducing Scope 3 Category 1. Through the explanatory meeting and other means, we have gained the understanding that we will ask suppliers to submit CO₂ data as primary information. We believe that we can reduce Scope 3 Category 1 in cooperation with suppliers while promoting energy conservation and renewable energy procurement in the future.

Impact of engagement, including measures of success

Unicharm has so far calculated our Scope 3 category 1 emissions using input-output table based emission factors provided by the Ministry of the Environment, but we are considering receiving CO₂ data from suppliers and using that data in our calculations. Therefore, we first set the data submission rate as an indicator of the success of the engagement and set a target submission rate of 80% in 2022. We held individual briefings at least once per company and held a policy briefing in October to help suppliers understand Unicharm's approach. As a result, we received submissions from 89.9% of suppliers in 2022. We have begun calculation based on the CO₂ data we received, and expect to achieve a 30% reduction in Scope 3 Category 1 emissions by 2030.

We will continue to hold policy briefings after 2023 and plan to expand to the pet care business in 2024.

Comment

Scope 3 is currently calculated only for Japan.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We outsource all logistics to third-party logistics providers and devise measures for CO₂ reduction based on the Act on the Rational Use of Energy, holding monthly meetings to check progress. Furthermore, when we review our external outsourcing providers, we also take the above situation into consideration.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Climate-related disclosure through a non-public platform

Description of this climate related requirement

We are asking our suppliers to provide the CO₂ emission amounts for each raw material they provide as part of our company's Scope 3 Category 1 raw material procurement for life cycle CO₂ calculation.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

90

Mechanisms for monitoring compliance with this climate-related requirement

First-party verification

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Replacing fossil fuels by renewable energy sources

Description of management practice

We are asking suppliers to submit emissions by material and are considering using them in our Scope 3 Category 1 calculation. We are requesting suppliers to use renewable energy and reduce energy consumption by promoting energy saving, as this will be one of the measures to reduce our Category 1 emissions.

Your role in the implementation

Knowledge sharing

Explanation of how you encourage implementation

We hold individual meetings with suppliers to explain our company's approach and request their cooperation. The meeting is not a one-time event, but we also share knowledge on how to introduce renewable energy and promote energy saving.

Climate change related benefit

Emissions reductions (mitigation)

Comment

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

We express our opinions in securities reports (P.14), Sustainability Report 2023 (P.45-54), news releases, etc.

Unicharm_Securities reports for the 63rd Fiscal Year ended December 31, 2022.pdf

en-ucsus2023_Climate Change Part.pdf

en-ucsus2023_TCFD Part.pdf

TCFDコンソーシアムに参加 | ユニ・チャーム.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

The Global Quality Assurance Department has integrated all functions related to ISO product standards and environmental management, including climate change, to facilitate effective liaison with other nations and industrial organizations. This integration allows for streamlined coordination and collaboration on matters pertaining to these standards and initiatives.

Furthermore, we prioritize effective communication and collaboration with other relevant departments and divisions. Through these interactions, we ensure that our activities are aligned with internal policies and decision-making criteria that have been consolidated as part of our organizational framework.

To enhance our strategic planning and implementation related to the Task Force on Climate-related Financial Disclosures (TCFD), the Corporate Planning Division and the ESG Division take the lead in organizing workshops. These workshops aim to provide our team members with a deeper understanding of TCFD and enable them to develop strategies that align with its principles and recommendations.

By consolidating these functions, promoting communication across departments, and organizing workshops, we strive to strengthen our capabilities in ISO product standards, environmental management, and climate change initiatives, ensuring a comprehensive and coordinated approach to these important areas.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Japan Business Federation (Keidanren)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The increasing occurrence of extreme weather events highlights the urgent need for companies to address climate change. Achieving the decarbonization goals outlined in the Paris Agreement requires businesses to prioritize the rapid development and deployment of innovative technologies.

Through the "Challenge Zero" initiative, endorsed by over 130 companies and organizations, we have announced more than 300 innovation challenges aimed at developing and implementing net-zero emission technologies, including transition technologies. These challenges encompass areas such as technology deployment and securing funding.

Keidanren, in collaboration with the Japanese government, provides a pathway towards a decarbonized society aligned with the goals of the Paris Agreement through the deployment of innovative technologies facilitated by the Challenge Zero initiative. By promoting innovation, attracting ESG investments, and fostering collaboration among various stakeholders, we aim to accelerate the achievement of the Paris Agreement goals. We continue to strengthen our efforts by expanding our membership and embracing new innovation challenges.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

0

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

1
ucsus2023_all.pdf

Page/Section reference

P.12-17、 P.26-28、 P.33-67

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Japan Climate Leaders' Partnership (JCLP) Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact	As an endorser of the policy recommendations, we will support the implementation of measures to address climate change in society, and we will also implement measures in line with the recommendations ourselves.

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.2a/C-FB13.2a/C-PF13.2a

(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Water

Description of impacts

In the supply chain, the amount of water used is particularly large in the pulp manufacturing process, so we require all pulp suppliers (100%) to conduct regular self-assessments (at least once a year) of water-related risks such as akiduct. Assessments include river basin conditions (eg, water stress and access to water, sanitation and hygiene (WASH) services), impacts on water availability, and impacts on water quality.

Have any response to these impacts been implemented?

Yes

Description of the response(s)

We, using the Sedex platform, ask for enrollment in Sedex and approval in relationships with us, and we use this in decision-making and progress management. In FY2022, we established relationship with approximately 76% of all suppliers from whom the Unicharm Group purchases materials, to ensure an environment in which SAQ, SMETA audit, and other information can be viewed on the Sedex platform. While using the information and referring to their risk scores, we approach suppliers. In October 2022, we held a "Medium- to Long- term Policy Briefing Session for Suppliers," in which 234 persons from 69 companies, primarily suppliers with a global coverage, attended, including online attendance. In this briefing session, we explained our "Basic Purchasing Policy," "the Unicharm Group Sustainable Procurement Guidelines," and "the Unicharm Group Policy on Human Rights," and provided explanations on Kyo-sei Life Vision 2030, a series of medium- to long-term ESG goals, and medium- to long-term "Environmental Targets 2030" we have formulated, and presented a briefing on the "GHG Emissions Visualization Project" we would tackle. In addition, we requested further strengthening of cooperation through the use of Sedex.

In future policy briefing sessions, we will take the achievement of a participation rate of 80% or more as an indicator of success of this engagement.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	<p>Understanding the impact of Unicharm's business activities on biodiversity.</p> <p>On top of that, we will promote the use of sustainable resources that will lead to the continuation of business development and activities to protect a future where people and nature coexist. In particular, we contribute to the "mainstreaming of biodiversity" by establishing the "Guidelines for Procurement of Forest-derived Raw Materials" for the forest resources such as paper and pulp that we use a lot as raw materials, procuring materials from managed forests, eliminating illegally logged timber, and protecting the rights of local residents and workers.</p> <p>Risks and opportunities in biodiversity</p> <p>Risks to our company include.</p> <p>(1) raw material (particularly pulp/paper, palm oil, and agricultural products) procurement and procurement costs may become unstable due to negative impacts on biodiversity.</p> <p>(2) The impact on biodiversity that occurs during the operation of our bases may result in costs for restoration to the original state, suspension of operations, and consumers' reluctance to buy.</p> <p>Meanwhile, our opportunities include.</p> <p>(1) Proactive utilization of certified sustainable materials use will lead to stable procurement of raw materials and control of costs.</p> <p>(2) Sales expansion can be expected through the provision of biodiversity-friendly products in collaboration with retailers.</p> <p>The ESG Committee chaired by the President and Chief Executive Officer meets four times a year.Share and report plans and progress on priority issues related to biodiversity</p> <p>doing. Concerning specific plans, based on the recommendations of the TCFD, we will follow the "Environmental Targets 2030" and "Kyo-sei Life Vision 2030." I am reporting. In addition, opinions from outside experts and experts.Through the exchanges, we are identifying and reviewing biodiversity-related issues and identifying and reviewing issues, and setting indicators for our activities. Regarding forest-derived raw materials, the ESG Division and Purchasing Division are working together to promote third-party certified materials whose sustainability is guaranteed.</p> <p>We are in the process of switching. These progresses are shared and reported by the ESG Committee and regularly reported to the Board of Directors.Minimize impact on biodiversity in areas where production sites are located</p> <p>In order to reduce the.We check the operators and measure exhaust and waste water.</p>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to Net Positive Gain	Other, please specify (KEIDANREN (Japan Business Federation)KEIDANREN (Japan Business Federation))

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Governance Impacts on biodiversity	P.55 ~60 Biodiversity ucsus2023_all.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms