Uni-Charm Corporation - Water Security 2023

W0. Introduction

W0.1

(W0.1) Give a general description of 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, we provide dog food, cat food, and toiletry products. For feminine care, Unicharm manufactures sanitary products, and for baby care, we produce baby diapers and 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.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2022	December 31 2022

W0.3

(W0.3) 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

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

JPY

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which financial control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) 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, an ISIN code	JP3951600000
Yes, a CUSIP number	90460M204
Yes, a Ticker symbol	UNICY

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	Direct use: Unicharm primarily manufactures and sells sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of freshwater in our manufacturing processes. In-house, we use freshwater directly in nonwoven fabric manufacturing processes. The nonwoven fabric manufacturing processes account for around 50% of the water used by the entire Unicharm Group. Against this backdrop, since availability of sufficient amounts of good quality freshwater is essential in the processes concerned, we rated this “important.” Indirect use: Paper and pulp sourced from suppliers are indispensable for manufacturing our products. As a large amount of freshwater is needed in the paper and pulp manufacturing processes, we rate sufficient amounts of good quality freshwater available for use important. We expect our water dependence for both direct use and indirect uses to rise in the future in proportion to our production volume as it increases.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	Direct use: We primarily manufacture and sell sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of freshwater in our manufacturing processes. In-house, we use freshwater directly in nonwoven fabric manufacturing processes. As an example, our nonwoven fabrics factory in Indonesia has achieved a water cycle in which approximately 90% of the water used is reused. In the future, it is expected that the amount of water used will also increase in the future with our production volume increasing due to expansion of our business scale. In response to this increase in usage, we rate the use of recycled water important. Indirect use: Paper and pulp sourced from suppliers are indispensable for manufacturing our products. Water is used in the paper and pulp manufacturing processes. Since materials needed will also increase as our production volume increases, we rate suppliers’ commitments to recycled water important.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Monthly	Unicharm manages monthly water withdrawals. For obtaining data, we select optimum methods according to the actual state of each site, such as those based on invoices from providers and understanding through the meters we have installed.	Products and services we offer are mostly sanitary products, disposable diapers, and other consumer goods indispensable in hygienic daily life. We use little water in our in-house production processes, but since water is needed in equipment cooling, machinery washing, and other processes, we recognize that understanding water withdrawals is important. Water is managed through the integrated site-by-site data management system called Eco Track we have introduced. To understand the withdrawals of each site, those provided by third parties and taken on our own, such as ground water, are measured based on water meters and with the meters we have installed, respectively, which are totalled monthly by Eco Track and subjected to integrated management by the ESG Division, which performs constant monitoring with Eco Track, and upon finding any abnormal value, we conduct hearings, etc. with the site concerned to understand the situation.
Water withdrawals – volumes by source	100%	Monthly	We manage monthly water withdrawals. For obtaining data, we select optimum methods according to the actual state of each site, such as those based on the invoices from providers and understanding through the meters we have installed.	Products and services we offer are mostly sanitary products, disposable diapers, and other consumer goods indispensable in hygienic daily life. We use little water in our in-house production processes, but since water is needed in equipment cooling, machinery washing, and other processes, we recognize that understanding water withdrawals is important. Water is managed through the integrated site-by-site data management system called Eco Track we have introduced. To understand the withdrawals of each site, those provided by third parties and taken on our own, such as ground water, are measured based on water meters and with the meters we have installed, respectively, which are totalled monthly and subjected to integrated management by the ESG Division, which performs constant monitoring with Eco Track, and upon finding any abnormal value, we conduct hearings, etc., with the site concerned to understand the situation. The Division confirms all water sources for change once a year.
Entrained water associated with your metals & mining and/or coal sector activities - total volumes [only metals and mining and coal sectors]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Water withdrawals quality	76-99	Quarterly	We inspect the quality of water withdrawn with a frequency of at least once a quarter through the adoption of either use of external organizations or self-inspection. Timing of implementation, and inspection methods are individually determined in light of the actual state of each site.	Products and services we offer are mostly sanitary products, disposable diapers, and other consumer goods indispensable in hygienic daily life. We use little water in our in-house production processes, but since water is needed in equipment cooling, machinery washing, and other manufacturing processes, we recognize that understanding the quality of water withdrawn appropriately is important. In order to maintain the quality standardized in the Unicharm Group, while meeting the statutory water quality standards at each site, we check the quality of water withdrawn with a frequency of at least once a quarter. Results of water quality inspections are totalled by the corporate administrative ESG Division once a year. As for the site(s) found to be abnormal, the situation is understood by conducting hearings, etc., and efforts toward corrective action are encouraged.
Water discharges – total volumes	100%	Yearly	We use little water in our in-house production processes, but since water is used for cooling equipment and washing accompanying machine maintenance, etc., we think that understanding the quality of water discharged is important. We understand water discharges by totalling the measurements taken with our meters, readings of sewerage meters according to invoices from third parties, estimates from third-party withdrawals, etc., using measurement methods tailored to the actual state of each site.	In order to maintain water discharges as standardized in the Unicharm Group, while meeting the statutory water discharge standards at each site, we check the water discharge state according to the actual state of each site. The water discharge conditions of each site are totalled by the corporate administrative ESG Division once a year. As for the site(s) found to be abnormal, the situation is understood by conducting hearings, etc., and efforts toward corrective action are encouraged.

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water discharges – volumes by destination	76-99	Yearly	The water discharge conditions of each site by destination are totalled by the corporate administrative ESG Division once a year. We understand water discharges by totalling the measurements taken with the meters we have installed, readings of sewerage meters according to invoices from third parties, estimates from third-party withdrawals, etc., using measurement methods tailored to the actual state of each site.	The frequencies of measuring and monitoring the water discharge state are as follows: “monthly” 50%, “quarterly” 35%, and “yearly” 15%. We make it compulsory to report the results of measurements made by third-party organizations to the corporate administrative ESG Division with a frequency of at least once a year. Targeting all factories in the Unicharm Group, we perform inspections using survey sheets for the purpose of understanding the detailed management conditions of water withdrawals and discharges once a year.
Water discharges – volumes by treatment method	76-99	Yearly	We understand respective factories’ volumes of water discharges by treatment method through inspections using survey sheets, which are performed once a year. We understand water discharges by totalling the measurements taken with the meters we have installed, readings of sewerage meters according to invoices from third parties, estimates from third-party withdrawals, etc., using measurement methods tailored to the actual state of each site.	The frequencies of measuring and monitoring the water discharge state are as follows: “monthly” 50%, “quarterly” 35%, and “yearly” 15%. We make it compulsory to report the results of measurements made by third-party organizations to the corporate administrative ESG Division with a frequency of at least once a year. Targeting all factories in the Unicharm Group, we perform inspections using survey sheets for the purpose of understanding the detailed management conditions of water withdrawals and discharges once a year.
Water discharge quality – by standard effluent parameters	76-99	Yearly	In accordance with the laws and regulations established by the countries and regions where our factories and other sites are located, measurements are taken on our own and through third-party inspection organizations. As for sites with no laws and regulations, etc., established, we handle them by setting our own standards based on the conditions of other sites.	The frequencies of measuring and monitoring the water discharge state are as follows: “monthly” 50%, “quarterly” 35%, and “yearly” 15%. We make it compulsory to report the results of measurements made by third-party organizations to the corporate administrative ESG Division with a frequency of at least once a year. Targeting all factories in the Unicharm Group, we perform inspections using survey sheets for the purpose of understanding the detailed management conditions of water withdrawals and discharges once a year.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	76-99	Yearly	Based on the laws and regulations established by the countries and regions where our factories and other sites are located, temperature, mass of suspended solids (SS), hydrogen-ion concentration (pH), BOD, and COD are measured on our own and through third-party inspection organizations.	The frequencies of measuring and monitoring the water discharge state are as follows: “monthly” 50%, “quarterly” 35%, and “yearly” 15%. We make it compulsory to report the results of measurements made by third-party organizations to the corporate administrative ESG Division with a frequency of at least once a year. Targeting all factories in the Unicharm Group, we perform inspections using survey sheets for the purpose of understanding the detailed management conditions of water withdrawals and discharges once a year.
Water discharge quality – temperature	76-99	Monthly	Based on the laws and regulations established by the countries and regions where our factories and other sites are located, temperature is measured on our own and through third-party inspection organizations.	The frequencies of measuring and monitoring the water discharge state are as follows: “monthly” 50%, “quarterly” 35%, and “yearly” 15%. We make it compulsory to report the results of measurements made by third-party organizations to the corporate administrative ESG Division with a frequency of at least once a year. Targeting all factories in the Unicharm Group, we perform inspections using survey sheets for the purpose of understanding the detailed management conditions of water withdrawals and discharges once a year.
Water consumption – total volume	100%	Monthly	We use little water in our in-house production processes, but since water is used for cooling equipment and washing accompanying machine maintenance, etc., we must know the water consumption of each factory and the total volume of all manufacturing factories. We know these by totalling the measurements taken with our meters, readings of sewerage meters according to invoices from third parties, estimates from third-party withdrawals, etc., using methods tailored to the actual state of each site.	We define the amounts of water consumed (by factories + by products) as “the volumes of water withdrawn minus the volumes of water discharged.” Through the integrated site-by-site data management system called “Eco Track” we have introduced, the person in charge at each site inputs water withdrawals and discharges once a month, working toward understanding the total volume. There are some factory sites where no water discharge meter has been installed, but substantially, no water is consumed by those factories, where we estimate the “volumes of water withdrawn are equal to the volumes of water discharged.”
Water recycled/reused	100%	Yearly	We primarily sell sanitary products and disposable diapers manufactured by processes such as cutting and laminating materials sourced from suppliers, with little use of freshwater. But, for effective use of limited water resources, we take the initiative to reduce withdrawals by recycling water in factories. Targeting all factories in the Group, we conduct a survey for understanding the detailed management conditions once a year, and we strive to understand the realities of water recycling.	We primarily sell sanitary products and disposable diapers manufactured by processes such as cutting and laminating materials sourced from suppliers, with little use of freshwater. Our nonwoven fabrics factories are actively involved in recycling water that is used in manufacturing processes. Among them, the factory that manufactures nonwoven fabrics in Indonesia, a site that is high in the amount of water used and is also assessed relatively high in water risk, has achieved a water cycle in which approximately 90% of the water used is reused.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Monthly	We are responding to measurements and improvements of our workplace environment including Water, Sanitation and Hygiene (WASH) services, so that all of our employees can work safely and securely in accordance with “the Health and Safety Committee” held every month and patrol inspections performed by the Committee members every two months.	Aiming for health and safety of our employees as one of the top-priority issues, we are committed to thorough improvements of our working environment and basic safety behaviour to create a safe and comfortable workplace environment. We have built a workplace management system by establishing a Health and Safety Committee at all sites.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	4881	Lower	Increase/decrease in efficiency	About the same	Increase/decrease in efficiency	Unicharm primarily manufactures and sells sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. However, since water is used for cooling equipment and washing accompanying machine maintenance, etc., we consider that understanding water withdrawals is important. At the state-of-the-art Kyushu Factory in Japan, we are proceeding with an initiative in maintaining the amount of water used lower through the adoption of not conventional water-cooled but air-cooled air-conditioning equipment. In order to disseminate such an initiative throughout the Unicharm Group, we plan to implement changes in air-conditioning equipment to air-cooled type equipment in step with renewal timing at each site.
Total discharges	4188.7	About the same	Increase/decrease in efficiency	About the same	Increase/decrease in efficiency	We monitor each factory through the integrated site-by-site data management system called “Eco Track” we have introduced. We are committed to making active improvements in order to continue encouragement of the use of recycled water and to expand the reduction in the amount of water used, through the use of air-cooled air-conditioning equipment that has been introduced at the state-of-the-art Kyushu Factory in Japan throughout the Unicharm Group. We plan to implement the introduction of air-cooled air-conditioning equipment in step with equipment renewal timing at each site.
Total consumption	692	Lower	Increase/decrease in efficiency	About the same	Increase/decrease in efficiency	We primarily manufacture and sell sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. However, since water is used for cooling equipment and washing accompanying machine maintenance, etc., we consider that understanding the water consumption is important. We monitor each factory through the integrated site-by-site data management system called “Eco Track” we have introduced. We are committed to making active improvements in order to expand the reduction in the amount of water used, through the use of air-cooled air-conditioning equipment that has been introduced at the state-of-the-art Kyushu Factory in Japan throughout the Unicharm Group. We plan to implement the introduction of air-cooled air-conditioning equipment in step with equipment renewal timing at each site.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	11-25	About the same	Increase/decrease in efficiency	About the same	Increase/decrease in efficiency	WRI Aqueduct	The Unicharm Group has identified water risks, including water stress, of our location areas, using WRI Aqueduct. We define “very high” and “high water stress scores by Aqueduct as being “high in water stress.” We have already identified and understood 9 factories as being “high in water stress” out of all the 41 factories in the Unicharm Group. Also, based on future scenarios such as climate change, we have also identified 16 factories with “very high” or “high” water stress scores in 2040.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Products and services Unicharm offers are mostly sanitary products, disposable diapers, and other consumer goods indispensable in hygienic daily life. Little water is used in in-house production processes, but since water is needed in equipment cooling, machinery washing, and other manufacturing processes, we recognize that water is an important resource. However, since our products are hygienic goods, we do not use rainwater or the like in in-house production processes, determining that using it in manufacturing processes is not appropriate for quality control.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Not relevant because we use industrial water, tap water, and well water for our operations, and we do not use brackish surface water/seawater at any site. Also, we are not planning to use brackish surface water/seawater in the future.
Groundwater – renewable	Relevant	3714	Lower	Change in accounting methodology	Products and services we offer are mostly sanitary products, disposable diapers, and other consumer goods indispensable in hygienic daily life. Little water is used in in-house production processes, but since water is needed in equipment cooling, machinery washing, and other manufacturing processes, we recognize that water is an important resource and groundwater is also important. Therefore, performance values had previously been calculated by estimation at some sites, but it was changed by installing meters so that we could understand water withdrawals accurately. As a result, the amount of ground water withdrawn decreased compared to the previous year.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Not relevant because we use industrial water, tap water, and well water for our operations, and we do not use non-renewable groundwater at any site. Also, we are not planning to use non-renewable groundwater in the future.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Not relevant because we use industrial water, tap water, and well water for our operations, and we do not withdraw water from produced/entrained water at any site. Also, we are not planning to use produced/entrained water in the future.
Third party sources	Relevant	1167	Lower	Increase/decrease in efficiency	Products and services we offer are mostly sanitary products, disposable diapers, and other consumer goods indispensable in hygienic daily life. Little water is used in in-house production processes, but since water is needed in equipment cooling, machinery washing, and other manufacturing processes, we consider that water is an important resource. Therefore, the Unicharm Group sets a target of reducing water usage by 1% or more compared to the previous year. More stringent targets than this Group’s target are set at some sites, where such activities are promoted as improvement of the recycling rate of water and change in the type of air-conditioning equipment. While not relevant to direct operations, we are making efforts for reduction at each site, using rainwater to water plants, etc. As a result, we have reduced the amount of third-party sources used compared to the previous year.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	2698	About the same	Other, please specify (There is no change in fresh surface water as a destination.)	Fresh surface water accounts for 60%-plus of the whole, which is the most common destination in the Unicharm Group. Approximately 90% of it is water discharged in Japan as used in manufacturing processes and for washing machinery and cooling incidental equipment, etc.
Brackish surface water/seawater	Relevant	477	About the same	Other, please specify (There is no change in brackish surface water/seawater as a destination.)	Brackish surface water/seawater is limited to 3 sites in total in Kyushu, Shikoku, etc., in Japan. This accounts for approximately 14% of the whole.
Groundwater	Relevant	0.7	About the same	Other, please specify (There is no change in groundwater as a destination.)	Groundwater as a destination is as little as less than 1% of the whole, such as when plants are watered within the factory premises and when rainwater falling from roofs penetrates into the ground. Also, we are not planning to increase groundwater as a destination in the future.
Third-party destinations	Relevant	1013	Lower	Change in accounting methodology	Third-party destinations account for 15% of the whole water discharges. Water is used in nonwoven fabrics manufacturing factories, but most of it is recycled water. For example, at the factory in Indonesia, the recycling rate of water used for manufacturing nonwoven fabrics was approximately 85% in 2021, but it was improved to approximately 90% in 2022. The Itami Factory in Japan had previously used estimate values as volumes of groundwater discharged, but as a result of changing it to management with meters, performance values decreased

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	90.7	Lower	Investment in water-smart technology/process	1-10	In the Unicharm Group, tertiary treatment is performed at 2 sites, and one of them is the Itami Factory that manufactures pet food. In Itami City, there are such standards as temperature 40°C or less, hydrogen-ion concentration 5.7 - 8.7, biochemical oxygen demand 200mg/L or less, mass of suspended solids 180mg/L or less, normal hexane extracts 30mg/L or less, and iodine substances 220mg/L or less. Therefore, by primary treatment, coarse dust is removed from discharge, which is put through a screen skimmer because high concentrations of oils and fats may cause clogging, etc. Also, after secondary treatment is performed by using a pressure flotation apparatus, pH adjustment is made, and then, tertiary treatment is performed by biodegradation in a biological treatment tank, so as not to exceed the standards.
Secondary treatment	Relevant	559	About the same	Other, please specify (We defined within ±5% of the performance of the previous year as no change. There was no change in secondary treatment.)	21-30	Up to secondary treatment is performed at 9 sites (22%) out of all the 41 sites in the Unicharm Group. Most of them manufacture disposable diapers, sanitary products, etc., while some factories manufacture nonwoven fabrics. At the factories, since pulp residues, etc., left when wet type nonwoven fabrics are produced would flow into discharges, solids and floating matter are removed by a screen skimmer in a precipitation tank. After that, precipitates are further separated by a pressure flotation apparatus to perform secondary treatment. We discharge water appropriately in line with the daily standards for the volumes of water discharged, pH, COD, etc. At the Shanghai factory in China, water is first discharged in a water collection tank, in which a strainer is installed to filtrate large-particle substances, where precipitation treatment is performed. After that, additional treatment is performed in a purification tank, and then water is discharged into a pipeline that is maintained by the local government.
Primary treatment only	Relevant	3092	About the same	Other, please specify (We defined within ±5% of the performance of the previous year as no change. There was no change in primary treatment.)	41-50	Primary treatment is performed at 18 sites (44%) out of all the 41 sites in the Unicharm Group as the most common treatment method on the whole. At respective sites, maintenance inspection, servicing, cleaning, etc., of purification tanks are periodically carried out. For instance, from factories that produce nonwoven fabrics, water is discharged after adding additives to raise precipitability and performing pH neutralization and treatment to extract precipitated pulp residues, etc., by using precipitation tanks.
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	The Unicharm Group does not discharge water to the natural environment, including rivers, without treatment. Therefore, we rated this “not relevant.”
Discharge to a third party without treatment	Relevant	447	About the same	Other, please specify (We defined within ±5% of the performance of the previous year as no change. There was no change in discharge to a third party without treatment.)	21-30	The Unicharm Group discharges water of quality that complies with the laws and regulations established by the government of each country or region directly into third-party sewers. Main uses are toilets used by workers and gardening, which are not directly involved in manufacturing.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	The Unicharm Group does not discharge water without primary treatment, secondary treatment, and/or tertiary treatment. Therefore, we rated this “not relevant.”

W1.2k

(W1.2k) Provide details of your organization's emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included	Please explain
Row 1	3498937	Nitrates Phosphates	<Not Applicable>	Unicharm primarily manufactures and sells sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. However, since water is used for cooling equipment and washing accompanying machine maintenance, etc., the water is discharged into waters.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	898022000000	4880		The Unicharm Group sets a target of reducing water usage by 1% or more compared to the previous year. The Kyushu Factory in Japan is engaged in reducing water usage by changing the air-conditioning equipment used in the factory from the water-cooled type to air-cooled type equipment.Through the use of recycled water and through technology to enhance the efficiency of water as well as capital investment in equipment , we expect to reduce the water withdrawal volume in the future.

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement	Primary reason for no engagement	Please explain
Suppliers	Yes	<Not Applicable>	<Not Applicable>
Other value chain partners (e.g., customers)	Yes	<Not Applicable>	<Not Applicable>

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

Yes, we assess the impact of our suppliers

Considered in assessment

Basin status (e.g., water stress or access to WASH services)
Supplier impacts on water availability
Supplier impacts on water quality

Number of suppliers identified as having a substantive impact

6

% of total suppliers identified as having a substantive impact

1-25

Please explain

We consider that if the delivery of materials from our suppliers with large purchases is delayed or their supply is suspended, it will have a significant impact on us. Therefore, we make water risk assessments based on WRI Aqueduct once a year, targeting 38 supplier factories that account for approximately 60% of the materials purchase amount.
With this Aqueduct, we have identified water risks, including water stress, of our location areas, and we define the two of "very high" and "high" water stress scores as being high in water risk, and we have determined that they greatly impact water security.
Also, by confirming the contents of "SAQ" answered by our suppliers through the use of the Sedex platform, we verify their water withdrawal methods, discharge management, and impact on and methods of managing the local water quality. Making a comprehensive assessment of the information, we communicate with our suppliers about the details of initiatives for improvement

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?

	Suppliers have to meet specific water-related requirements	Comment
Row 1	Yes, water-related requirements are included in our supplier contracts	<Not Applicable>

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Water-related requirement
Conducting water-related risk assessments on a regular basis (at least once annually)

% of suppliers with a substantive impact required to comply with this water-related requirement
100%

% of suppliers with a substantive impact in compliance with this water-related requirement
76-99

Mechanisms for monitoring compliance with this water-related requirement
Supplier self-assessment

Response to supplier non-compliance with this water-related requirement
Retain and engage

Comment

Water-related requirement
Providing fully-functioning, safely managed WASH services to all workers

% of suppliers with a substantive impact required to comply with this water-related requirement
100%

% of suppliers with a substantive impact in compliance with this water-related requirement
76-99

Mechanisms for monitoring compliance with this water-related requirement
Supplier self-assessment

Response to supplier non-compliance with this water-related requirement
Retain and engage

Comment

Water-related requirement
Reducing water demands in water stressed basins

% of suppliers with a substantive impact required to comply with this water-related requirement
100%

% of suppliers with a substantive impact in compliance with this water-related requirement
76-99

Mechanisms for monitoring compliance with this water-related requirement
Supplier self-assessment

Response to supplier non-compliance with this water-related requirement
Retain and engage

Comment

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement
Information collection

Details of engagement
Collect water management information at least annually from suppliers

% of suppliers by number
100%

% of suppliers with a substantive impact
26-50

Rationale for your engagement
Unicharm primarily manufactures and sells sanitary products, disposable diapers, and other products that are indispensable in hygienic daily life. Since the raw materials include forest-derived resources (paper and pulp), we engage with upstream suppliers, requesting them to reduce environmental loads toward building a sustainable society and to commit themselves to building supply chains with due consideration for environmental conservation and biodiversity. For this purpose, we ask all suppliers for understanding and cooperation with respect to the “Unicharm Group Sustainable Procurement Guidelines” we have formulated. Also, if we find serious problems, we encourage the suppliers concerned to make improvements, and we also engage with them toward early solutions.

Impact of the engagement and measures of success
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.

Comment

Type of engagement
Information collection

Details of engagement
Other, please specify (Participation in our “Medium- to Long- term Policy Briefing Session for Suppliers”)

% of suppliers by number
100%

% of suppliers with a substantive impact
26-50

Rationale for your engagement
We primarily manufacture and sell sanitary products, disposable diapers, and other products that are indispensable in hygienic daily life. Since the raw materials include forest-derived resources (paper and pulp), we engage with upstream suppliers, requesting them to reduce environmental loads toward building a sustainable society and to commit themselves to building supply chains with due consideration for environmental conservation and biodiversity. For this purpose, we ask all suppliers for understanding and cooperation with respect to the “Unicharm Group Sustainable Procurement Guidelines” we have formulated. Also, if we find serious problems, we encourage the suppliers concerned to make improvements, and we also engage with them toward early solutions.

Impact of the engagement and measures of success
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, accounting for 85% of all suppliers, 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.

Comment

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder
Customers

Type of engagement
Education / information sharing

Details of engagement
Run an engagement campaign to educate stakeholders about your water-related performance and strategy

Rationale for your engagement
Products and services Unicharm offers are mostly sanitary products, disposable diapers, and other consumer goods indispensable in hygienic daily life. To build direct relationships with consumers, we conduct marketing communications tailored to the characteristics of each country and region through our own website and social networking services. We are strengthening the means of “communication through product packaging” common to all sites.
Toward “realizing a new society with zero plastic waste” addressed in our medium- to long-term “Environmental Targets 2030,” we are announcing “used product disposal procedures” comprehensively on the back of all product packaging by using illustrations and marks. Through these activities, we are raising awareness among many consumers about proper disposal methods. We believe that this is one of our efforts in solving the ocean plastic issue, which is Goal 14 of the SDGs (Life Below Water: Protecting the richness of the ocean).
In some regions, people dispose of used products in rivers, etc. For example, some people in East Java in Indonesia believe the superstition that burning disposable diapers causes skin problems for babies, leading to the custom of dumping the diapers in rivers. Against this backdrop, we recognize that it is important to raise awareness among many consumers about proper disposal methods through this activity against marine pollution and for ecosystem preservation.

Impact of the engagement and measures of success
Products and services we offer are mostly sanitary products, disposable diapers, and other consumer goods indispensable in hygienic daily life. However, these products need to be disposed of after use, and if they are not disposed of properly, the global environment may be damaged. Therefore, we contribute to supporting proper disposal after use by describing the disposal methods specified by the local governments concerned on the back of all product packaging. Regarding this announcement on packaging to promote proper disposal, we aim at 100% description on all products manufactured by the Unicharm Group by 2030, and we take it as an indicator of success of this engagement.
Our progress status is approximately 38% in 2021 and approximately 50% in 2022.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?
No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	No	<Not Applicable>	

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified	Please explain
Row 1	Yes, we identify and classify our potential water pollutants	We recognize that some discharges in manufacturing products, such as cooling water for incidental equipment, and after washing machine parts, etc., may generate potential water pollutants. In Japan, the Water Pollution Prevention Act, and the Act on Special Measures concerning Conservation of the Environment of the Seto Inland Sea, etc., apply. This site comes under the regulations of temperature 40°C or less, hydrogen-ion concentration 5.7 - 8.7, biochemical oxygen demand 200mg/L or less, mass of suspended solids180mg/L or less, normal hexane extracts 30mg/L or less, and iodine substances 220mg/L or less, where temperature, mass of suspended solids (SS), hydrogen-ion concentration (pH), BOD, COD, etc., are measured to comply with the laws and regulations established by the local government of each country or region while seeking cooperation from external inspection organizations. In China, water quality inspections are performed every quarter, while national inspections are also performed to strengthen monitoring not to exceed the regulatory values, under the “Integrated Wastewater Discharge Standard” providing ammonia nitrogen 45 or less, BOD5 300 or less, chemical oxygen demand 500 or less, total phosphorus 8 or less, suspended solids 400 or less, pH 6 - 9, and total nitrogen 70 or less. Our Head Office makes it compulsory to submit a regular report once a year and immediately report problems, when arising, to the Head Office and take corrective action.	<Not Applicable>

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category
Nitrates

Description of water pollutant and potential impacts
Unicharm primarily manufactures and sells sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. However, water is used and discharged in cooling equipment, washing accompanying machine maintenance, and some other processes. Therefore, if nitrates are discharged as they are, there are concerns about the impacts on ecosystems and the human body, including offensive odours from rivers and deterioration of the rearing environment of aquatic life, and we may become an accomplice in the destruction of the natural environment. We also consider legal sanctions, such as administrative suspension of operations, decrease in sales because of reputational risk, and other potential risks. Therefore, we not only comply with the laws and regulations established by the local governments of the countries and regions where our factories are located, but also establish stricter standards voluntarily under the slogan of zero factories violating laws and regulations.

Value chain stage
Direct operations

Actions and procedures to minimize adverse impacts
Water recycling
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Please explain
In FY2022, we began a detailed survey with all domestic and international factories about the management conditions of discharge treatment and the laws and regulations to be complied with. This is based on the idea that not only complying with the laws and regulations of each country or region but also adhering to societal norms are essential commitments for us, which has been strengthened to our initiative toward “visualization.” In countries and regions where laws and regulations, etc., are not established, we are planning to horizontally deploy measures taken in developed areas. As part of these activities, we are also engaged in “water recycling.” In the wet wipes factory in Indonesia, we raised the water recycling rate, which was approximately 85% in 2021, to approximately 90% in 2022. Also, in a factory that produces pet food, we made capital investment in equipment in 2021 and 2022 so that water discharges could be reduced, by which we reduced water discharges by approximately 30% compared to those before capital investment in equipment.
In this factory, water is discharged after performing up to tertiary treatment, including skimming, pressure flotation treatment, and biodegradation of discharged water, where we have confirmed the reduction of nitrates by inspecting the quality of water discharged. Also, in each factory, procedures are documented and updated regularly so that anyone can maintain the same quality.

Water pollutant category
Phosphates

Description of water pollutant and potential impacts
Unicharm primarily manufactures and sells sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. However, water is used and discharged in cooling equipment, washing accompanying machine maintenance, and some other processes. Therefore, if nitrates are discharged as they are, there are concerns about the impacts on ecosystems and the human body, including offensive odours from rivers and deterioration of the rearing environment of aquatic life, and we may become an accomplice in the destruction of the natural environment. We also consider legal sanctions, such as administrative suspension of operations, decrease in sales because of reputational risk, and other potential risks. Therefore, we not only comply with the laws and regulations established by the local governments of the countries and regions where our factories are located, but also establish stricter standards voluntarily under the slogan of zero factories violating laws and regulations.

Value chain stage
Direct operations

Actions and procedures to minimize adverse impacts
Water recycling
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Please explain
In FY2022, we began a detailed survey with all domestic and international factories about the management conditions of discharge treatment and the laws and regulations to be complied with. This is based on the idea that not only complying with the laws and regulations of each country or region but also adhering to societal norms are essential commitments for us, which has been strengthened to our initiative toward “visualization.” In countries and regions where laws and regulations, etc., are not established, we are planning to horizontally deploy measures taken in developed areas. As part of these activities, we are also engaged in “water recycling.” In the wet wipes factory in Indonesia, we raised the water recycling rate, which was approximately 85% in 2021, to approximately 90% in 2022. Also, in a factory that produces pet food, we made capital investment in equipment in 2021 and 2022 so that water discharges could be reduced, by which we reduced water discharges by approximately 30% compared to those before capital investment in equipment.
In this factory, water is discharged after performing up to tertiary treatment, including skimming, pressure flotation treatment, and biodegradation of discharged water, where we have confirmed the reduction of nitrates by inspecting the quality of water discharged. Also, in each factory, procedures are documented and updated regularly so that anyone can maintain the same quality.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage
Direct operations

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Tools on the market
Enterprise risk management
International methodologies and standards

Tools and methods used
SEDEX
WRI Aqueduct
ISO 14001 Environmental Management Standard

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Impact on human health
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Investors
Local communities

Comment

Value chain stage
Supply chain

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Tools on the market
International methodologies and standards

Tools and methods used
SEDEX
WRI Aqueduct

Contextual issues considered
Water availability at a basin/catchment level
Implications of water on your key commodities/raw materials
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Investors
Local communities

Comment

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	Using WRI Aqueduct, we assess water-related risks including water stress of the areas where our all factories and main suppliers are located once a year. In FY2022, we assessed the water risks on all of our 41 factories and the suppliers (38 factories) accounting for approximately 60% of the purchase amount by the availability of water from surrounding river basins, water quality, water stress, depletion, flood risks, water stress forecast for FY2040, etc. We define areas with “Extremely High” and “High” scores as high in water risks. Additionally, by confirming the contents of “SAQ” answered by suppliers through the use of the Sedex platform, we verify their water withdrawal methods, discharge management, and impact on and methods of managing the local water quality. Making a comprehensive assessment of the information, we communicate with our suppliers about the details of planning and implementation status of our initiatives toward improvement. Also, we assess environmental impacts and risks in accordance with ISO140001 to promote operation and management complying with laws and regulations.	○ Water availability at a river basin/catchment level: Since we use water for manufacturing some products and for washing machine parts, we recognize the impact from our operations. We manage monthly water withdrawals by taking data every month. ○ Water quality at a basin/catchment level: We recognize the impact of a change in water quality on our operations. We perform water quality inspections periodically in areas with water risks and at sites where a high volume of water is used for manufacturing products. ○ Water regulatory frameworks: We thoroughly comply with laws and regulations, focusing on the discharge management of each country. For example, at the Shikoku factory, we set voluntary standards stricter than the Act on Special Measures concerning Conservation of the Environment of the Seto Inland Sea to take periodic measurements. ○ Status of ecosystems and habitats: At our manufacturing sites in respective countries, water is used and discharged by washing parts. Therefore, we recognize that preservation of ecosystems and habitats is important. We manage the actual volumes of water withdrawn and discharged every month. ○ Access to safely managed WASH services for all employees: Aiming for health and safety of employees as one of the top-priority issues, we are committed to thorough improvements of our working environment and basic safety behaviour. We	○ Customers If it is hard to secure sufficient water withdrawn or maintain water quality for some products, having an impact on their stable supply, our product supply may become insufficient or stopped. Therefore, we take customers into consideration when assessing water risks. ○ Investors Our manufacturing sites are scattered around the world, but if it is difficult to secure sufficient water withdrawn or maintain water quality for some products, having an impact on stable operations of the factories or their manufacturing products, there is a risk that we cannot continue our business. Therefore, we take investors into consideration when assessing water risks. ○ Local communities We consider that our manufacturing sites’ contributing to local communities is very important. If the water withdrawn and discharged in our business impacts the communities, there is a risk that we cannot continue our business. Therefore, we take local communities into consideration when assessing water risks. ○ Employee Aiming for health and safety of employees as one of the top-priority issues, we are committed to improvements of our working environment and basic safety behaviour to create a safe and comfortable workplace environment. Provision of safely managed WASH services to all employees, their activities to reduce the amount of water used, and their water-saving behaviour are important for our business operations. Therefore, we take employees into consideration when assessing water risks	At all of our factories, we input the status of water usage in the core system “Eco Track” every month, and the corporate administrative ESG Division confirms changes in the volumes of water withdrawn and discharged. Using WRI Aqueduct, we make water risk assessments on all manufacturing sites once a year. Sites shown as “Extremely High” and “High” in risk assessments are positioned as important sites with water risks to be considered. In combination with changes in water-related usage of the sites, collection of water-related information, and disaster information, etc., we understand and manage the water-related risks of the areas where our factories are located. In order to realize and smoothly promote ESG activities that meet the expectations of stakeholders, we hold the ESG Committee chaired by the Representative Director, President and CEO every quarter, where we deliberate and make decisions on the identified water risks and measures against the issues. The officer in charge of ESG reports the themes discussed at the ESG Committee and the results to the Board of Directors, and our risk management is overseen by the directors and Audit & Supervisory Committee members. If more serious crises occur in business, etc., we respond quickly and appropriately and strive for early restoration by establishing “a Crisis Management Response Committee” based on “the Crisis Communication Manual” established as regulations concerning crisis management.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
		have built a management system considered establishing a Health and Safety Committee at all sites.		

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Unicharm primarily manufactures and sells sanitary products, disposable diapers, and other products that are indispensable in hygienic daily life. Since the raw materials include forest-derived resources (paper and pulp), if the supply is decreased by destruction of forests or depletion of water sources, we see that it will have a significant impact on our business. Also, if these occur, we believe that not only supplier/vendor-related problems but also problems concerning environment, quality, disaster, and reputational damage, etc., will result in complex business issues. We regard 12 items including these as serious crises. At present, no crises have surfaced to have a significant impact on our management, but as of now, we define such serious complex crises as “100,000,000 yen or more in damage to assets, and taking more than 100 days to restore operations.”

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	1	1-25	From the following three viewpoints, we identify facilities exposed to water risks with the potential to have a significant financial or strategic impact on our business: (1) manufacturing sites high in the volume of water withdrawn, (2) manufacturing sites the water risk of which is “Extremely High” or “High” by WRI Aqueduct, and (3) important manufacturing sites indispensable for our business.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Thailand	Other, please specify (Bang Pakong River)

Number of facilities exposed to water risk
1

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Thailand	Other, please specify (Bang Pakong River)

Type of risk & Primary risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact
Reduction or disruption in production capacity

Company-specific description
Our Wellgrow Factory in Thailand, mainly manufacturing sanitary products and disposable diapers, is located in the Wellgrow Industrial Estate near the Bang Pakong River. For our Group, the Wellgrow Factory is a very important site that assumes the role of not only manufacturing and sales for the Thai market but also exporting to Group companies in other countries. Damage from the massive flood in October 2011 was limited. But, the logistics functions of some customers stagnated, and our employees had difficulties arriving at work due to the impact from the inundation, with the result that factory operations were temporarily suspended.
Therefore, we consider that the Wellgrow Factory's risks of labour force reduction, production capacity reduction and suspension in operations, as well as decrease in sales could occur not only in Thailand but also in the exporting countries, causing disruption.

Timeframe
More than 6 years

Magnitude of potential impact
High

Likelihood
Very likely

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)
3570000000

Potential financial impact figure - maximum (currency)
10700000000

Explanation of financial impact
[Assuming that Thailand's proportion of annual sales in Asia is approximately 10%; (428.3 billion yen x 10%) ÷ 12 months x a minimum of 1 month to a maximum of 3 months = a minimum of approximately 3.57 billion yen to a maximum of approximately 10.7 billion yen]
For our Group, the Wellgrow Factory in Thailand is a very important site that assumes the role of not only manufacturing and selling for the Thai market but also exporting to Group companies in other countries.
In the case of devastating flooding or inland flooding, operations may inevitably be suspended for a long time. Assuming that the suspension periods of operations are a minimum of 1 month and a maximum of 3 months and the annual sales amount is approximately 42,800,000,000 yen; the amount of minimum loss is calculated to be approximately 3.57 billion yen and the amount of maximum loss to be approximately 10.7 billion yen. The maximum of 3 months is set according to our definition of serious complex crises "more than 100 days to restore operations."

Primary response to risk
Develop flood emergency plans

Description of response
<Response to logistics functions>
Since April 2012, we have jointly developed flood emergency plans (shipment plans) with logistics service providers assuming that floods may occur. The shipment plans in consideration of multiple alternative routes for transportation on the assumption of the occurrence of floods have been continually reviewed every year since April 2012. In addition, our cooperation with them has been strengthened by establishing communication networks through the use of SNS in daily operations.

<Response to employees>
Prioritizing the safety of employees, we developed a flood emergency plan specific to employees in October 2011.
This specifically shows emergency evacuation procedures for employees from stage 1 to stage 6, including emergency system charts, communication networks, and an “emergency response team” formed in the factory. Normally, it is reviewed in January every year, and updates are made reflecting the latest information on personnel transfers as appropriate. We also plan to hold emergency evacuation drills regularly from 2023.

<Response of facilities in the factory>
Since 2011, sandbags and waterproof board walls have been kept in storage for use at any time. Before the rainy season (April to May) every year, drain ditches clogged with garbage and gutters around the factory are cleaned, and also fittings for flood countermeasures are inspected.
Also, in collaboration with government organizations and the Wellgrow Industrial Estate, information is collected on river flooding and water levels are monitored as appropriate. Having learned a lesson from the floods in 2011, we have strengthened advance preparations for location, design, and disaster-prevention items to minimize flood damage when building new factories. In fact, when we built an expansion of our Thailand factory in 2014, we changed the height of the factory floor to a higher design than before, and also improved the drainage system.

Cost of response
500000

Explanation of cost of response
Drain ditches clogged with garbage and gutters around the factory are cleaned periodically before the rainy season. Also, the sandbags and waterproof board walls, which were purchased in 2011 for flood countermeasures, are inspected so that they can be used at any time. Additionally, since there are cases where employees cannot return home and may have to stay in the factory at times of flooding, costs for employees’ meals and daily necessities are anticipated.
The cost of response for 2022 is as follows: [cost for cleaning drain ditches, etc. (approximately 300,000 yen) + cost for purchasing additional sandbags, etc. (approximately 100,000 yen) + workers’ meals, etc., at times of flooding (approximately 100,000 yen) = 500,000 yen]

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Thailand	Other, please specify (Bang Pakong River)

Stage of value chain
Supply chain

Type of risk & Primary risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact
Company brand damage

Company-specific description
Our Wellgrow Factory in Thailand, mainly manufacturing sanitary products and disposable diapers, is located in the Wellgrow Industrial Estate near the Bang Pakong River. For our Group, the Wellgrow Factory is a very important site that assumes the role of not only manufacturing and sales for the Thai market but also exporting to Group companies in other countries. Damage by the massive flood in October 2011 was limited, and also our suppliers from which we procure raw materials (paper and pulp) were not seriously impacted because they were in places relatively immune to water damage. However, since our customers' buildings were impacted by flooding and customers' logistics functions stagnated, we consider that there are risks of loss of sales opportunities, decrease in sales, and company brand damage as customer expectations cannot be met in a situation where consumers find it difficult to buy our products temporarily.

Timeframe
More than 6 years

Magnitude of potential impact
High

Likelihood
Likely

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)
5140000000

Potential financial impact figure - maximum (currency)
15400000000

Explanation of financial impact
Based on the experience of massive floods in 2011, we ask our material suppliers to submit water damage control plans before the rainy season.
In the event of flooding, we estimate "assuming that Thailand's proportion of annual sales in Asia is approximately 10%; (428.3 billion yen x 10%) ÷ 12 months x a minimum of 1 month to a maximum of 3 months = a minimum of approximately 3.57 billion yen to a maximum of approximately 10.7 billion yen" in direct operations. In addition to this, assuming that the increasing rate of the risk of failing in responding as per water damage control is 120%, we estimate a minimum of approximately 3.57 billion yen x 1.2 = approximately 4.28 billion yen to a maximum of approximately 10.7 billion yen x 1.2 = approximately 12.84 billion yen. And, assuming that the reputational risk on the assumption of response with our environmental measures is insufficient or not sufficiently communicated in spite of our environmental leadership position for neighbouring schools is 120%, we estimate: a minimum of approximately 4.28 billion yen x 1.2 = approximately 5.14 billion yen to a maximum of approximately 12.84 billion yen x 1.2 = approximately 15.4 billion yen.
[Thailand's proportion of annual sales in Asia 10% (428.3 billion yen x 10%) ÷ 12 months x a minimum of 1 month to a maximum of 3 months x the increasing rate of risk of not achieving water damage control 120% x impact of reputational risk 120% = a minimum of approximately 5.14 billion yen to a maximum of approximately 15.4 billion yen.]

Primary response to risk

Supplier engagement	Develop supplier flood emergency plans

Description of response
Most of our material suppliers in Thailand are located in places immune to flood impacts, but based on the experience of massive floods in 2011, we have taken measures to minimize the risk of disruption of our supply chain. Since April 2011, we have continued to ask our material suppliers to submit flood damage plans before the rainy season. Since April 2011, we have also continued to develop shipment plans with our logistics service providers with consideration given to alternative routes for transportation, assuming the occurrence of flooding. In addition, since April 2020, we have been striving to understand present circumstances and respond quickly by sharing information on flood risks and communicating for response through group charts using SNS between our materials suppliers, logistics service providers, and us. Furthermore, since 2020, in collaboration with some suppliers, we have been conducting classes at schools and for children around the Wellgrow Industrial Estate to enhance environmental awareness, working on strengthening collaboration skills with suppliers and contributing to local communities.

Cost of response
6600000

Explanation of cost of response
We anticipate the additional cost required to use alternative routes for transportation impacted by flooding (assuming 100Km or longer, 5 hours or longer) is estimated to be [approximately 220,000 yen per day x 1 month = 6,600,000 yen].

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity
Products and services

Primary water-related opportunity
Reduced impact of product use on water resources

Company-specific description & strategy to realize opportunity
Unicharm is a manufacturer that primarily sells disposable diapers and sanitary products, focusing on Japan and Asia. Globally, the composition ratio of disposable diapers in waste is increasing, and according to the data by Japan's Ministry of the Environment, disposable diapers account for approximately 12% of waste, and we estimate that it will increase approximately 30% by 2030 compared to 2015. Also, in 90% or more of the other countries and regions than Japan, into which we have branched out, used disposable diapers are disposed of by field piling or landfilling. Based on these factors, we launched a used disposable diapers recycling business in 2015 for the purpose of reducing environmental loads and reducing the materials used. This business is the world's first "horizontal recycling" initiative to extract pulp from collected used disposable diapers, return it to quality equivalent to virgin pulp, and produce disposable diapers again. This can reduce GHG emissions, such as CO2 by incineration and methane gas in field piling and landfilling. We estimate that recycling 100 person disposable adult diapers for one year will lead to a waste reduction of approximately 46 tons a year, by which use of forest resources of approximately 100 trees can be avoided.
In general, used disposable diapers are incinerated in Japan, but by using our recycling system, approximately 84kg of quality pulp can be produced from 1 ton of used disposable diapers. The amount of water used for this recycling is approximately 10m3, while the amount of water used for quality pulp is approximately 16m3, where we anticipate a reduction of approximately 6m3 by using our recycling system.
Additionally, in 2021, expansion of products using certified material pulp enabled us to meet expectations for ethical consumption, and we consider that we can take the lead in establishing de facto standards in the disposable diaper industry by establishing technology to recycle disposable diapers.

Estimated timeframe for realization
More than 6 years

Magnitude of potential financial impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
16000000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact
We consider that the "used disposable diapers recycling (horizontal recycling) business" Unicharm launched in 2015 is eco-friendly, leading to a reduction in the amount of water used. We set a target of introducing recycling equipment to 10 or more local governments in Japan by 2030 in our "Environmental Targets 2030."
What we see as our opportunities is the estimated market size of disposable adult diapers in Japan in 2030 is 400 billion yen, and assuming our current market share of 60%, we see a market opportunity (160 billion yen) in the remaining 40% of the market.
Assuming that 10% of this 160 billion yen is consumers who are willing to buy eco-friendly products, we forecast there will be an opportunity to acquire a sales amount of 16 billion yen (160 billion yen x 10%) in 2030.
Summary of the Formula: 400 billion yen × 40% × 10% = 16 billion yen

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number
Facility 1

Facility name (optional)
UNI.CHARM (THAILAND) CO.,LTD.
Wellgrow Factory

Country/Area & River basin

Thailand	Other, please specify (Bang Pakong River)

Latitude
13.593913

Longitude
100.94614

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
206.1

Comparison of total withdrawals with previous reporting year
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
206.1

Total water discharges at this facility (megaliters/year)
206.1

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
206.1

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
About the same

Please explain
Unicharm primarily manufactures and sells sanitary products and disposable diapers. The Wellgrow Factory in Thailand is a site that assumes the important role of not only manufacturing for the Thai market but also exporting to Group companies in other countries. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. However, since water is used and discharged in cooling equipment, washing accompanying machine maintenance, and some other processes, we are striving to reduce the total volume of water withdrawn and to prevent pollution from occurring by water discharges, etc. Also, the Wellgrow Factory in Thailand is located in the Wellgrow Industrial Estate and releases water into the central effluent treatment system (effluent treatment pond) in this industrial estate, complying with the effluent treatment standards by the Industrial Estate Authority of Thailand. We are also engaged in discussions with the union of the Wellgrow Industrial Estate for improvement of water discharges, as appropriate.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified
76-100

Verification standard used
The verification standard used is the International Standard on Assurance Engagements No. 3000 “Assurance engagements other than audits or reviews of historical financial information” revised in December 2013, ISAE3000.

Please explain
<Not Applicable>

Water withdrawals – volume by source

% verified
76-100

Verification standard used
The verification standard used is the International Standard on Assurance Engagements No. 3000 “Assurance engagements other than audits or reviews of historical financial information” revised in December 2013, ISAE3000.

Please explain
<Not Applicable>

Water withdrawals – quality by standard water quality parameters

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
The Wellgrow Factory in Thailand mainly manufactures sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes, and water usage is generally limited to cooling equipment and washing accompanying machine maintenance. Since no water is used on products, we consider that no verification is needed for now. In-house, we perform water quality inspections once a year.

Water discharges – total volumes

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
The Wellgrow Factory in Thailand mainly manufactures sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. However, water is discharged in cooling equipment and washing accompanying machine maintenance. The Wellgrow Factory is located in an industrial estate and the water used in the factory is discharged into the central effluent treatment system (effluent treatment pond) in the industrial estate. Since the discharges strictly comply with Notification of the Industrial Estate Authority of Thailand No. 76/2560, we consider that no verification is needed for now.

Water discharges – volume by destination

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
The water used for cooling equipment and washing accompanying machine maintenance in the Wellgrow Factory is discharged into the central effluent treatment system (effluent treatment pond) in the industrial estate, and we manage the volumes of water discharges by meter measurements. Also, we understand the WASH services used by employees from the actual amounts of sewerage in invoices from third parties. In addition, in 2022, the corporate administrative ESG Division has begun to understand the detailed company-wide conditions of water discharges by destination, treatment method, and standard water quality, by conducting a questionnaire survey and hearing once or twice a year. Therefore, we consider that no verification is needed for now.

Water discharges – volume by final treatment level

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
The water used for cooling equipment and washing accompanying machine maintenance in the Wellgrow Factory is discharged into the central effluent treatment system (effluent treatment pond) in the industrial estate, strictly complying with Notification of the Industrial Estate Authority of Thailand No. 76/2560 after primary treatment. Also, in 2022, the corporate administrative ESG Division has begun to understand the detailed company-wide conditions of water discharges by destination, treatment method, and standard water quality, by conducting a questionnaire survey and hearing once or twice a year. Therefore, we consider that no verification is needed for now.

Water discharges – quality by standard water quality parameters

% verified
76-100

Verification standard used
The water used for cooling equipment and washing accompanying machine maintenance in the Wellgrow Factory is discharged into the central effluent treatment system (effluent treatment pond) in the industrial estate, strictly complying with Notification of the Industrial Estate Authority of Thailand No. 76/2560 after primary treatment. The regulatory requirements are (1) 20°C, 5-day BOD not exceeding 500 milligrams per litre; (2) COD not exceeding 750 milligrams per litre; (3) pH under 5.5; (4) TDS (total dissolved solids) not exceeding 3,000 milligrams per litre; (5) suspended solids not exceeding 200 milligrams per litre; and (6) oils and fats not exceeding 10 milligrams per litre. In the Wellgrow Factory, a water quality survey is conducted in-house every month by our staff in charge and Industrial Estate staff in charge together with external assessment organizations.

Please explain
<Not Applicable>

Water consumption – total volume

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We make calculations, defining the amounts of water consumed (by factories + by products) as “the volumes of water withdrawn minus the volumes of water discharged.” The total volume of water withdrawals is third-party guaranteed, while we understand and manage the volumes of water discharges with the meters we have installed and the actual measurements of sewerage in invoices from third parties. Therefore, we consider that no verification is needed for now.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Commitment to prevent, minimize, and control pollution Commitment to reduce or phase-out hazardous substances Commitment to reduce water withdrawal and/or consumption volumes in direct operations Commitment to reduce water withdrawal and/or consumption volumes in supply chain Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities Commitment to water stewardship and/or collective action Commitment to the conservation of freshwater ecosystems Commitments beyond regulatory compliance Reference to company water-related targets Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	We primarily manufacture and sell sanitary products, disposable diapers and other products that are indispensable in hygienic daily life. Since the raw materials include forest-derived resources (paper and pulp), which is closely related to the global environment through the use of natural resources and the generation of waste after use of sanitary products and disposable diapers, we consider that our role and responsibility for reducing environmental loads are materially significant. Little water is used in our manufacturing processes, but as we procure forest-derived raw materials (paper and pulp) from our suppliers, we recognize the risk of unstable supply of raw materials (paper and pulp) by depletion of water resources, resulting in decreased operating rates of our manufacturing factories. Therefore, we have established and are operating “the Basic Purchasing Policy” and “the Unicharm Group Sustainable Procurement Guidelines” in order to fulfil our corporate social responsibility and to perform fair and equitable activities with all suppliers. In FY2022, we revised “the Unicharm Group Basic Environmental Policy,” clearly stating that we will proceed with six initiatives toward realizing a sustainably developable society in which global environmental conservation and economic growth are compatible. The six initiatives are: 1. Initiative to develop eco-friendly products and services, 2. Initiative to address climate change, 3. Initiative to save energy and resources and reduce waste, 4. Initiative to be responsible for environmental conservation including communities and resources, 5. Initiative to comply with laws and regulations, etc., and 6. Initiative to communicate with society. Among them, the 4th initiative says explicitly that we shall endeavour to preserve communities and ecosystems in consideration of biodiversity when utilizing forest resources and water resources in all activities in our value chain; and we shall be responsible for not adversely impacting communities and nature through active response to prevent pollution from occurring by water discharges, etc. In addition, we have formulated guidelines corresponding to the 6 initiatives to further disseminate understanding to employees.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
Chief Executive Officer (CEO)	Water-related and other environmental targets are explained to the Board of Directors, which “approves the action plan” and “approves the results of initiatives.” Since the chief executive officer (CEO) proposes the targets to the Board of Directors for approval, the CEO bears a series of responsibilities. The ESG Committee, which operates under the Board of Directors and meets once a quarter, is chaired by the CEO. The ESG Committee, including directors, all executive officers, and the Group’s executives such as presidents, discusses and makes decisions on the progress of activities and solutions to challenges related to key themes in the Medium-term Management Plan and Kyo-sei Life Vision 2030, a series of medium- to long-term ESG goals, etc. At the ESG Committee in February 2022, 2021 accomplishments of the “Kyo-sei Life Vision 2030” and “Environmental Targets 2030” were reported. As water-related matters, water withdrawals and discharges of all manufacturing factories, conditions by source, presence or absence of administrative guidance related to water discharge regulations, and details of 2022 water-related investment plan, etc., were reported. In May 2022, actual conditions of ESG-score-related external assessments about us by CDP on top of the list and initiatives toward improvement were approved. In November 2022, the progress of improvement related to the ESG assessment items that had been approved in May was shared. The decisions made here are thoroughly disseminated and executed throughout respective functional divisions and all overseas subsidiaries.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring progress towards corporate targets Overseeing major capital expenditures Overseeing the setting of corporate targets Providing employee incentives Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy	Water-related and other environmental targets are explained to the Board of Directors, which "approves the action plan" and "approves the results of initiatives." Since the chief executive officer (CEO) proposes the targets to the Board of Directors for approval, the CEO bears a series of responsibilities. The ESG Committee, which operates under the Board of Directors and meets once a quarter, is chaired by the CEO. The ESG Committee members are directors, all executive officers, and the Group's executives such as presidents. The ESG Committee discusses and makes decisions on the progress of activities and solutions to challenges related to key themes in the Medium-term Management Plan and Kyo-sei Life Vision 2030, a series of medium- to long-term ESG goals, etc., including water-related matters.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	The Director, Senior Managing Executive Officer CQO (Chief Quality Officer) assumes the role of promoting systematic activities to assure the quality and safety of products that are manufactured and sold in Japanese and overseas markets. Additionally, the CQO from the product development department, who is conversant in procurement of raw materials, is building a sustainable supply chain through communications with many suppliers. The CQO plays a leading role in product reliability, climate change responses, and environmental issues.	<Not Applicable>	<Not Applicable>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Chief Executive Officer (CEO)

Water-related responsibilities of this position
Assessing future trends in water demand
Assessing water-related risks and opportunities
Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Quarterly

Please explain
In order to realize and smoothly promote ESG activities to meet the expectations of stakeholders, Unicharm holds the ESG Committee chaired by the chief executive officer (CEO) (once a quarter). The ESG Committee members are directors, all executive officers, and the Group's executives such as presidents.
The ESG Committee discusses, deliberates, and makes decisions on the progress of activities and solutions to challenges related to key themes in the Medium-term Management Plan and Kyo-sei Life Vision 2030, a series of medium- to long-term ESG goals, etc., including water-related matters. As for identified water risks, challenges are also discussed, deliberated, and decided likewise. The themes discussed at this ESG Committee and the results are reported by the officer in charge of ESG to the directors and Audit & Supervisory Committee members, and resolutions in writing are made once a quarter. Our risk management is overseen by the directors and Audit & Supervisory Committee members.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

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

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Director on board Other C-suite Officer (経営幹部役員)	Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations Improvements in water efficiency – product use Improvements in wastewater quality – direct operations Improvements in wastewater quality – product use Reduction of water pollution incidents Increased access to workplace WASH – direct operations Increased access to workplace WASH – supply chain Increased proportion of revenue from low water impact products or services Company performance against a sustainability index with water-related factors (e.g., DJSI, CDP Water Security score, etc.)	We primarily manufacture and sell sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. But water is essential for manufacturing some products, cooling equipment, washing accompanying machine maintenance, etc. So we aim at the Group's reducing water usage by 1% or more compared to the previous year as a whole. Also, in 2022, we revised "the Unicharm Group Basic Environmental Policy," clearly stating that we will proceed with six initiatives toward realizing a sustainably developable society in which global environmental conservation and economic growth are compatible. Among them, we have launched the "initiative to develop eco-friendly products and services," leading to reduction in water usage by our used disposable diapers recycling (horizontal recycling) business." As the "initiative to be responsible for environmental conservation including communities and resources," we are committed to reducing water withdrawn, using recycled water, and improving the quality of water discharges with preservation of forest resources as the raw materials of our products, and ecosystems in mind. As the "initiative to comply with laws and regulations, etc.," all manufacturing factories aim at zero water pollution incidents. Also, we have formulated guidelines for the respective initiatives to disseminate understanding to employees.	Under Kyo-sei Life Vision 2030, 20 water-related and other themes are allocated to all executive officers and higher-ranking C-suite officers: 1) On the theme of provision of hygienic and convenient products and services as well as activities to improve the global environment, C-suite officers having jurisdiction over manufacturing sites take charge of (1) reduction of water withdrawals, (2) improvements in water efficiency, and (3) continuation of zero water pollution incidents. (1) Reduction of water withdrawals We aim at the whole Group's reducing water withdrawals by 1% compared to the previous year. At sites high in water risk assessments, water-saving activities are performed, aiming at 2% reduction on average. (2) Improvements in water efficiency Our factory in Indonesia that manufactures wet wipes performs approximately 90% water cycle activities. (3) Continuation of zero water pollution incidents In accordance with the laws and regulations by the countries and regions where our sites are located, we make assessments and measurements on our own and through third-party inspection organizations. At sites with no laws and regulations established, developed sites are referred to. 2) On the theme of management promotion with fair and transparent sustainability in mind so that we can earn the trust of stakeholders, the C-suite officers having jurisdiction over ESG take charge of maintaining and improving assessment levels by CDP and other external assessment organizations.

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Non-monetary reward	Other, please specify (担当者と現場責任者)	Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations Improvements in water efficiency – product use Improvements in wastewater quality – direct operations Improvements in wastewater quality – product use Reduction of water pollution incidents Increased access to workplace WASH – direct operations Increased access to workplace WASH – supply chain Increased proportion of revenue from low water impact products or services Company performance against a sustainability index with water-related factors (e.g., DJSI, CDP Water Security score, etc.)	Under Kyo-sei Life Vision 2030, a series of medium- to long-term ESG goals we have formulated, we are aiming for compatibility between provision of hygienic and convenient products and services to protect and support global health and contribution to activities to improve the global environment. As important themes of specific initiatives, we are promoting the "development of eco-friendly products," "expansion of our recycling model," and maintenance and improvements of assessment levels by CDP and other external assessment organizations, aiming at fair and highly transparent corporate operations so that we can earn the trust of all stakeholders.	The Unicharm Group holds the Unicharm Awards once a year. The Awards are a commendation system in which individuals, groups, and divisions compete in relation to the degree of contribution to the company and society in one year. Individuals, groups, and divisions having faced water-related issues decisively and yielded results with respect to ESG are commended and honoured by everyone in the Unicharm Group.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

No

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, but we plan to do so in the next two years

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	1) Long-term business objectives Unicharm primarily manufactures and sells sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers (paper and pulp), with little use of water in our manufacturing processes. But the materials from suppliers are essential for our manufacturing, and manufacturing those materials require large volumes of freshwater. Those materials (paper and pulp) are also forest-derived resources. Based on this, we announced “Kyo-sei Life Vision 2030” and “Environmental Targets 2030” in 2020. By consistently implementing these, we aim at simultaneous realization of solutions to environmental issues and social challenges, contribution to consumers and local communities, and continuous growth of business. 2) Responses to water-related issues We revised “the Unicharm Group Basic Environmental Policy” in 2022, showing our “initiative to be responsible for environmental conservation, including communities and nature. The guidelines state that we shall “understand water risks, take suitable measures for business activities in countries and regions high in water risks” and “address water issues through the promotion of efficient use of water and prevention of pollution by discharges.” We believe that we can contribute to the realization of a sustainably developable society by providing products and services such that provide comfort, inspiration, and joy based on these policies.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	1) Strategy for achieving long-term objectives We primarily manufacture and sell sanitary products and disposable diapers, and the amount of disposable adult diapers used is increasing every year in super-aging Japan. Due to the issues of conservation of forest resources, which are raw materials , suppliers’ using large volumes of water in processes to manufacture the materials, and disposal of used diapers, etc., we launched a used disposable diapers recycling business in 2015.This business is the world’s first “horizontal recycling” initiative to extract pulp from the collected used diapers, return it to quality equivalent to virgin pulp, and produce disposable diapers again. We are planning an expansion with 10 or more local governments by 2030. 2) Responses to water-related issues We consider that this business is an eco-friendly challenge to lower both the amount of virgin pulp used and the degree of dependence on water use. Approx. 84kg of recycled pulp is produced from 1 ton of used diapers, using approx. 10m3 of water, while approx. 16m3 is used for virgin pulp, where we estimate a reduction of approx. 6m3. We also manage and monitor the actual performances of all factories, such as water withdrawals, through a data management system. We conduct a questionnaire survey and hearing once or twice year for accurate understanding of current conditions and promote reduction of the Group’s water withdrawals by 1% or more compared to the previous year as a whole.
Financial planning	Yes, water-related issues are integrated	5-10	Little water is used or discharged in our manufacturing processes. Our Kyo-sei Life Vision 2030, a series of medium- to long-term ESG goals, includes the theme “development of eco-friendly products” with the aim of compatibility between provision of hygienic and convenient products and services and contribution to activities to improve the global environment, as one of our important initiatives. While we have continued to promote “recycling of used disposable diapers” since 2015, we began trial use of disposable adult diapers “Lifree” using recycled material as part of absorbent paper at several nursing homes in Kagoshima Prefecture in June 2022. These are incorporated in our water-related financial planning.

W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-64

Anticipated forward trend for CAPEX (+/- % change)

800

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

-0.5

Please explain

[CAPEX] At our Itami Factory that manufactures pet food in Japan, we carried out construction work for circulating cooling water, flowmeter installation in each area, and feed-water pipe replacement work, etc., in 2021, in order to reduce the volumes of water discharged. The Japanese standard of BOD is 600 or less, but in the Itami Factory area, a stricter regulation is in place: 200 or less. Therefore, in 2022, we introduced equipment to raise the oxygen concentration for stabilizing the water quality when discharged and improving the function of biotreatment. As a result, our capital expenditure was reduced by approximately 30% compared to 2021.
[OPEX] Through efforts to reduce the volumes of water withdrawn and discharged, there was little change in costs for water quality inspection, personnel, purification tank maintenance inspection, effluent treatment chemicals, and fixings between 2021 and 2022.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	Based on the RCP (Representative Concentration Pathways) scenarios used in the IPCC Fifth Assessment Report, we adopted the 2°C scenario (RCP2.6) and 4°C scenario (RCP8.5). As our risk manifestation periods, we define the present time to 2030 as medium- to long-term, and 2031 - 2050 as long-term. We take it as significant (purpose) to our existence to achieve "sustainable development goals (SDGs)." Assuming that an "inclusive society" will be realized in 2050, we are determined to be a company that provides social infrastructure by which all people from infants to the elderly can feel and achieve mental, physical, social, and global health together with their pets around the world. As the Unicharm Group mid-to-long term ESG objectives, we announced "Kyo-sei Life Vision 2030" and "Environmental Targets 2030" in 2020, and in step with that period, we explain water-related outcomes having possibilities in 2030 regarded as medium- to long-term. While we are already certified as a company setting a science-based target of 2°C, we are also in agreement with the target of 1.5°C in the IPCC 1.5°C Special Report, scenarios announced as SSPs (Shared Socioeconomic Pathways) in the IPCC Sixth Report, and COP26. Therefore, we are also reviewing our target toward 1.5°C.	Our products and services are mostly sanitary products, disposable diapers, and other hygienic goods, such as wet wipes, as well as pet food. Little water is used in our manufacturing processes, but since most of the raw materials are forest-derived resources (paper and pulp, etc.), we are dependent on procurement from upstream suppliers who use large volumes of water in their manufacturing processes. Therefore, with understanding and cooperation from all suppliers, we are promoting our "Unicharm Group Sustainable Procurement Guidelines." [Risks] (1) 2°C scenario We found a risk that operations may be stopped due to unstable supply of forest-derived raw materials by depletion of water resources as a remote cause or the sales of our products may be stopped with tight supply of water used in our wet wipe and pet food manufacturing processes. (2) 4°C scenario We found a risk that the operating rates may drop due to unstable supply of forest-derived raw materials by deletion of water resources as a remote cause or the prices of our products may rise with increased payments for the water used in wet wipe and pet food manufacturing processes. [Opportunities] (1) 2°C scenario We found the possibility that the demand for hygienic goods will expand with rising awareness of hygiene and the need for wet wipes to keep hands and bodies clean without water will grow. (2) 4°C scenario We found the possibility that the demand for hygienic goods will expand with rising awareness of hygiene.	(1) Accurate understanding of the actual volumes of water withdrawn and discharged We make water risk assessments on all of our 41 factories using WRI Aqueduct. We conduct a hearing, etc., with local staff in charge, striving to accurately understand the actual conditions of water risk assessments. (2) Reduction of the volumes of water used and discharged The Group targets at reducing water withdrawals by 1% compared to the previous year, but factories assessed high in water risks are committed to reducing them by 2% on average. In 2022, the factory in Indonesia achieved a water cycle of approximately 90%. Also, the Kyushu Factory in Japan has realized reduction of water usage and zero discharges by changing the air-conditioning equipment from water-cooled type to air-cooled type equipment. In the future, it will be horizontally deployed in step with air-conditioning equipment renewal timing. (3) Demand expansion of eco-friendly products and hygienic goods, and development of products for health issues We launched a used disposable diapers recycling business to introduce eco-friendly products that can reduce the amount of virgin pulp used and lower the degree of dependence on water use in manufacturing processes. Also, we are expanding our lineup of hygienic products, such as wet wipes. In Malaysia and Singapore with concern over dengue fever, we are also developing products addressing health issues, which are mosquito-repellent disposable diapers.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

We are considering risks such as water pricing because there is the potential for rising water prices and disruptions in our supply chain in association with the impacts of floods, storm surges, and droughts accompanying climate change. In FY2022, as a preliminary step toward this, we began implementation of a questionnaire survey with water-related personnel in charge at all manufacturing sites once or twice a year, in addition to monthly collection and analysis of actual volumes of water withdrawn and discharged as previously totalled through our core system, to undertake groundwork to collect detailed information on each manufacturing site, share corporate policies, and strengthen promotion thereof.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	Unicharm primarily manufactures and sells sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our manufacturing processes. However, paper and pulp sourced from suppliers are indispensable, the manufacturing processes of which require large volumes of water. Therefore, as the reduction of the amounts of raw materials used would lead to a reduction of water usage in raw material manufacturing processes, we define the development of eco-friendly products as low water impact. We define “eco-friendly” products “with environmental loads and costs reduced by procuring energy-efficient resources low in CO2 emissions” and “with environmental loads and costs reduced by reducing waste or using recycled resources.	<Not Applicable>	As low water impact, we promote lighter-weight, lower-profile sanitary products and disposable diapers. We believe that lower-profile design will reduce the usage of raw materials and water in manufacturing processes. We also manufacture and sell wet wipes for cleaning hands and around mouths, being characterized by cleaning the body without water as useful in dry areas and during disasters. Further, we have continued our commitment to our used disposable diapers recycling business since 2015. We believe this will decrease the usage of virgin pulp and lower the degree of dependence on water use in manufacturing processes, with little impact on water resources. Approx. 84kg of recycled pulp is produced from 1 ton of used disposable diapers, using approx. 10m3 of water, while approx. 16m3 is used for virgin pulp, where approx. 6m3 is expected to be reduced. In May 2022, we began sales for nursing homes in Minami-Kyushu, Japan. We plan to expand to 10 or more local governments by 2030.

W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	Yes	<Not Applicable>
Water withdrawals	Yes	<Not Applicable>
Water, Sanitation, and Hygiene (WASH) services	Yes	<Not Applicable>
Other	Please select	<Not Applicable>

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Company-wide (direct operations only)

Quantitative metric

Reduction in total water withdrawals

Year target was set

2022

Base year

2021

Base year figure

4970

Target year

2022

Target year figure

4920

Reporting year figure

4881

% of target achieved relative to base year

Target status in reporting year
Achieved

Please explain
Unicharm primarily manufactures and sells sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our in-house production processes. However, since water is used for cooling equipment and washing accompanying machine maintenance, etc., and freshwater is essential in manufacturing processes of some of our nonwoven fabrics factories, we have determined that reduction in total water withdrawals is important. Thus, we are promoting activities, targeting reduction of the Unicharm Group's annual total by 1% compared to the previous year.
The 2022 total water withdrawals were 4,881ML (breakdown: 1,018ML at overseas sites; and 3,862ML in Japan). The consumption of the previous year, 2021, was 4,970ML (breakdown: 1,045ML at overseas sites; and 3,926ML in Japan), resulting in a 1.2% reduction compared to the previous year, where the rate of target achievement was 178%.

Target reference number
Target 2

Category of target
Water, Sanitation and Hygiene (WASH) services

Target coverage
Company-wide (direct operations only)

Quantitative metric
Other, please specify (Measurement by satisfaction rating (on a five-point scale) in once-a-year awareness survey for all employees)

Year target was set
2022

Base year
2021

Base year figure
4.16

Target year
2030

Target year figure
4.5

Reporting year figure
4.39

% of target achieved relative to base year

Target status in reporting year
Underway

Please explain
For the purpose of confirming work-related awareness and satisfaction of employees, Unicharm conducts a group-wide "awareness survey of employees" every year. It is translated into 8 languages so as to receive answers from employees working for overseas subsidiaries as well. By conducting continuous surveys, we not only use them for revitalization of employees and organizational reforms, but also refer to them when considering various personnel and management measures.
In this "awareness survey of employees," satisfaction with WASH (Water, Sanitation, and Hygiene) services for workers" is measured by obtaining a response from the item "development of a workplace environment in which employees can work with peace of mind from the perspective of mental and physical health." In the 2022 awareness survey of employees, the satisfaction was rated 4.39 on a five-point scale, which exceeded 4.07, the average of the previous year. The average rating of this satisfaction is monitored every year. Also, we respond to measurements and improvements of our workplace environment, including WASH services for all of our employees so that they can work safely and securely, by "the Health and Safety Committee" held every month and performing patrol inspections by the Committee members every two months.

Target reference number
Target 3

Category of target
Water pollution

Target coverage
Site/facility

Quantitative metric
Other, please specify (Measurement by the number of factories violating laws and regulations regarding discharges at all of our 41 factories (targeting at zero factories violating laws and regulations))

Year target was set
2022

Base year
2021

Base year figure
0

Target year
2022

Target year figure
0

Reporting year figure
0

% of target achieved relative to base year

<Calculated field>

Target status in reporting year
Achieved

Please explain
We primarily manufacture and sell sanitary products and disposable diapers. Manufacturing is comprised of processes such as cutting and laminating materials sourced from suppliers, with little use of water in our manufacturing processes. However, since water is used and discharged in cooling equipment and washing accompanying machine maintenance, we comply with laws and regulations regarding discharges that are established by countries and regions where our factories are located. In 2022, we revised “the Unicharm Group Basic Environmental Policy,” clearly stating that “we shall endeavour to preserve communities and ecosystems, and actively work on prevention of pollution by discharges, etc., “where all manufacturing factories target zero violations of laws and regulations regarding water discharges.
We comply with the “Water Pollution Prevention Act” and “Act on Special Measures concerning Conservation of the Environment of the Seto Inland Sea,” etc., in Japan, and the “Water Pollution Prevention and Control Law of the People’s Republic of China” and “Environmental Protection Law of the People’s Republic of China” etc., in China to work toward pollution prevention. In 2022, the number of violations was zero at all factories.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?
In progress

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain	Products and services Unicharm offers are mostly hygienic goods, focusing on sanitary products and disposable diapers. (1) Mapping in direct operations Many of our products are packaged in plastic materials that are excellent in economic efficiency and durability. With the understanding of changes in the way plastics are used for product packaging by manufacturing site, we set targets of 14% reduction in 2023 (reference year: 2019) and 30% reduction by 2030. In 2022, our group achieved a 12.3% reduction relative to the reference year as a whole. (2) Mapping in supply chain As for our promotional materials placed in front and in aisles of stores, we set targets of reducing the use of plastics by 30% in 2023 (reference year: 2019) and zeroing them in all Group companies in principle by 2030. Specifically, we are committed to switching hooks, fixtures and fittings for display, POP, etc., to paper materials and developing paper racks. In 2022, the amount of promotional materials used in Japan was 5.6t, resulting in an 81.8% reduction compared to the reference year.

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain Product use phase	Since Unicharm is a manufacturer using plastics as packaging materials and for products, we recognize our responsibility and role for potential environmental and human health impacts from our use and/or production of plastics. We are committed to appropriately managing our whole value chain from the stage of procurement of raw materials to disposal of products, and also reducing the amount of plastics used, raising awareness about appropriate disposal methods after use, and recycling. Specifically, in the “Environmental Targets 2030” we announced in May 2020, targets to address issues with plastics. Also, for consumers, the Unicharm Group is raising awareness on proper disposal methods by describing methods for disposing of used products on packaging as a whole. Also, with the endorsement for the “Plastic Smart” Campaign hosted by Japan’s Ministry of the Environment in 2019, we participated in WWF Japan’s “Plastic Circular Challenge 2025” in 2022, announcing our commitments by 2025.

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Value chain stage	Type of risk	Please explain
Row 1	Yes	Direct operations Supply chain Product use phase	Regulatory Reputational Technology	Products and services we offer are mostly hygienic goods, focusing on sanitary products and disposable diapers. For many products, plastics are used as their packaging materials, as part of products, or as products themselves. Since plastics are a material that is excellent in economic efficiency and durability, they are indispensable for our hygienic goods. To cite an example, our hygienic goods can be delivered to consumers hygienically by using plastic packaging materials for sanitary products and disposable diapers, which are excellent in preservability of products and in preventing contamination by bacteria even in hot and humid environments. In Japan, paper packaging is adopted for some samples of disposable baby diapers to a limited extent. In the case of tampons, a sanitary product, consisting of an absorber that absorbs menstrual blood and a “plastic portion” that guides it smoothly into the body, it is an indispensable material from the aspects of good hygiene and durability as it is temporarily inserted into the body. However, assuming our responsibility and role for potential environmental and human health impacts from our use and/or production of plastics, we announced our targets to address issues with plastics in “Environmental Targets 2030” in 2020.

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Yes	Plastic packaging Waste management	Reduce the total weight of plastic packaging used and/or produced Eliminate problematic and unnecessary plastic packaging Increase the proportion of recyclable plastic waste that we collect, sort, and recycle	In May 2020, we announced targets to address issues with plastics in “Environmental Targets 2030.” (1) Reduction of the total weight of plastic packaging used and/or produced To reduce the amount used in packaging materials, we set targets of a 14% reduction (reference year: 2019) in 2023 and a 30% reduction by 2030. (2) Elimination of unnecessary plastic packaging Under the slogan of “zero plastics used in promotional materials” as placed in front and in aisles of stores, we target a 30% reduction in 2023 (reference year: 2019) and zero in all Group companies in principle by 2030. (3) Increase in the percentages of recyclable plastics collected, sorted, and recycled In 2015, we launched a project to recycle used disposable diapers. As “promotion of recycling of disposable diapers,” we aim to introduce equipment for horizontal recycling of used disposable diapers (recycling to raw materials of disposable diapers again) with 10 or more local governments by 2030.

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	
Production of durable plastic components	No	
Production / commercialization of durable plastic goods (including mixed materials)	Yes	
Production / commercialization of plastic packaging	No	
Production of goods packaged in plastics	Yes	
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	No	

W10.7

(W10.7) Provide the total weight of plastic durable goods/components sold and indicate the raw material content.

Row 1

Total weight of plastic durable goods/components sold during the reporting year (Metric tonnes)
461.32

Raw material content percentages available to report
% virgin fossil-based content
% virgin renewable content

% virgin fossil-based content
99

% virgin renewable content
1

% post-industrial recycled content
<Not Applicable>

% post-consumer recycled content
<Not Applicable>

Please explain
Our plastic durable products include main units of wet wipes to cleanse hands, around the mouth, and skin, and for tables and kitchens, the main units of handy dusters and floor wipers, and pet toilets. The total weight described is data for Japan only.

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% virgin fossil-based content	% virgin renewable content	% post-industrial recycled content	% post-consumer recycled content	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	37484	% virgin fossil-based content	100	<Not Applicable>	<Not Applicable>	<Not Applicable>	In “Environmental Targets 2030” we announced in 2020, the Unicharm Group sets a target of 30% reduction (reference year: 2019) in the amounts of plastic packaging materials by 2030. For that purpose, having understood the weights of plastic packaging materials of all factory sites since 2019, we are committed to reducing them in each country. Specifically, we have partly launched papered packaging, and have engaged in thinning packaging after verifying that transportation and protection are not impacted. In 2022, we achieved a 12.3% reduction per unit compared to 2019.

W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is reusable	% of plastic packaging that is technically recyclable	% of plastic packaging that is recyclable in practice at scale	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	% reusable	100	<Not Applicable>	<Not Applicable>	We are committed to collecting packaging film trims generated from processes in packaging sanitary products and disposable diapers and returning them to raw material manufacturers, where they are recycled to manufacture garbage bags or returned as raw materials for packaging.

W11. Sign off

W-FI

(W-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.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water 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 indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Yes, CDP may share our Main User contact details with the Pacific Institute

Please confirm below

I have read and accept the applicable Terms