

Customer Satisfaction

Responsibility to Our Customers (Consumers)

Our Basic Approach and Strategy

102-16

At Unicharm, we have always regarded customer satisfaction as a top priority and contributed to the betterment of quality of life through our business activities while continuing to provide products and services that transform discomfort into comfort. The

Customer Communication Center (CCC), which serves as the point of contact for inquiries, is committed to responding sincerely in a prompt, fair, and impartial manner to the valuable opinions we receive from our customers, in accordance with the Customer Communication Center Vision and the Complaint Correspondence Policy, and its basic policy is to engage in

communication that spurs increases in customer satisfaction. Also, in 2017 Unicharm issued its Self-Declaration of Consumer Orientation to declare its ongoing commitment to enhancing customer satisfaction.



► Self-Declaration of Consumer Orientation

Philosophy

We contribute to creating a better quality of life for everyone by offering only the finest products and services to the market and customers both in Japan and abroad.

Policy on Basic Initiatives—Commitment of Top Management

Unicharm hereby declares that it will always respond to customer complaints and inquiries in an honest, swift, and fair manner.

- I. All feedback received from customers is put together at the Customer Communication Center (CCC) and addressed fairly and impartially by the CCC based on the quality management system (QMS) (ISO 9001) complaint correspondence process manual and ISO 10002 complaint response process documents. Information concerning problems with products or services is swiftly reported to top management and necessary steps are taken to improve the situation.
- II. If the situation must be remedied, all relevant departments work together following the QMS (ISO 9001) procedures on rectification and prevention measures to swiftly remedy the problem and prevent future recurrences.
- III. Customer feedback is seriously reviewed and efforts are made toward improvements involving all relevant departments so as to ensure customer satisfaction going forward. We strive to ensure that precious customer feedback can be properly reflected in our improvement activities for products and services.

Specific Initiatives

I. Ensurance of corporate governance: A system for reporting customer feedback to top management without fail or delay

We will carry out transparent corporate management and actively disclose information while working to fulfill the Company's growth and development, employees' happiness, and our social responsibilities. A time slot is set aside at executive meetings for reports from the CCC for discussing and disseminating a correspondence policy based on a serious review of feedback received from customers.

II. Proactive initiatives involving all employees: Fostering of a corporate culture and employee mindset that are customer-oriented

In order to improve customer satisfaction, once every year, an occasion is set where all Unicharm Group employees, including those from outside Japan, come together to present on products and services as well as proposals for pleasing customers in an effort to learn about best practices. This will enable all Unicharm Group employees to share a customer-oriented mindset and strive for further improvement.

III. Swift response through systematic collaboration between relevant departments: Initiatives for swift and honest responses

All feedback received from customers is put together at the CCC and addressed fairly and impartially by the CCC based on the QMS (ISO 9001) complaint correspondence process manual and ISO 10002 complaint response process documents. Information concerning problems with products or services is swiftly reported to top management and necessary steps are taken to improve the situation. If the situation must be remedied, the relevant departments work together to swiftly remedy the problem and prevent future recurrences.

IV. Enhanced information provision to consumers and two-way exchanges of information: Dissemination of information for safe use

Frequently asked questions about product safety will be published on the Company's website in an effort to widely disclose this information. We will provide information to customers by various means so that they can use our products safely and effectively. These means include product packaging, user manuals, and advertisements to educate customers about the correct way to use products, as well as through our corporate website, news releases, and disseminations from the CCC.

V. Improvement and development based on consumer and social needs: Product creation making customer-oriented approaches and social responsibilities a reality

The entire Company will work on improvement activities linking the needs of customers with commercialization of products after carefully reviewing their feedback. We will set rigorous environmental standards for our products and carefully select product designs and raw materials to meet the challenge of reducing waste in the production process to the extent possible. The entire Company will also work as one solid team toward mitigating environmental impacts, including reducing waste throughout our business activities.

Date of Establishment: January 16, 2017
Revised: January 1, 2021
Takahisa Takahara
President & CEO
Unicharm Corporation

Please refer to the following sections for more details on our initiatives.

I. Ensurance of corporate governance

II. Proactive initiatives involving all employees

P.077 Main Initiatives of the CCC

III. Swift response through systematic collaboration between relevant departments

P.076 ISO 10002 Complaint Response Management System

P.079 ISO 9001 Quality Management System

IV. Enhanced information provision to consumers and two-way exchanges of information

P.077 Measures to Enhance Customer Satisfaction (Japan)

P.077 Main Initiatives of the CCC

V. Improvement and development based on consumer and social needs

P.077 Main Initiatives of the CCC

P.038, P.041 Waste and Resource Utilization

Customer Communication Center Vision

We aim to have our customers shift their minds from saying “I’m glad that I inquired and consulted with the Customer Communication Center” to “I’ll purchase Unicharm products because they are trustworthy and I know I can contact the Customer Communication Center whenever I need to.” To achieve this goal, we are committed to making sure that “listening compassionately to the true voice of customers and conveying our thoughtful message to them” becomes second nature, treating others’ matters as our own and solving their immediate problems together while providing them with greater inspiration for childcare and nursing care, thereby sharing our joy and excitement and encouraging them to purchase Unicharm products again. By doing so, we would like to deepen our bonds with customers in Asia and around the world.

Complaint Correspondence Policy

- 1 Customer feedback will be centrally managed by the Customer Communication Center and addressed in a fair and impartial manner in accordance with the QMS (ISO 9001) complaint correspondence process manual and ISO 10002 complaint response process documentation. Information concerning problems with our products or services will be reported to the president & CEO and steps will be taken immediately to remedy them.
- 2 If our products or services must be revised based on customer feedback, all relevant departments will work together to immediately rectify the situation and prevent future recurrences in accordance with the QMS (ISO 9001) corrective and preventive measures procedure manual.
- 3 We will strive to reflect the valuable feedback from customers in our products and services. We will take customer feedback seriously and exert our best efforts so that each department works together to ensure that customers will be satisfied.

Management Structure

The Customer Communication Center (CCC) led by the chief quality officer (CQO) works in coordination with the relevant departments to gather customer opinions, enhance quality and safety, and develop products tailored to our customers’ needs.

ISO 10002 Complaint Response Management System

We are building a response system that is compliant with the ISO 10002 complaint response management system (MS), an international standard for complaint response management. In addition to Japan, Unicharm issued its declaration of self-conformity with the ISO 10002 complaint response MS at the CCCs of its overseas bases in China, Taiwan–Greater China, Thailand, Indonesia, Australia, and other countries, and aims to do so in India and Vietnam going forward. Upon declaration, we verify that the system is being operated properly through regular audits and information exchanges by our CCC in Japan.

Initiatives and Results

CCC Initiatives

In 2022, the center received approximately 52,000 calls. The feedback we received was, in turn, shared widely with the relevant departments within the Company and used to help improve our products and services. The feedback is also used to continue to improve the quality of responses by the CCC.



Training Sessions for Employees Using Feedback from Customers

We conduct employee training at the CCC to reinforce quality and customer-oriented approaches. In 2022, a training session was carried out for 923 participants, including new employees and R&D, marketing, and factory staff, in which they reviewed recordings of actual feedback from customers. We will employ such measures to continue to enhance our customer-oriented approach on a Groupwide level and supply products that truly satisfy our customers.

Activities of Overseas CCCs

We hold meetings once every six months involving our CCC in Japan and our CCCs in China, Taiwan–Greater China, Thailand, Indonesia, Australia, India, Vietnam, and South Korea. At these meetings, a variety of issues are raised, shared, and resolved together as a way of improving the quality of customer responses across the Group.

Measures to Enhance Customer Satisfaction (Japan)

• Adult Diaper Counseling Service: Providing Support for Selecting the Most Suitable Disposable Adult Diaper

P.071 Adult Diaper Counseling Service

• Launch of the Store Locator System Service

P.072 Launch of the Store Locator System Service

• Airing of TV Commercials with Closed-Captioning

To ensure that the information we provide is communicated effectively to people who are hard of hearing, we are switching to TV commercials with closed-captioning for all Unicharm commercials aired in Japan (scheduled to be completed by December 2023).



TV commercial with closed-captioning

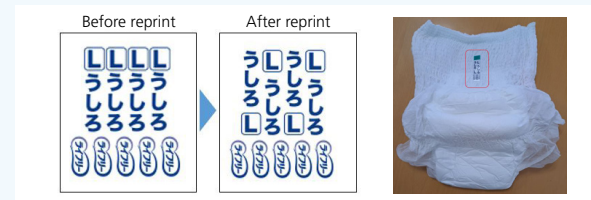
► Main Initiatives of the CCC

Main Initiatives	Contents
1. Responder training	For staff who deal firsthand with inquiries from customers, we organize training programs led by external instructors and other informative workshops in order to improve the quality of responses.
2. Reflection in products	We share customer feedback with the relevant departments in a timely manner through weekly and monthly reports. This feedback is used to continue to strengthen our product development, such as improving existing products and developing new products.
3. Information dissemination	Customer feedback is shared internally in real time using our FAIN centralized customer information management system, or the SMILE system. Members of the CCC actively participate in debriefing sessions with the R&D and marketing departments and product package confirmation meetings (communication assurance meetings) to continue to improve products from a customer standpoint.
4. Training by the CCC	The CCC organizes training sessions for new employees, the R&D and marketing departments, and factory workers, which were attended by 923 employees in 2022. Through this training, the CCC provides opportunities to learn about ways to improve the quality of responses and the significance of incorporating customer feedback into our product development based on the main initiatives covered in 1 to 3 above.
5. Strengthening of collaboration with overseas CCCs	The initiatives of our CCCs located around the world are being shared to help improve customer satisfaction across the entire Unicharm Group, including its overseas subsidiaries. This information is also being used to improve our response skills based on the ISO 10002 complaint response management system and to step up interoffice collaboration.
6. Commitment	The CCC is an independent department reporting directly to the president & CEO. Led by the CQO, the center presents and answers questions about the customer response policy twice a year. We have built and operated a system in which meetings led by the CQO are held to monitor the progress toward goals and discuss and give approval on whether consumer-oriented management is being appropriately promoted.

Examples of Products Reflecting Customer Feedback

Size Tags on Disposable Adult Diapers

In response to feedback from a customer saying that the size "L" displayed on the post-processing tape of *Lifree* disposable adult diapers for rehabilitation appears as "LL" when lined up side by side, we repositioned and reprinted the "L" to prevent misinterpretation.



Words of Appreciation from Customers

Ultra-Comfort Mask for Sensitive Skin

"Because I have sensitive skin, wearing a mask was so difficult that it got in the way of my daily life. Then, I came across *Ultra-Comfort Mask for Sensitive Skin*. When I tried it, it felt comfortable as there was no stinging or irritation."



Lifree Easy-to-Walk-in Slim Diapers

"I use *Lifree Easy-to-Walk-in Slim Diapers* when I go out for walks. I can walk easily as these diapers firmly support my pelvis and the inseam fits perfectly. Thanks to this product, now I can enjoy going out."



P.018 Extension of Healthy Life Expectancy and Improvement of QOL