

Human Resources

Diversity and Inclusion

401-3,405-1,405-2

Our Basic Approach and Strategy

In accordance with the Unicharm Group Charter of Actions, we aim to be a company where diverse human resources acknowledge and respect each other's differences in nationality, race, religion, gender, sexual orientation, age, ancestry, and disability, and are able to demonstrate and utilize their individuality and abilities to the fullest.

Management Structure

Under the direction of the executive officer in charge of human resources, the Global Human Resources & Administration Division and the persons in charge of human resource strategies in each functional division, business division, and subsidiary work in tandem to promote diversity and inclusion, the results of which are reported regularly to management for approval, with the aim of establishing a workplace environment where diverse employees are accepted and able to demonstrate their full potential.

Initiatives and Results

Promotion of Women's Empowerment

At Unicharm, we are working to establish a workplace environment and a human resource system that enables our employees to constantly play an active role at any stage of their lives, regardless of gender. We are also strengthening our efforts to ensure that women are able to take on significant roles, such as through social events for young employees.

In 2021, we launched our Room L+ mentorship system as a way to help female employees build networks as well as overcome and eliminate their career-related and personal concerns by sharing them in mentorships and discussions. In 2022, our new Maternity Leave Room L+ and Development Room L+ were also established, providing a venue to exchange information before returning from maternity leave or in accordance with the type of profession. We also introduced our Empowerment System, in which we provide individual support to women in department head positions or who are candidates for executive positions, as well as promote the development of executive officer candidates

through information exchange meetings and one-on-one mentorships with executive officers who are not in charge of developing personnel. As a result of such efforts, 23.2% (14.4% in Japan, 29.2% overseas) of our management positions were held by women as of December 31, 2022.

In support of the aims of the Women's Empowerment Principles, Unicharm has signed a statement to act in accordance with the principles, has become a member of 30% Club Japan to promote diversity initiatives and increase the percentage of women on corporate boards, and is strengthening efforts to promote the advancement of women across the Group.

In support of

**WOMEN'S
EMPOWERMENT
PRINCIPLES**
Established by UN Women and the
UN Global Compact Office

	2020 Results	2021 Results	2022 Results	2023 Targets	2030 Targets	Coverage
Percentage of female employees (%)	37.4	36.8	35.8	–	–	Unicharm Group
Percentage of female managers (%)	23.0	22.5	23.2	30	30	
Percentage of female executive officers (%)	3.6	3.7	3.4	3.4	30	
Number of female executives (Japan)	2	2	2	2	2	
Number of female executives (overseas)	16 (9.9%)	14 (8.6%)	12 (7.9%)	(10%)	(30%)	

Hiring Employees of Diverse Nationalities and Promoting Them to Management Positions

202-2

At our Group subsidiaries around the world, executive and management positions are held by locally hired employees who were born and raised in those countries and regions. Meanwhile, in Japan we also hire employees and promote them to managerial roles regardless of their nationality or race. We strive to create a system and foster a corporate culture in which all of our employees across the Group can engage and flourish regardless of nationality or race.

	2020 Results	2021 Results	2022 Results	2023 Targets	2030 Targets	Coverage
Percentage of locally hired employees in management positions (general manager and above) (%)	43.0	45.5	52.2	55	80	Unicharm Group's overseas subsidiaries

Hiring Experienced Personnel and Promoting Them to Management Positions

We actively recruit individuals with a wealth of experience and skills who are experts in their field. Employees who join the Company as experienced professionals are actively promoted to management positions upon determining their respective abilities and aptitude. We also promote the rehiring of employees who have left the Company for family or other reasons.

	2020 Results	2021 Results	2022 Results	2023 Targets	Coverage
Number of mid-career hires	48	47	43	55	Full-time employees of Unicharm Corporation
Percentage of mid-career hires in management positions (%)	26.6	29.1	29.1	—*	

* Numerical targets have not been established because our diversity goals are currently being met.

Expanding Our Recruitment of People with Disabilities

We actively employ highly motivated individuals, regardless of disability, and aim to provide them with a workplace where they can demonstrate their abilities and fulfill their ambition for growth. We have set appropriate goals in accordance with their respective abilities and desires and established a corporate cultural environment that emphasizes team accomplishments in reflection of our expectations for their individual abilities. We strive to provide an appropriate workplace environment where each individual can demonstrate their talents in accordance with the characteristics of their disability, such as by installing slopes and handrails, enabling them to move freely and safely by removing obstacles, and giving due regard to providing work instructions by means of email or chat. Moreover, at Unicharm's satellite office in Mito City, Ibaraki Prefecture, employees with disabilities are engaged in scanning and other duties.

	2020 Results	2021 Results	2022 Results	2023 Targets	Coverage
Average annual employment rate of people with disabilities (%)	2.2	2.2	2.1	2.3	Unicharm Corporation

In May 2021, Unicharm became a member of The Valuable 500, an international initiative that promotes the active participation of people with disabilities, and continues to strengthen its efforts in this area.



Creating a Workplace for People of All Ages

We have introduced the Re-Create System, in which employees in their 50s can apply for transfer to other departments by reflecting on their career to date and identifying what they would like to do, what they can do, and what they must do going forward. Moreover, Unicharm has developed an environment where employees who have reached retirement age can make full use of their abilities in order to pass on their skills and expertise to the next generation. Those who wish to continue working can remain employed as an "industry professional." Compensation is determined in accordance with the roles and responsibilities of their position, in which they can draw on their past experiences and existing skills and knowledge while making the most of their newly acquired skills and knowledge, ensuring that their compensation appropriately reflects the nature of their positions. When determining the compensation of industry professionals, we also refer to market assessments of their potential abilities. Also, the hiring of retirement-age personnel does not have any impact on our recruitment of young employees.

	2020 Results	2021 Results	2022 Results	2023 Targets	Coverage
Rehiring rate of retired employees (%)	83.8	84.0	92.9	—	Unicharm Corporation
Hiring rate of retired employees seeking reemployment (%)	100.0	100.0	100.0	100.0	

Expansion of Regional Employment through Respect for Different Cultures and Religions

Through its business activities, Unicharm is contributing to the expansion of employment opportunities in the various countries and regions in which it operates. By providing employment opportunities while respecting the characteristics and cultures of these countries and regions, we are uncovering potential human resources. In Saudi Arabia, women were prohibited from sharing a room or speaking with men outside of their families due to cultural and religious reasons, which severely limited their employment opportunities and placed many restrictions on their activities. In light of such circumstances, in 2012 Unicharm established a factory exclusively for women to provide them with employment opportunities while respecting the local culture. Today, a number of women are taking on significant roles not only at the factory but also as members of the promotion and product development departments.



Respect for Sexual Orientation

At Unicharm, we respect the diversity of each employee, including their sexual orientation and gender identity, and provide a workplace environment where they can feel at ease and demonstrate their full potential. In 2022, we reviewed our Harassment Prevention Regulations and added a provision prohibiting SOGI (sexual orientation and gender identity) harassment, in addition to deepening understanding of sexual minorities by promoting awareness through e-learning and training according to levels and roles.

System for Determining Fair Compensation

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Unicharm has a system in place for determining employee compensation in a fair manner, ensuring that the compensation of employees with the same qualifications and duties does not differ based on gender. Compensation is determined on the basis of each individual's role, performance, and other factors.

	2020 Results	2021 Results	2022 Results	Coverage
Ratio of basic remuneration amount of starting salaries by gender (female employees: male employees)	100:100	100:100	100:100	Unicharm Corporation employees
Ratio of basic remuneration amount by gender (female employees: male employees)	100:124	100:124	100:123	
Ratio of total remuneration amount by gender (female employees: male employees)	100:139	100:140	100:139	

Note: Remuneration is determined in the same manner for male and female employees. The disparity is due to differences in tenure, position, rank, and other factors.