

Customer Satisfaction

Responsibility to Our Customers (Consumers)

Our Basic Approach and Strategy

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At Unicharm, it is a top priority of our corporate activities to continuously provide products and services that bring customer satisfaction. As a part of this policy, the Customer

► 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.

Center Vision and the Complaint Correspondence Policy.

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

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 Initiatives and Results

- III. Swift response through systematic collaboration between relevant departments

P.077 ISO 10002 Complaint Response Management System

P.080 ISO 9001 Quality Management System

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

P.078 Measures to Enhance Customer Satisfaction

P.078 Providing Useful Information and Services to Customers

- V. Improvement and development based on consumer and social needs

P.078 Training Sessions for Employees Using Feedback from Customers

P.078 Examples of Products Reflecting Customer Feedback

▶ 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.

Second Consecutive Award for Good Practices of Consumer-Oriented Management

At the Consumer Affairs Agency’s Awards for Good Practices of Consumer-Oriented Management, Unicharm received the Minister of State for Special Missions Award in fiscal 2022 and the Commissioner of the Consumer Affairs Agency Commendation in fiscal 2023. The 2023 award was in recognition of Unicharm’s approach to developing *Sofy Active Pregnancy Monitorable Pantyliners* and other products that reflect the voices of consumers, and its contributions to creating working environments that are accommodating to women through corporate seminars on menstruation.



Management Structure

With the Chief Quality Officer (CQO) in charge of quality control, Unicharm strives to improve quality and safety through customer opinions, which are collected by the CCC and relevant departments, and develop products that are tailored to customer needs.

Moreover, as an independent department that reports directly to the president & CEO, the CCC consults with the president & CEO and the CQO on the customer response policy once every six months. In addition, at meetings held by the CQO roughly once a month, we have developed and are operating a system to check the progress of targets and discuss and confirm the appropriate promotion of consumer-oriented management.

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.

Indicators and Targets

	Fiscal 2023 Target	Fiscal 2023 Result	Fiscal 2024 Target
Customer satisfaction level	Over 85.0%	91.8%	Over 85.0%

Initiatives and Results

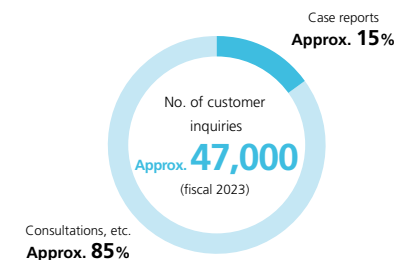
Reflecting Customer Feedback in Our Products and Services

In fiscal 2023, the number of customer inquiries decreased by 9.6% to approximately 47,000 (from approximately 52,000 in fiscal 2022) and of these, the number of cases reported were 7,142, a decline of 15.4% (from 8,444 in fiscal 2022). The introduction of chatbot AI technology and Store Locator System service, the addition of Q&A sections on our corporate website, and other measures to improve customer access to information contributed to the decrease in the number of inquiries.

Customer feedback is shared internally in real time using our FAIN centralized customer information management system and compiled into monthly reports to provide information to the relevant departments. In addition, members of the CCC actively participate in debriefing sessions with the R&D Division and the Marketing Division as well as product package confirmation meetings (communication assurance meetings) to continue to develop even better products and services for our customers.

P.081 Measures to Ensure Appropriate Product Labeling

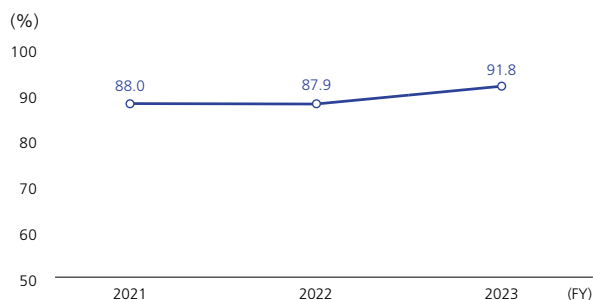
▶ Breakdown of Customer Inquiries



Measures to Enhance Customer Satisfaction

Unicharm conducts training sessions led by outside instructors and study sessions on specialized knowledge to enhance the quality of firsthand customer service provided by employees. In addition, we carry out a customer satisfaction survey each year through the participation of a third party as a part of our various efforts to continuously enhance the quality of service provided by the CCC. According to our fiscal 2023 survey, 91.8% of respondents were satisfied with our level of customer service, an increase of 3.9 percentage points from the previous year.

Customer Satisfaction Level



Training Sessions for Employees Using Feedback from Customers

The CCC provides employee training aimed at improving quality and customer-oriented approaches. In fiscal 2023, the CCC provided a curriculum using voice data, such as recordings of actual phone conversations with customers, to 93 newly hired graduates and employees of R&D, marketing, and other divisions. By providing such opportunities to hear the voices of customers, employees learn about the significance of incorporating customer feedback into our product development. It also inspires us to improve our customer-oriented approaches across the Group and further strive to provide products that bring satisfaction to our customers.

Activities of Overseas CCCs

With the aim of improving customer satisfaction across the Group, including its overseas subsidiaries, Unicharm is working to strengthen customer service skills based on the ISO 10002 complaint response management system and interoffice collaboration.

A meeting is held every six months with the participation of the CCC in Japan and overseas CCCs in China, Taiwan–Greater China, Thailand, Indonesia, Australia, India, Vietnam, and South Korea. By sharing issues in each country and region and developing solutions together, we continue to improve the quality of our customer service across the Group.

Providing Useful Information and Services to Customers

The “Know and Useful” section (in Japanese only) of Unicharm’s corporate website offers information and advice on nursing care, incontinence care, menstruation, trying to conceive, pregnancy and childbirth, childcare, and living with pets.

In addition, we offer a range of services to improve customer satisfaction. Specifically, we introduced the chatbot-based Adult Diaper Navi service, which helps users select the right adult diaper in an interactive manner, in fiscal 2017; the Adult Diaper Counseling service, which combines LINE’s chat-based diagnostic feature and Bodygram, an AI technology that enables measurements to be made automatically through data read by smartphones, in fiscal 2021; and the Store Locator System service, which allows customers to immediately look up stores in their vicinity that sell Unicharm products at any place and time using their location information, in fiscal 2022.



Adult Diaper Navi service



Adult Diaper Counseling service



Store Locator System service

web Know and Useful (in Japanese only)
<https://www.unicharm.co.jp/ja/useful.html>

web Adult Diaper Navi service (in Japanese only)
<https://jp.lifree.com/ja/product/adult/choose/navi.html>

web Adult Diaper Counseling service (in Japanese only)
<https://www.unicharm.co.jp/ja/company/news/2021/1207-02.html>

web Store Locator System service (in Japanese only)
<https://map.unicharm.co.jp/>

TV Commercials with Subtitles

All Unicharm TV commercials aired in Japan are now subtitled* to ensure that the information we provide is communicated effectively to people who are hard of hearing.



TV commercial with subtitles

* The Company uses closed captioning, which allows viewers to turn subtitles on or off by using their remote control or pressing a button.

Examples of Products Reflecting Customer Feedback

Simplified packaging

We redesigned the individual packaging of *Sofy Synchro Fit* for improved accessibility by printing OPEN at its opening in response to customer feedback that the previous design was difficult to understand.



Additional larger sizes

In April 2023, we introduced an extra-large size of nighttime underwear brand *Oyasumi-Man* in response to requests for larger sizes that can be worn by children up to 35 kg in weight until the following morning without concerns of leakage.



Words of Appreciation from Customers

I purchased a pack of *Moony Newborn* diapers recently and they had a marking on the top sheet indicating where the baby’s bottom should be placed. The marking made it easy to know where to place the diaper, and I was able to put it on perfectly in just one try. I was really impressed. This will certainly benefit moms and dads who are not used to changing diapers as well.



My daughter recommended that I try out *Manner Wear for Cats* due to my concerns about the incontinence care of my elderly cat. These diapers are really convenient as they absorb urine well. Pets that have lived together for a long time are like family, so I wanted to share how great this product is to as many people as possible.

