

TRANSLATION FOR REFERENCE PURPOSES ONLY

This notice has been translated from the original Japanese text of the timely disclosure statement dated January 17, 2025, and is for reference purposes only. In the event of any discrepancy between the original Japanese and this translation, the Japanese text shall prevail.



January 17, 2025

To whom it may concern

Listed Company Name: Unicharm Corporation
Company Representative: Takahisa Takahara,
Representative Director
President and Chief Executive Officer
(Code Number: 8113; Prime Market, Tokyo Stock Exchange)
Contact Person: Hirotatsu Shimada,
Senior Managing Executive Officer,
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**Notice Regarding the Disposal of Treasury Stock through Third-Party Allotment
for the Purpose of Contributing to the SDGs by Supporting the Activities of
SHINAGAWA JOSHI GAKUIN**

Unicharm Corporation (hereinafter the “Company”) hereby announces that the Company has resolved at a meeting of its board of directors held on January 17, 2025, to dispose of its treasury stock through third-party allotment for the purpose of supporting the activities of SHINAGAWA JOSHI GAKUIN (hereinafter “Shinagawa Joshi Gakuin”).

The disposal of the treasury stock is subject to the approval at the Annual Meeting of Shareholders scheduled to be held on March 19, 2025.

1. About Shinagawa Joshi Gakuin

(1) Shinagawa Joshi Gakuin's Vision for the Future

Shinagawa Joshi Gakuin has been providing education that meets the changing times and the needs of society based on our educational philosophy: “We cultivate the refinement of Japanese women who embrace the world and actively create their own lives, fostering their talents and nurturing their dreams.”

This year marks the 100th anniversary of the founding in 1925. Therefore, for the next 100 years, Shinagawa Joshi Gakuin aims to become a base for creating an environment where women in Japan can play an active role in society regardless of their life stage, and Shinagawa Joshi Gakuin will create an environment to foster “female leaders with an entrepreneurial mindset” together with diverse stakeholders in society. Shinagawa Joshi Gakuin also hopes to close the gender gap by empowering women, enhancing

Japan's presence in the world, and contributing to world peace.

(2) Outline of Shinagawa Joshi Gakuin

①	Name	Shinagawa Joshi Gakuin
②	Address	3-3-12 Kitashinagawa, Shinagawa-ku, Tokyo
③	Director	Shihoko Urushi
④	Activities	<p>School Management</p> <ul style="list-style-type: none"> • Educational programs aimed at fostering female leaders with an “entrepreneurial mindset” Development and operation of programs through collaboration with outside schools, including Challenge Based Learning (practical problem-solving learning) and entrepreneurship experience • Contribution to Local Communities Implement student-led activities that lead to better policy proposals through collaboration with local governments and community stakeholders. Communicate such activities through open days and other opportunities and provide co-creation opportunities widely.
⑤	Estimated funding for activities	Revenue as a School Corporation, Supporter Communities, Donations
⑥	Date of establishment	February 19, 1929
⑦	Relationship with the Company	
	Capital Relationships	Not applicable.
	Personnel Relationships	Not applicable.
	Business Relationships	Not applicable.
	Status as Related Parties	Not applicable.

2. Disposal of Treasury Stock

Outline of disposal

①	Date of disposal	May 30, 2025 (planned)
②	Number of shares to be disposed of	650,000 shares of common stock (0.034%* of shares outstanding)
③	Disposal price	1 yen per share
④	Amount of proceeds	650,000 yen
⑤	Method of offering or disposal	Disposal through third-party allotment
⑥	Planned allottee	The Master Trust Bank of Japan, Ltd.

⑦	Other	The disposal of the treasury stock is subject to a special resolution on the offering of shares at a favorable price at the Annual Meeting of Shareholders to be held on March 19, 2025. Other details relating to the disposal will be resolved at the Board of Directors meeting to be held subsequent to the Meeting of Shareholders.
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Note: Percentage of total shares issued (1,862,502,957 shares) as of January 1, 2025

The Company conducted a 3-for-1 stock split effective January 1, 2025, and above the total number of shares issued is the figure after the stock split.

3. Purpose and reason for disposal

The Company launched the corporate brand essence "Love Your Possibilities" in 2024. This embodies our desire to contribute to the realization of a "Cohesive Society" where everyone believes in their own unlimited potential and supports each other by demonstrating that potential with compassionate altruism.

To realize this "Cohesive Society," we have decided to support Shinagawa Joshi Gakuin, a school that cultivates global human resources by helping each student realize their potential through a unique educational philosophy and programs.

Shinagawa Joshi Gakuin is particularly committed to nurturing female leaders with an "entrepreneurial mindset" and is actively involved in the development and operation of programs through collaboration with outside the school, including Challenge Based Learning (practical problem-solving learning) and entrepreneurial experiences, as well as contributing to the local community. These efforts are highly compatible with our goals of "Love Your Possibilities" and "Cohesive Society," and supporting the development of women who will lead the future will contribute to society as an investment in the future, while at the same time demonstrating our corporate stance to society at large. It is also expected to contribute to the penetration and value enhancement of our corporate brand.

Based on the above, we will support Shinagawa Joshi Gakuin by establishing a system to contribute the Company's stock dividends through the disposal of treasury stock to secure funds for their activities.

For this purpose, we will establish a beneficiary trust (hereinafter "the Trust") with Mitsubishi UFJ Trust and Banking Corporation as the trustee, Japan Master Trust Bank, Ltd. as the co-trustee, and Shinagawa Joshi Gakuin as the beneficiary. The Trust will acquire the Company's shares. The Trust will deliver the trust benefits, such as dividends from the Company's shares to Shinagawa Joshi Gakuin, and Shinagawa Joshi Gakuin will use these trust benefits for their future activities.

The disposal of treasury stock is intended for the Trust, which is established to provide funds for the activities of Shinagawa Joshi Gakuin.

4. Amount, use, and expected timing of spending of proceeds

(1) Amount of proceeds

①	Total amount to be paid in	650,000 yen
②	Estimated costs of the offering	0 yen
③	Estimated net proceeds	650,000 yen

(2) Specific use of proceeds

The estimated net proceeds above are to be used for the costs incurred for the preparation for the building of the scheme.

5. Reasonableness of use of proceeds

The proceeds will be used for expenses, incurred in connection with building of the scheme. Each of those expenses is necessary for the building of the scheme, and we believe said use of proceeds is reasonable.

6. Reasonableness of terms and conditions of disposition, etc.

(1) Basis and details for calculating amount to be paid in

The educational philosophy of Shinagawa Joshi Gakuin, which encourages women to believe in their potential and realize it, embodies the same values as our "Love Your Possibilities" philosophy. Therefore, we believe that supporting the activities of Shinagawa Joshi Gakuin will contribute to our common goal of maximizing the potential of women and creating a better society, which in turn will lead to the enhancement of our corporate value over the medium to long term.

The purpose of the disposal of our treasury shares is to support the activities of Shinagawa Joshi Gakuin, and the funds raised will be used for the necessary expenses to build this scheme, as described in 4. (2) above. For this reason, we believe that the payment price of 1 yen per share is reasonable. Since the disposal of treasury shares constitutes an advantageous issuance to Shinagawa Joshi Gakuin, it is subject to a special resolution on the advantageous issuance at the annual meeting of shareholders scheduled to be held on March 19, 2025.

(2) Basis for determining that the number of shares to be disposed of and the scale of share dilution are reasonable

Shinagawa Joshi Gakuin is committed to providing education that meets the changing needs of society, in line with its educational philosophy. To further enhance the educational content and environment, with a focus on promoting women's empowerment, Shinagawa Joshi Gakuin plans to utilize the proceeds from the disposal of its treasury stock. This initiative is considered reasonable as it will contribute to the enrichment and development of future educational activities. Furthermore, the impact on the stock market is expected to be minimal, given that the disposed shares are unlikely to be circulated in the market in the near future.

The dilution effect from the disposal of treasury stock is minimal, representing 0.034% of the total number of issued shares (0.036% of the total voting rights of 5,861,362 as of December 31, 2024, rounded down to the fourth decimal places). Therefore, the impact on the stock market is expected to be negligible.

7. Reason for selection of planned allottee, etc.

(1) Outline of planned allottee

- ① Name: The Master Trust Bank of Japan, Ltd.

② Outline of trust agreement

Types of trust	Money held in trust other than specific money held in trust for single use (other profit trust)
Purpose of trust	To support the activities as a school corporation by delivering to the beneficiaries as trust income dividends arising from the common stock issued by the trustee.
Settlor	The Company
Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
Beneficiary	Shinagawa Joshi Gakuin
Data of trust agreement	May 30, 2025 (planned)
Term of trust	Three years (planned)

Note: The Master Trust Bank of Japan, Ltd. shall not exercise the voting rights of the shares acquired by the Trust as a result of this disposition of treasury stock throughout the term of trust.

The details of the trust agreement with the trustee, Mitsubishi UFJ Trust and Banking Corporation, are scheduled to be determined in the future.

(For reference)

① Company name	The Master Trust Bank of Japan, Ltd.	
② Address	1-8-1 Akasaka, Minato-ku, Tokyo	
③ Company representative	Representative Director, President Toshikazu Mukohara	
④ Business operations	Management of securities, Administrative services related to asset management, and Settlement services	
⑤ Paid-in capital	10,000 million yen	
⑥ Date of business commencement	May 9, 2000	
⑦ Number of shares issued	120,000 shares of common stock	
⑧ Accounting period	March 31	
⑨ Number of employees	1,412 (as of March 31, 2024)	
⑩ Main clients	Business corporations, Financial corporations	
⑪ Main banks	—	
⑫ List of shareholders	Mitsubishi UFJ Trust and Banking Corporation	46.5%
	Nippon Life Insurance Company	33.5%
	Meiji Yasuda Life Insurance Company	10.0%
	The Norinchukin Trust & Banking Co., Ltd.	10.0%
⑬ Relationship between the Parties		
	Capital Relationships	Not applicable.
	Personnel Relationships	Not applicable.
	Business Relationships	Not applicable.
	Status as Related Parties	Not applicable.

⑭ Operating results and financial position for the past three years			
Fiscal Year	March 31, 2022	March 31, 2023	March 31, 2024
Net Assets	25,658 million yen	26,358 million yen	27,371 million yen
Total Assets	6,048,540 million yen	5,587,511 million yen	4,325,735 million yen
Net Assets Per Share	213,817.18 yen	219,653.67 yen	228,097.57 yen
Ordinary Income	29,664 million yen	31,882 million yen	35,986 million yen
Ordinary Profit	1,384 million yen	1,262 million yen	1,701 million yen
Net Income	1,034 million yen	958 million yen	1,251 million yen
Earnings Per Shares	8,620.68 yen	7,983.33 yen	10,425.91 yen

Note: We have investigated the recipient, its officers, and major shareholders (major investors) and confirmed that they have no relationship with antisocial forces based on information disclosed on their website and in their disclosure documents. We will submit a letter of confirmation to that effect to the Tokyo Stock Exchange, Inc. (hereinafter "the Tokyo Stock Exchange").

(2) Reason for selection of planned allottee

In order to achieve the purpose described under “3. Purpose and reason for disposal,” we have determined that Mitsubishi UFJ Trust and Banking Corporation was the most suitable due to its excellent track record and experience in the trust business and have selected the company as the trustee. Since The Master Trust Bank of Japan, Ltd. will conduct trust administration as a co-trustee based on the trust agreement for the Trust to be executed by the Company with Mitsubishi UFJ Trust and Banking Corporation, and since The Master Trust Bank of Japan, Ltd. will also be responsible for custody and settlement of trust assets, The Master Trust Bank of Japan, Ltd. will be selected as the party to dispose of the property.

(3) Planned allottee’s policy on holding shares

The Master Trust Bank of Japan, Ltd., as the trustee, will deliver the trust proceeds, which are derived from our dividends, to Shinagawa Joshi Gakuin in accordance with the trust agreement. This trust is expected to hold the disposed shares based on a trust agreement to be concluded in the future. Upon termination of the trust, the trust property shall be delivered to the beneficiary as is. The voting rights of the shares held by this trust through the disposal of treasury stock shall not be exercised throughout the term of trust.

The Company will receive a written confirmation from The Master Trust Bank of Japan, Ltd., the trustee, that if all or part of the disposed shares are transferred for any special reason within three years from the date of disposal, the name and address of the transferee, the number of shares transferred, the date of transfer, the transfer price, the reason for the transfer, the method of transfer, etc. will be immediately reported to us in writing, and that we will report the contents of the report to the Tokyo Stock Exchange, and that the contents of the report will be open to public inspection.

(4) Confirmed facts regarding existence of assets necessary for payment by the planned allottee

The Master Trust Bank of Japan, Ltd., as allottee, will make the payment in cash, which is the trust property of the Trust to be established by the Company.

8. Major shareholders and shareholding ratios after disposal

Before Disposal (as of December 31, 2024)		After Disposal	
Unitec Corporation	26.43%	Unitec Corporation	26.42%
The Master Trust Bank of Japan, Ltd. (Trust account)	10.87%	The Master Trust Bank of Japan, Ltd. (Trust account)	10.87%
Takahara Fund Co., Ltd.	4.79%	Takahara Fund Co., Ltd.	4.79%
Custody Bank of Japan, Ltd. (Trust account)	4.12%	Custody Bank of Japan, Ltd. (Trust account)	4.12%
The Iyo Bank, Ltd.	2.61%	The Iyo Bank, Ltd.	2.61%
NORTHERN TRUST CO. (AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT	2.11%	NORTHERN TRUST CO. (AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT	2.11%
Nippon Life Insurance Company	2.08%	Nippon Life Insurance Company	2.08%
JP MORGAN CHASE BANK 385632	1.79%	JP MORGAN CHASE BANK 385632	1.79%
STATE STREET BANK AND TRUST COMPANY 505001	1.39%	STATE STREET BANK AND TRUST COMPANY 505001	1.39%
THE BANK OF NEW YORK MELON AS DEPOSITARY BANK FOR DEPOSITARY RECEIPT HOLDERS	1.37%	THE BANK OF NEW YORK MELON AS DEPOSITARY BANK FOR DEPOSITARY RECEIPT HOLDERS	1.37%

Note: 1. The percentage of shares held to 586,369,737 shares, which is the total number of shares issued (620,834,319 shares) less treasury stock (34,464,582 shares).

2. The major shareholders and shareholding ratios after disposal are based on the shareholder register as of December 31, 2024, and take into account the increase or decrease in the number of shares (650,000 shares) resulting from the disposal of the treasury stock.

9. Future prospects

We recognize that the impact on the Company's future business results will be minor. We will promptly disclose if any matters requiring disclosure arise in the future.

10. Matter relating to procedures based on the Code of Corporate Conduct

Because (i) the dilution ratio is less than 25% and (ii) there is no change in controlling shareholders, there is no need to obtain an opinion from an independent third party or to follow the procedures for confirming the intent of shareholders pursuant to Article 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange.

11. Business results and status of equity finance for the last three years

(1) Business results for the last three years (consolidated)

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023
Net Sales	782,723 million yen	898,022 million yen	941,790 million yen
Core Operating Income	122,482 million yen	119,566 million yen	127,974 million yen
Profit Before Tax	121,977 million yen	115,708 million yen	132,308 million yen
Profit Attributable to Owners of Parent	72,745 million yen	67,608 million yen	86,053 million yen
Basic Earnings Per Share	121.78 yen	113.61 yen	145.42 yen
Dividend Per Share	36.00 yen	38.00 yen	40.00 yen
Equity Attributable to Owners of Parent per Share	935.03 yen	1,043.17 yen	1,178.73 yen

(2) Recent share prices

① Over the last three years

	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Opening price	1,670.00 yen	1,645.33 yen	1,700.33 yen
High	1,774.33 yen	1,986.00 yen	1,802.67 yen
Low	1,300.33 yen	1,541.00 yen	1,253.67 yen
Closing price	1,689.33 yen	1,699.33 yen	1,302.50 yen

Note: Adjusted share price after stock split

② Over the last six months

	July 2024	August 2024	September 2024	October 2024	November 2024	December 2024
Opening price	1,722.33 yen	1,670.00 yen	1,693.33 yen	1,716.00 yen	1,602.00 yen	1,292.00 yen
High	1,784.67 yen	1,735.00 yen	1,769.67 yen	1,744.00 yen	1,625.00 yen	1,340.33 yen
Low	1,648.33 yen	1,529.00 yen	1,650.33 yen	1,595.33 yen	1,253.67 yen	1,279.33 yen
Closing price	1,672.67 yen	1,693.00 yen	1,727.67 yen	1,637.00 yen	1,297.00 yen	1,302.50 yen

Note: Adjusted share price after stock split

③ Share price on the business day immediately prior to the date of resolution of disposition

	January 16, 2025
Opening price	1,244.50 yen
High	1,250.00 yen
Low	1,216.00 yen
Closing price	1,216.00 yen

(3) Status of equity finance for the last three years

Not applicable.

END