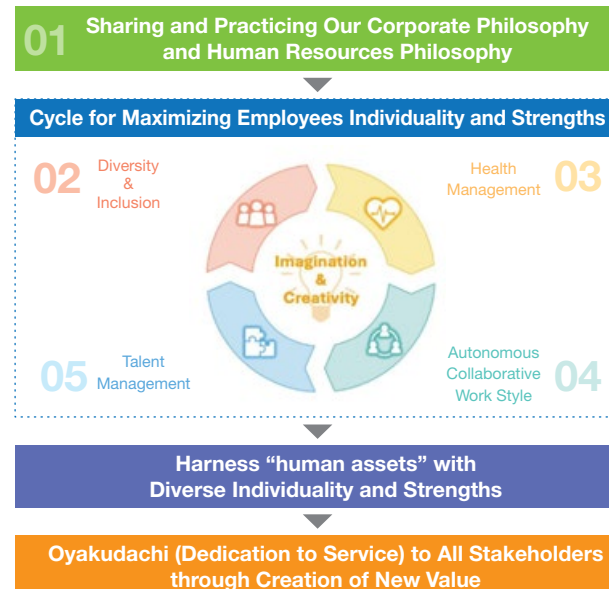


MP-14 Human Resources Strategy

Mandom Group's Human Capital Management

The Mandom Group pursues "Human Assets" as one of the Mandom Principles that form our code of conduct, and has formulated our human resources philosophy of "Happy individuals make a happy company" based on this principle. The company invests actively into the growth of employees and harnesses the diverse personalities and strengths of each and every employee in full based on this human resources philosophy, with the aim of "realizing mutual growth of employees and the company" by also achieving growth for the company and providing society with Oyakudachi (Dedication to Service). The series of initiatives in place as part of management to achieve this are positioned as "Human Capital Management," with a priority on five key areas based on "(1) Sharing and Practicing Our Corporate Philosophy and Human Resources Philosophy," "(2) Diversity and Inclusion," "(3) Health Management," "(4) Autonomous and Collaborative Workstyle," and "(5) Talent Management," with the aim of maximizing the individuality and strengths of all employees of the Mandom Group.

Five Perspectives of Human Capital Management Initiatives - Schematic

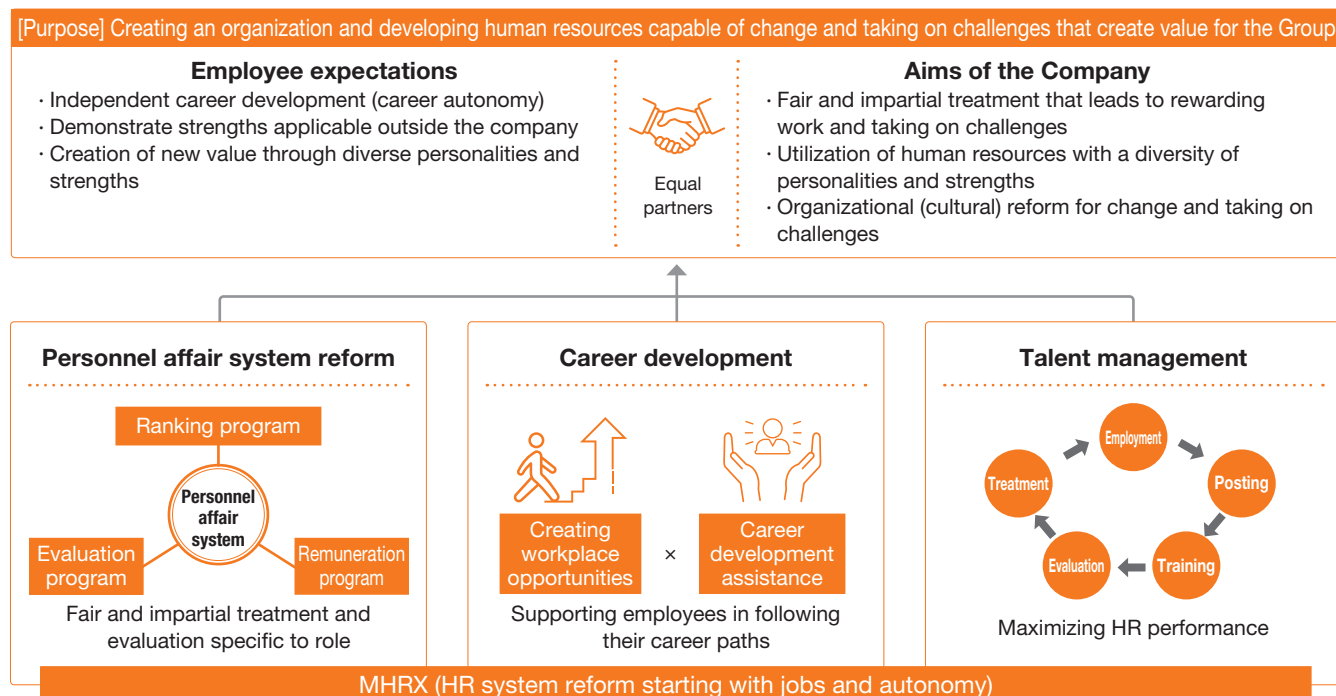


MHRX (Mandom HR Transformation) Initiatives

In our company, we began introducing a HR system (MHRX, Mandom HR Transformation) from MP-13 starting with jobs and autonomy in order to create an organization and a pool of human resources that are capable of change and taking on new challenges to establish new forms of value, and introduced the job-type personnel affair system as part of these efforts. Over roughly two years since its introduction,

the following results and issues related to MHRX have gradually become apparent in Japan. Given these current conditions, we will continue to promote reforms in Japan and disseminate these initiatives to overseas groups during MP-14, with the aim of creating an organization and a pool of human resources that are capable of change and taking on new challenges across the Group.

'MHRX' Overall Image



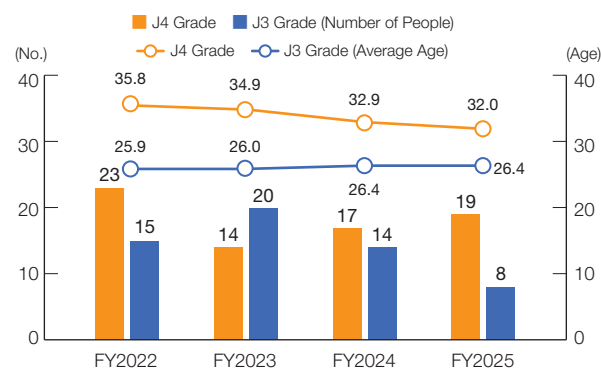
Results of MHRX

**Result 1: Active roles for diverse human assets
(promotion and appointment)**

Result 2: Expansion of professional appointments

Since the start of MHRX, the average age of newly promoted lead staff who lead practical operations in our company has been declining year by year, and the average age of new promotees in FY2025 is 32 years old. We believe this result is an outcome of our efforts toward “appointment of human assets regardless of age or years of experience (right person in the right place),” which is one of the goals of MHRX. In addition, the number of professional appointees has been gradually increasing since the start of the new personnel affair system. As of the beginning of FY2025, 13 people have been appointed, which has led the creation of new value for Mandom.

Mandom Corporation (non-consolidated) Promotion Numbers and Average Age Trends



* Only Employees belonging to Mandom Corporation (non-consolidated)

* The age of those promoted is based on the actual age at the time of the annual promotion review

* Those promoted or appointed from contract Employees are excluded.

Current issues with MHRX

Given that a certain period has passed since the revision of the personnel affair system, we conducted one-on-one interviews between the personnel manager and on-site managers based on the following outline.

Implementation Overview

Purpose:

1. To listen directly to the voices of on-site managers who actually operate the personnel affair system and clarify the issues
2. Regarding the job-based personnel system, which is prone to misunderstandings, to promote the understanding of on-site managers who are key persons in its operation

Participants: On-site manager and HR section manager

Discussion method:

In principle, 1-on-1 face-to-face discussions
(About 1 hour per person, total of 80 sessions)

Current issues and countermeasures

Through the above interviews, various issues and opinions became clear, with many operational issues particularly raised regarding the evaluation system. In addition, the annual Mandom Survey has revealed that items related to the feasibility of employees' future careers are highly correlated with the improvement of the company's overall engagement score. We recognize that solving these issues is of high importance, and are mainly working on the following two measures.

1. Visualization of skills held by employees
2. Preparation of role definition documents for lead staff

* Job descriptions for managers were formulated in FY2023

With the aim of clarifying the outlook for career development for employees' futures, we will implement “visualization of skills” to clarify the skills and knowledge held by each employee. In addition, we will prepare “role definition documents for lead staff” to clarify the roles, skills, and knowledge required for each grade. These initiatives will be implemented and put into operation in FY2025.

The purpose of the “visualization of skills” initiative is to clarify the skills and knowledge currently held by employees, and the “preparation of role definition documents for lead staff” initiative is to clarify the requirements for each grade, thereby making it clear what each employee needs to develop for future career development, making it easier to chart a career development path, and accelerating the development of human assets.

In addition, among the issues related to the evaluation system, there was a challenge that the differences between lead staff and their lower grades were not clear. By implementing the initiative of “creating a role definition document for lead staff,” we believe that the differences between each grade will be clarified, and through the realization of this initiative, we aim to operate a fair evaluation system that matches each grade of employees.

IT Strategy (MP-14 DX Policy)

MP-14 DX Policy

At Mandom, in order to further evolve the concept of “Consumer-led,” which we uphold as our philosophy, we are working on building new consumer touchpoints utilizing digital technology, acquiring and analyzing customer data, and deepening two-way communication with Seikatsusha (Consumers). By promoting the DX policy as a unified

company and, based on the initiatives set according to management policy, establishing mechanisms for cross-organizational data utilization and departmental collaboration, we will realize sustainable value creation and co-creation with consumers.

IT strategy

In addition to initiatives toward realizing DX, we are also advancing the development of the IT environment, considering its role as the foundation for overall management. In 2024, we formulated the “MP-14 IT Strategy” and are working on the following key themes. These themes also serve as the foundation supporting the realization of DX.

IT Investment Management

For DX and IT investment, we are building a system that can evaluate IT investments from the perspectives of strategic value and economic rationality based on management policy. By optimizing the balance between offensive and defensive IT investments, we will achieve effective resource allocation.

Generative AI

By developing a generative AI environment that all employees can utilize and providing ongoing learning opportunities for users, the effects of generative AI are becoming apparent in various business areas, such as streamlining administrative tasks and supporting planning and proposal activities. Furthermore, under a system that combines leadership from management and execution capability at the front lines, we are expanding the use of generative AI into core business areas, including product development and marketing.

Data Utilization

To utilize the data accumulated through corporate activities and the vast amount of online and offline data surrounding consumers, we are developing systems and rules, and working to expand the data platform that forms the foundation for promoting DX. In addition, we are fostering in-house data utilization talent, promoting cross-departmental data use, and aiming to create an organizational culture where data-driven decision-making and action based on KPI visualization and analysis in daily operations can be practiced.

Cybersecurity and Privacy Protection

We position the protection of information assets from risks such as cyberattacks and the strengthening of privacy protection as important management issues in order to maintain a safe and secure business environment. We are strengthening security governance across the entire group, and by providing education including management and assigning cybersecurity experts, we are enhancing effectiveness. In addition, while referring to cybersecurity management guidelines and global standards, we are working to identify risks, conduct constant monitoring, and continuously strengthen countermeasures.

AI Training (WEB) Conducted for All Domestic Employees

Basic Course

Participants on the day **204 people**

Video views after the event **178 people**

Practical Course

Participants on the day **170 people**

Video views after the event **75 people**

(Reference) Survey Results After Completion of Both Sessions

Q

Did what you learned in the training help in your work?

A

It was helpful **93%**

Q

How much time did you save in your daily work after taking the course?

A

10 to 30 minutes **41%**

30 to 60 minutes **28%**

More than 60 minutes **11%**



Hiroshi Nishimiya

IT Innovation Promotion Department
General Manager

Intellectual Property Strategy (Technology Strategy)

Concept of Intellectual Property Strategy

The Mandom Group formulates intellectual property strategies that balance the protection of our proprietary technologies, centered on patents, with risk reduction, aiming to contribute to the creation of future value for Seikatsusha (Consumers). This strategy serves as an important foundation for maximizing our technological capabilities and achieving sustainable growth.

Policy for Protecting Proprietary Technologies

As a “Human-Oriented Company,” Mandom evaluates the usefulness of proprietary technologies based on “imagination” (envisioning people feeling joy and excitement) × “creativity” (creating new value), and promotes strategic patent applications and rights acquisition through selection and concentration.

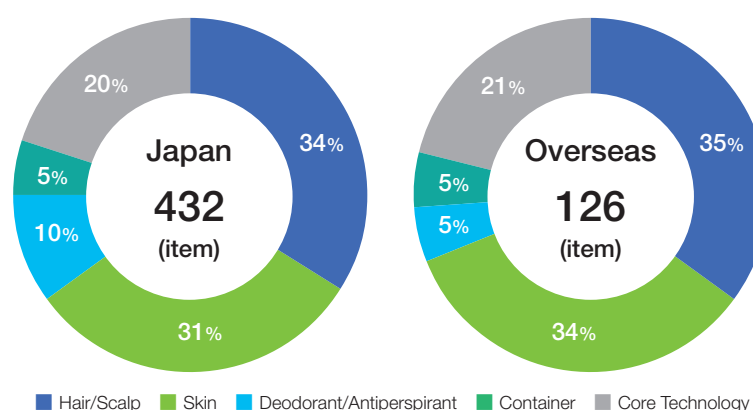
As of March 31, 2025, our company holds 432 registered patents in Japan and 126 overseas, and in particular, we are committed to developing **innovative technologies in key technical fields such as “Scalp and Hair,” “Skin,” and**

“Deodorant and Antiperspirant.” In addition, we focus on foundational technologies that contribute to the creation of future value for Seikatsusha (Consumers), such as TRP channel-related technologies, which are one of the sensory sensors in cells that detect temperature and chemical stimuli, and sweat gland-related technologies, aiming to provide new products and services through these technologies.

Policy for Risk Reduction

We believe that reducing the risk of infringing on other companies’ intellectual property rights is essential for providing continuous value to Seikatsusha (Consumers). Therefore, we respect the intellectual property rights of other companies and have established a strict system to prevent intellectual property infringement before it occurs. For example, we have implemented high-precision and efficient patent searches through the introduction of proprietary systems and have established an organizational structure that enables rapid and accurate risk assessment.

Number of Registered Patents (As of March 31, 2025)



Creation of Future Value for Seikatsusha (Consumers)

We aim to deepen the value we provide to Seikatsusha (Consumers) by protecting our proprietary technologies and enhancing our technological capabilities, not only in Japan but also globally, to realize the creation of future value for Seikatsusha (Consumers). We will strategically utilize intellectual property and provide solutions that meet the needs and wants of Seikatsusha (Consumers) from a global perspective through the development of innovative products and services.

Furthermore, we support both offensive and defensive strategies through patent analysis, and aim to build an organizational structure that enables strategic decision-making while understanding market environments and competitor trends. Through this, we will strengthen the development of technologies that provide new value to Seikatsusha (Consumers) and fulfill our responsibilities as a

company toward a sustainable society.

In addition, we aim to contribute to the creation of future value for Seikatsusha (Consumers) by promoting innovation through intellectual property, strengthening open innovation and collaboration with other companies, focusing on discovering new ideas and technologies, and maximizing the value of intangible assets.



Toru Nishimaki

Technology Strategy
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Technology & Intellectual
Property Group
Manager