

## Maintaining/Enhancing the Corporate Base

### Commitment

Our everlasting mission is expanding and strengthening our Dedication to Service, which is feasible on the assumption that we are a going concern.

Besides ensuring safety and security, we will strengthen business systems based on our philosophy.

### Medium to long-term targets

Themes of Initiatives	Evaluation Metrics	Medium- to Long-Term targets		FY2024 Progress	Example of Initiatives
		Numerical Targets	Target Year		
Providing safety, security and high quality	Number of complaints about quality	Serious complaints: 0	Each year	1 inquiry	P.67
Safety and security of employees	Number of employees on long-term leave	Less than 10 (in Japan)	Each year	14	P.69
Enhancing data security	Compliance with Cybersecurity Management Guidelines	Implementation of all ten important items	2027	Achievement level 73%	P.69
Pursuing the Mission	Company-wide rate of Mission-based employee decision-making	80% or more	2027	65%	P.69

The Mandom Group upholds “social responsibility & sustainability” as its corporate philosophy, which itself is equivalent to sustainability of the Mandom Group, and adhere to sustainable management to resolve social and environmental issues.

We will continue to develop as a company that is recognized by all stakeholders for its value, with the dynamism to survive in any era, while viewing the expansion and strengthening of our Dedication to Service as a going concern to strengthen business systems based on our philosophy.

### Establishment of Risk Management Area

In a rapidly changing market environment, a sound governance system is an essential element for sustainable corporate growth and competitiveness. We recognize governance development as a critical foundation for management to continuously enhance corporate value. At the same time, viewing change as an opportunity for growth and building competitive advantage through appropriate risk-taking is the essence of governance.

Recently, the “era of VUCA” has made future predictions difficult, increasing uncertainty and complexity in the external environment. Our company has been addressing various challenges while advancing transformation and working on performance recovery. To achieve sustainable growth in such an environment, it is increasingly important to enhance sensitivity and responsiveness to risks. For our company, which is expanding business mainly in Asia, correctly recognizing and appropriately managing complex and globally spread risks is a crucial point for supporting

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Director & Senior Managing  
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CRO



growth. To achieve sustainable growth in a management environment where risks and opportunities intersect, building a system capable of accurately identifying and managing risks is indispensable. Based on this recognition, the Mandom Group positioned governance system development as one of the critical issues in promoting group management and established the “Risk Management Area” in FY2025 to maximize corporate value and strengthen the system. As Chief Risk Officer (CRO), I am responsible for the Risk Management Area and will work to strengthen governance and compliance across the group from both business and functional perspectives.

## Example of Initiatives 1

### Reconfiguring Our Quality Assurance System and Quality Assurance Activities

Regarding quality assurance for cosmetics and quasi-drugs, Mandom works to assure fully satisfactory quality as demanded by consumers from purchase to end of use. We engage in quality assurance activities to improve the quality of our products and services in all processes, including planning, design and development, production, sales, and customer handling.

In January 2014, we established the ISO 9001-based "Mandom quality management system" (a system for quality assurance activities that incorporate customer opinions), which we have since operated as we pursue continuous improvement of quality.

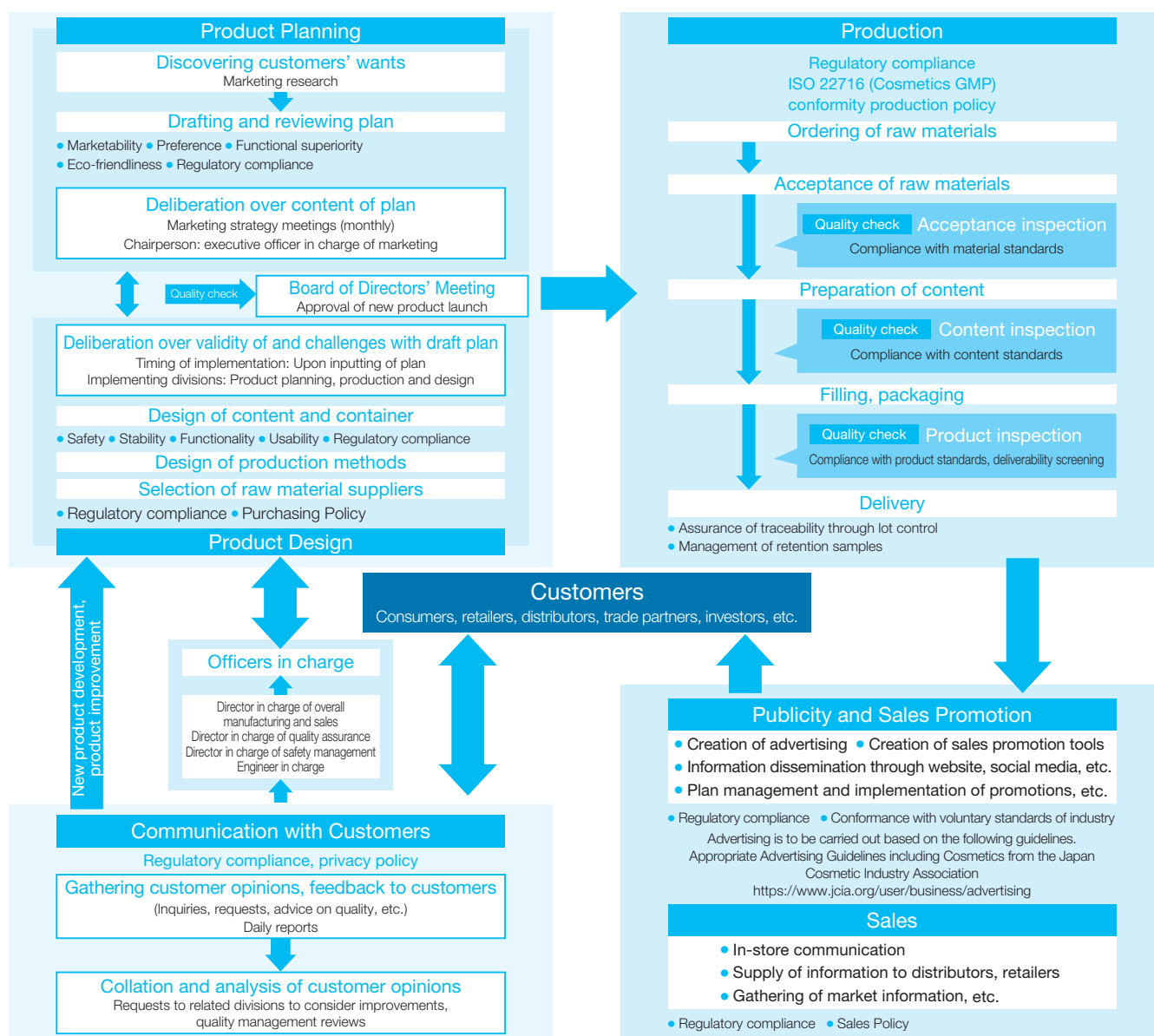
In order to continuously improve the effectiveness and reliability of this Mandom quality management system, we established the Quality Assurance Committee through which we unify the company-wide direction on quality. Additionally, the officers in charge, director in charge of overall manufacturing and sales, director in charge of quality assurance, director in charge of safety management and technical supervisors stipulated in the Pharmaceutical and Medical Devices Act (Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices) work closely with each other to supervise and promote quality assurance activities.



Sustainability Information

Sustainability > Connecting with consumers > Promotion of Quality Assurance System

Mandom quality management system (a system for quality assurance activities that incorporate customer opinions)

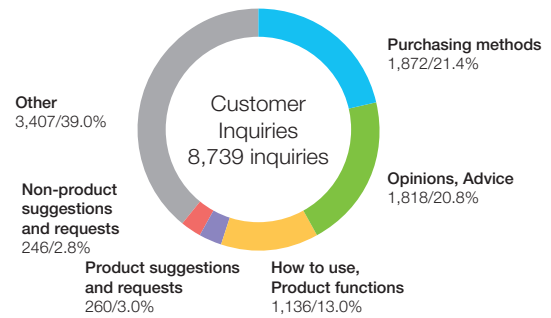


## Maintaining/Enhancing the Corporate Base

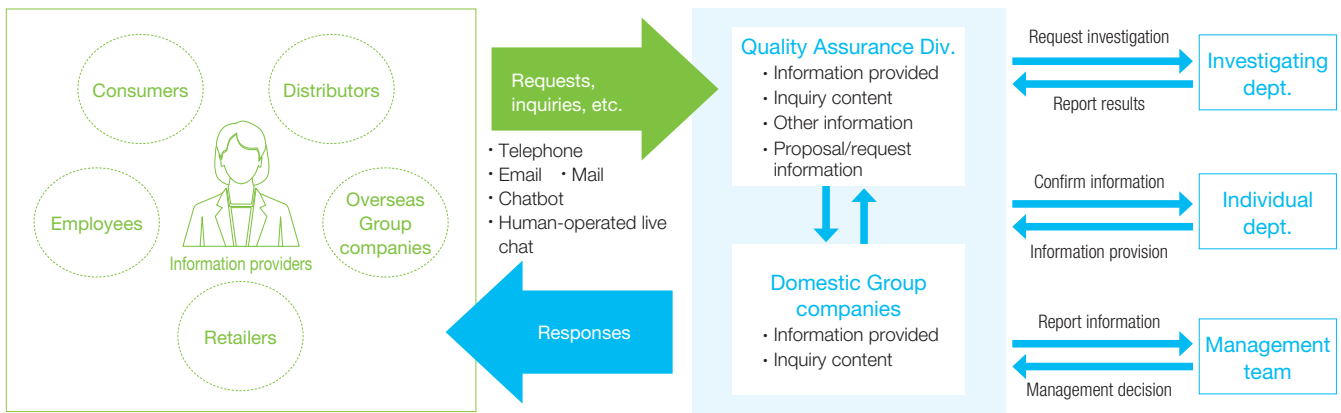
### Customer Inquiry System

We set up a Customer Relations Division in 1994 as a general contact point for communicating with customers, including their suggestions, requests and other feedback. After reviewing the feedback received, we add information to the Customer Support section of our website as part of our efforts to ensure the supply of information. Furthermore, feedback is compiled in a database, and through mutually attended internal meetings, is passed along to top management and relevant departments to be integrated into future product development and improvement.

Customer Inquiries in FY2024



\* Does not include the number of inquiries received via chatbot.



Top Page  
Customer Support

### Examples of Utilizing Customer Feedback

At Mandom, we share feedback from customers with top management and relevant departments, and work to achieve true customer satisfaction.

The following presents our latest efforts making use of customer feedback.

FY2024	GATSBY EX Premium Type Deodorant Spray Unscented <Pharmaceutical Quasi-Drug>	To prevent spray clogging, we improved the button and internal parts, and added instructions for dealing with clogs to the reverse side of the package.
FY2023	All products sold since February 2024	Changed text from "Keep out of reach of children" to "Take care of storage location to prevent accidental ingestion by children or people with dementia, etc."
	LÚCIDO One Push Care Color Series	Enhanced warnings about potential stains on bathroom, washbasin, and mirror surfaces during use.
FY2022	LÚCIDO Perfect Skin Gel/Cream	Based on feedback regarding the label on the inner lid such as "The explanation is hard to understand" and "The characters are hard to see," we changed the explanation to an easy- to-understand one and gave the label content improved visibility.
	LÚCIDO-L Hair Treatment Oil Frizz Care #EX hair oil swell and curl care	We stated a "gel form" label to the product in response to feedback that the product did not look how customers imagined.

#### Example of Initiatives 2

### Initiatives for improving long working hours

Mandom considers the correction of long working hours in particular to be one of the most important issues in improving

the quality of employee health, and has actually identified that some employees are working long hours on a regular

basis. At Mandom, we believe that correcting long working hours and allowing employees to get enough sleep can help to reduce presenteeism in each employee, and thus lead to an increase in work productivity. We also believe that by repurposing the time outside of working hours that have been reduced for additional learning and reskilling, we can help enhance each employee's job satisfaction and sense of fulfillment.

Accordingly, we have set the target of "Achieving average of less than 10 hours of overtime work per month for all full-time

employees (including managers) by FY2027," and are working to achieve this target.

- Monthly report of performance data related to overtime hours at upper-level meetings for promoting initiatives to reduce overtime involving management
- Study issues and put into place solutions for reducing overtime work by department, led by department managers, factoring in the characteristics of each department, such as busy and off-peak periods of business

### Example of Initiatives 3

## Initiatives to for strengthening cybersecurity

### Cybersecurity at Mandom

Maintaining a safe and secure business environment is considered an important management issue, by protecting the Group's information assets, electronic data, information systems, and other assets from increasingly sophisticated cyberattacks and other risks. To this end, we implement risk countermeasures covering all domestic and overseas group companies from organizational, human, technological, and other perspectives.

As part of these efforts, we will conduct self-checks, and review and make continuous improvements to measures based on the Compliance with Cybersecurity Management Guidelines in order to implement measures under the leadership of management.

### Development of cybersecurity management system

In addition to establishing policies as a guide for groupwide cybersecurity measures and security measures standards for the Group, we have established a groupwide security management system so that we are able to manage cybersecurity risks for the entire Mandom Group in a centralized manner.

Additionally, to enhance the effectiveness of security measures, we implemented security education for all employees, including management, and placed security

experts within the company. In FY2024, we established the CSIRT (Computer Security Incident Response Team) to strengthen response capabilities and early recovery systems in case of incidents.

We will continue to enhance our ability to respond to cybersecurity risks, ensuring business continuity and maintaining and improving corporate value.

### Understanding and strengthening response systems for cybersecurity risks

With the expansion of global business, particularly in Asia, we strongly recognize the increasing complexity and severity of security threats such as cyberattacks and information leaks. We continuously assess and evaluate risk levels through regular inventory of information assets and vulnerability diagnoses to address risks such as ransomware-induced business suspension, supply chain intrusions, leaks of customer information and research data, and attacks targeting overseas bases. We implement multilayered defense measures, including network security measures, endpoint monitoring with EDR, a 24/7 global SOC system, and multi-factor authentication (MFA), aiming to balance prevention and early detection of intrusions. Furthermore, we have established a rapid incident response system centered on the CSIRT to minimize risks and ensure business continuity.

### Example of Initiatives 4

## Mission education aimed at embodying our corporate slogan

### Mandom Mission-Based Management

In Mission-Based Management, all employees including executives are actively engaged and inspired to think and act according to the mission. We believe that the most important topic in the globalization of our business is the spread of our mission to all Group employees, and have been working continuously since FY2017 to develop a framework

for spreading this philosophy to all. We built a framework to spread our mission to each Group employee by creating a "briefing book," a shared text of the Mandom mission and vision in eight languages, including Japanese. With input from local staff, the translation of this text was executed with careful consideration to select the optimal words and phrases to express the intent of this document.