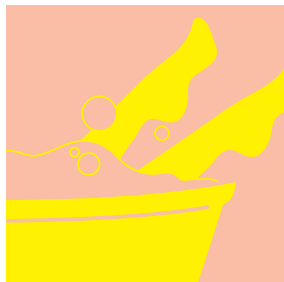
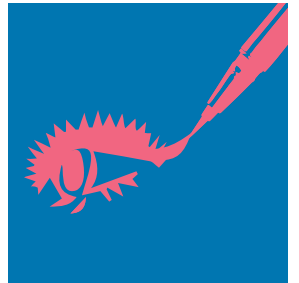
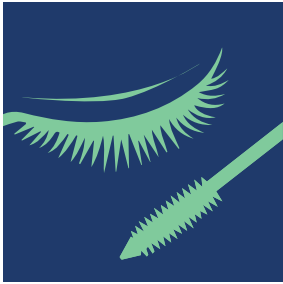


# Mandom Report 2025



BE ANYTHING,  
BE EVERYTHING.



mandom





## Toward Society Underpinned by Human-Oriented Company "Mandom"

What "being yourself" means to Mandom

- Making your own decisions
- Being free
- There is no right or wrong
- It's okay to start over as many times as you want
- Recognizing others' ways of being themselves

Society is filled with diverse values.

On the other hand, it is also true that there are invisible constraints such as "acting like a student," "acting like a working adult," "acting like a man," or "acting like a woman."

We believe that finding your own way of being, rather than one decided by someone else, enriches your life.

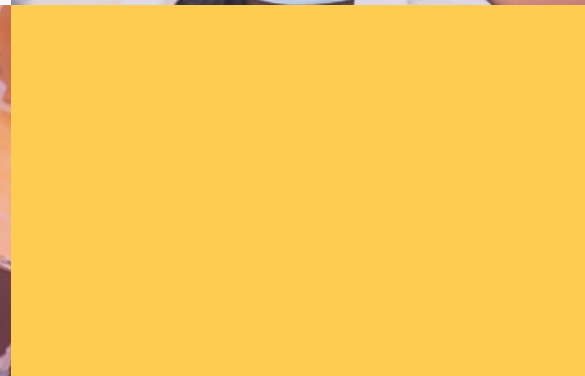
Mandom will continue to support each individual's way of being themselves.

# BE ANYTHING, BE EVERYTHING.



### "Club Activity Hair Salon"

To support students' "being themselves," Mandom is currently running the "What do you think? Club Activity Hair" campaign. We are developing the "Club Activity Hair" initiative. As part of this initiative, we are holding the "Club Activity Hair Salon." By styling hair before games, we help students express themselves and deliver the message of "Lift your spirits through your hair."





# Co-Creation Zero-based thinking Change



Ken Nishimura

Representative Director &amp; President Executive Officer

In the 14th Medium-Term Management Plan “MP-14,” we are building people and organizations capable of making optimal decisions from a holistic perspective, not just as an extension of the past, in order to achieve true globalization and a lean corporate structure.

Going forward, we will continue to expand Oyakudachi (Dedication to Service) while always considering how to allocate and utilize our management resources and human assets to the opportunities that will maximize output for the entire group.

Furthermore, the Mandom Group will continue to evolve with an eye toward maximizing corporate value in its second century.

## Editorial Policy

The Mandom Group has been publishing the Mandom Report (integrated report) since 2018 to help our stakeholders understand our medium- to long-term efforts at value creation. Mandom Report also integrates the previously separate KohDoh Report (CSR report). This has been done as part of our work on providing integrated information as a company and to enhance the non-financial information we provide. When editing this report, we put together a brief summary focused on information that is highly important for improving Mandom's corporate value while referring to the “Guidance for Collaborative Value Creation” released by the Ministry of Economy, Trade and Industry and other resources.

## Visit our website for more detailed information.

- Investor information: <https://www.mandom.co.jp/en/ir/>
- Sustainability information: <https://www.mandom.co.jp/en/sustainability/>

## Report Coverage

Mandom Corporation and its affiliated companies both inside and outside Japan  
Note: For details, please see **P. 88** “Mandom Group Companies.”

## Reporting Period

Fiscal Year 2024 (ending March 2025)

- Mandom and Group companies in Japan: April 1, 2024-March 31, 2025
- Overseas Group companies: January 1, 2024-December 31, 2024

Note: To the extent it is possible, the latest information at the time this report was written is included

## Reference Guidelines

When creating this report, we referred to the “International <IR> Framework” adopted by the IFRS consortium and the “Guidance for Collaborative Value Creation” released by the Ministry of Economy, Trade and Industry and other resources.



## [Regarding Forward-Looking Statements]

This annual report contains forward-looking statements concerning Mandom's current plans, strategies, beliefs and performance. These forward-looking statements include statements other than those based on historical facts and represent the assumptions and beliefs of management based on information currently available. Mandom therefore wishes to caution readers that actual results may differ materially from expectations, and that forward-looking statements are subject to a number of foreseen and unforeseen risks and uncertainties. In addition, all amounts have been rounded down to the nearest whole unit.

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Corporate Philosophy

Mission Framework



mandom

**MANDOM MISSION**

**Human to Human**

Mandom is a “human-oriented company.” Guided by our original concepts of Health, Cleanliness & Beauty, we reach boldly beyond the norm to bring wonder and inspiration to people’s everyday lives.

**MANDOM PRINCIPLES**

Consumer-led Lifestyle Value Creation  
Challenge, Change, Innovation  
Active Employee Engagement  
Social Responsibility & Sustainability  
Human Assets

**MANDOM SPIRIT**

Dedication to Service (Oyakudachi)  
Respect for Humanity  
Freedom & Open-Mindedness

The Mandom framework comprises the following three areas.

Corporate Philosophy/MISSION

The MANDOM MISSION presents the reason for Mandom’s existence and defines its commitment to society.

Code of Practices/PRINCIPLES

The MANDOM PRINCIPLES are a code of conduct that is followed by all Mandom personnel at all times.

Founding Spirit/SPIRIT

The MANDOM SPIRIT constitutes the bedrock of Mandom’s foundation that is handed down through the generations.

Details of Our Mission Framework  
<https://www.mandom.co.jp/en/company/philosophy.html>

Corporate Slogan

BE ANYTHING,  
BE EVERYTHING.

Unique Oyakudachi (Dedication to Service) Based on  
“Health, Cleanliness, Beauty and Fun”

Creating value through  
“human-oriented” approaches  
that only people can achieve

No matter how much science advances,  
there are things only people can do.

That is, to empathize with others’ feelings,  
envision someone’s happiness and joy (imagine),  
and create value that benefits people (create).

Mandom values this “human-oriented” way of thinking.

Based on the “five hearts”—LOVE, SENSIBILITY, HAPPINESS, FREEDOM,  
and the will to pioneer the WILL—we weave together value that only humans can achieve.

This value system is embodied in the concept of “健・清・美・楽”  
(Health, Cleanliness, Beauty and Fun).”

“健” means health, “清” means cleanliness, and “美” means beauty.

Underlying all of these is the perspective of “楽”,  
which means “enjoying things casually.”

This “Fun” enriches life and forms the foundation for shaping the future.

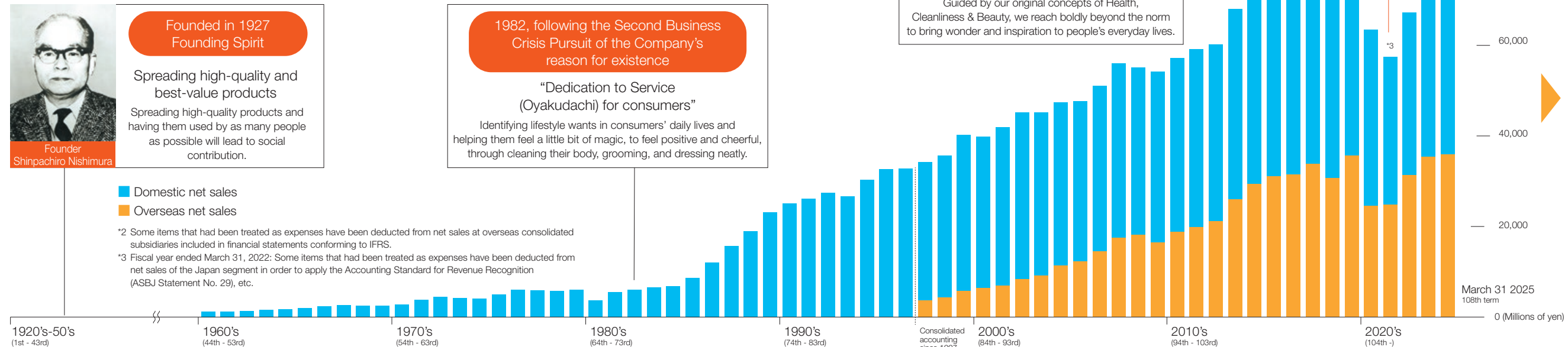


## Mission, about Mandom (From the Past to the Present Mandom)

# Dedication to Service (Oyakudachi) for Consumers Continuing Constantly Since Founding

Shinpachiro Nishimura, the founder, believed that spreading cosmetics would serve society as Dedication to Service (Oyakudachi) under the principle of “high-quality and best-value products”<sup>1</sup>. Since then, the Company has believed that Dedication to Services (Oyakudachi) for consumers through cosmetics is its reason for existence, and expanded Dedication to Service (Oyakudachi) in terms of quantity (sales) in Japan and Asia through Only One Marketing from the perspective of Consumer-led Lifestyle Value Creation, and the creation of new markets that propose new grooming behaviors.

<sup>1</sup> To provide consumers with products of unique quality and value at an appropriate price, and to obtain profit by the spread of the products, thereby maintaining social significance.

**1927**

Established Kintsuru Perfume Corporation

**1960's First Business Crisis**

Alcohol-based liquid hair styling products came to market  
Performance of the Company was sluggish due to being unable to respond to changes in consumer wants as a result of not letting go of the success of tique and pomade

**1933**

Launched Tancho Tique

**1970**

Launched the Mandom Series

**1980 Second Business Crisis**

Transitioned to a direct sales structure in 1978, but with ballooning costs, things came to a standstill in two years, and eventually the decision was made to return to sales through distributors.  
The crisis left a long-standing impact, particularly with respect to having to reduce personnel.

**1982**

Commenced the first MP

Developed Mandom terminology such as “Oyakudachi (Dedication to Service)”, “Seikatsusha (Consumers)”, and “Kaiba (Market)”

**Created a market and expanded results by offering new grooming options****1985**

Commenced the first over-the-counter sales of GATSBY hair foam for men

**1996**

Launched GATSBY Facial Wipes  
Introduced a new way of grooming  
Proposing new grooming

**2006**

Launched GATSBY Moving Rubber, which became a signature series in the hair styling market

**1994**

Launched men's hair styling product GATSBY Water Gloss in Indonesia  
Expanded product line for various sizes; became widely known, primarily for the sachet-size version

**2011**

Launched Bifesta, a cosmetics brand for women  
Full-scale introduction to the skin care market



Commenced full-scale renewal of LÚCIDO as an aging care brand and developed the middle-aged men's market

**2014**

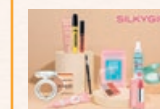
Launched LÚCIDO-L Oil Treatment series

**1995**

Launched women's cosmetic item PIXY Two Way Cake in Indonesia

**2019**

The first M&A since founding  
Acquired shares of Malaysia's ACG International Sdn. Bhd.

**Acquired Assets**

(Mandom's Five Strengths)

Only-One Marketing

Knowledge in Men's Cosmetics Field

“Unique Research” and “Reliable Technology”

Overseas Expansion Focused on Asia

Production and Supply System with Three Manufacturing Bases

→P.20

**Overseas Business****1958**

Commenced operations at technical tie-up in the Philippines

**1969**

Established a joint venture in Indonesia

**Strengthened Overseas Developments****1988**

Singapore

**1990**

Thailand

**1993**

Hong Kong

**1997**

Malaysia

**2008**

China

**2015**

Vietnam

**1989**

Taiwan

**1992**

The Philippines

**1996**

China

**1999**

South Korea

**2012**

India

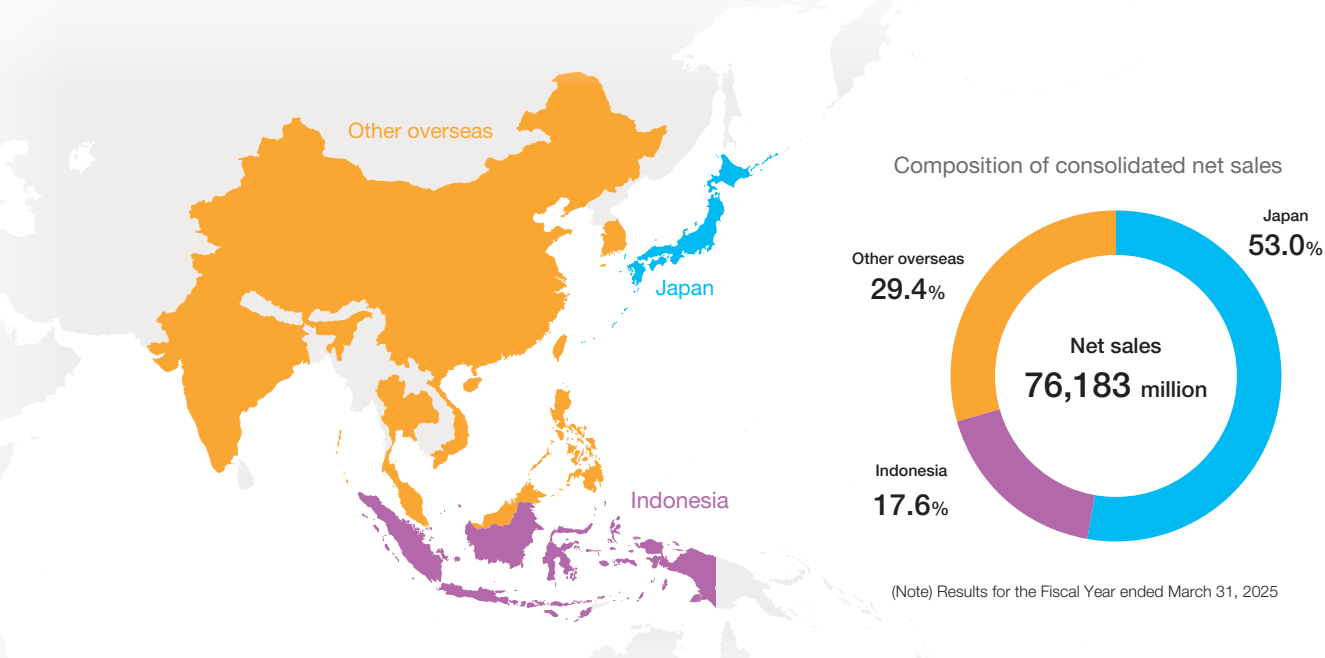
→P.52



## Mission, about Mandom (From the Past to the Present Mandom)

# Mandom Group Business Areas and Business Highlights for the Fiscal Year Ended March 31, 2025

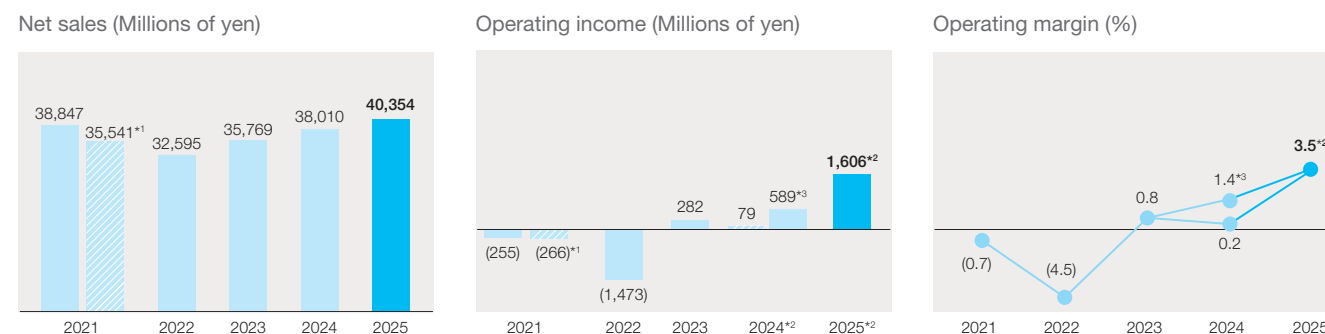
The Mandom Group is developing its global operations, particularly in Asia. The Group segments its operations into three regions: Japan, Indonesia and Other overseas. We create and invigorate markets by responding meticulously to conditions in each area and to such characteristics as consumer preferences, lifestyles and purchasing power.



## Japan

Net sales, year on year: **6.2%**  
Average growth rate, past five years: **(2.7%)**

Our core sales region, constituting more than half of the Mandom Group's net sales



<sup>\*1</sup> Calculated using the same standards as the fiscal year ending March 2022 <sup>\*2</sup> From the fiscal year ending March 2025, the calculation method for segment profit will be changed to exclude internal profit adjustments, in line with the revision of performance evaluation indicators <sup>\*3</sup> If calculated using the same criteria as the fiscal year ended March 31, 2025

### [GATSBY]

For summer season body paper products, we have expanded the lineup of exclusive fragrances available only at certain stores. At the same time, we have expanded the variety of fragrances for deodorant sprays and body water, leading to the acquisition of a broader range of consumers, including women. Furthermore, we have strengthened the lineup of the EX Premium Type Deodorant Series, born from advanced sweat gland research, and with the support of the intense summer heat, sales have increased, especially for summer season products.



GATSBY EX Premium Type Deodorant Roll-on

### [Bifesta]

Based on the principle that “cleansing is the essential first step in skincare,” we have renewed the brand with a new lineup that enhances functionality while maintaining gentleness to the skin, refreshing the design to create a skincare brand that fills your skin with moisture and brings joy every time you use it. We are working to strengthen promotions featuring a new campaign ambassador and enhance in-store displays. We will continue to be a brand that always proposes free and innovative skincare scenes, both now and in the future, in response to diversifying lifestyles and values.

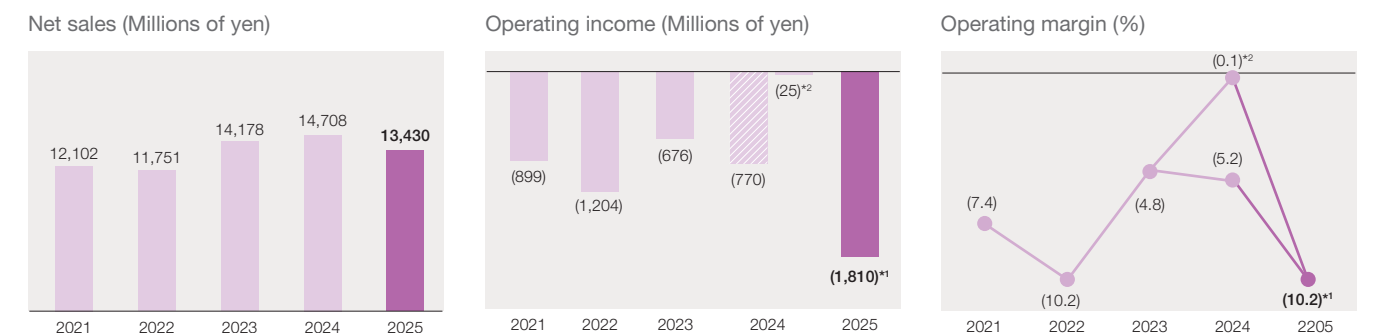


Bifesta Micellar Cleansing Sheet

## Indonesia

Net sales year on year: **(8.7%)**  
Average growth rate, past five years: **(5.5%)**

The largest overseas business area and growth leader for the Mandom Group



<sup>\*1</sup> The calculation method for segment profit has been changed to exclude internal profit adjustments in line with the review of performance evaluation indicators. <sup>\*2</sup> When calculated using the same standards as the fiscal year ending March 2025.

### [GATSBY]

In hair styling, we launched the new “Fiber Series” and are driving results in this category through thorough multi-faceted in-store displays and increased exposure by linking with advertising investments. In fragrances as well, we are expanding the brand lineup and increasing freshness by launching a new fragrance series, leading to further support from consumers.



GATSBY Fiber Styling Series

### [PUCELLE]

In addition to the planned launch of new products and focusing on introducing them to major local convenience stores, we are working to strengthen displays on the golden line, making products easier for consumers to see and pick up. Furthermore, we are actively expanding multi-faceted displays and strengthening marketing efforts to regain the position as the No.1 brand in market share.

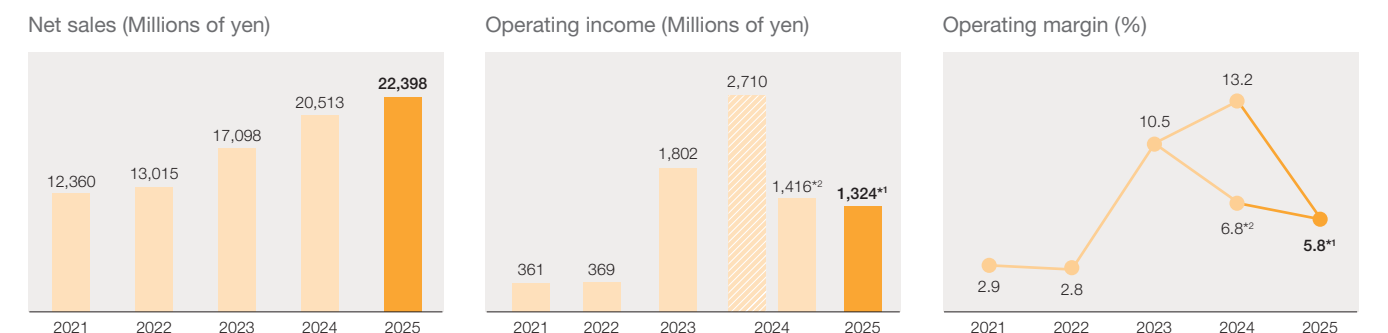


PUCELLE Eau de Toilette Series

## Other overseas

Net sales, year on year: **9.2%**  
Average growth rate, past five years: **4.7%**

This area possesses a large potential for future growth and is expected to become the engine of growth in the future



<sup>\*1</sup> From the fiscal year ending March 2025, the calculation method for segment profit has been changed to exclude internal profit adjustments in line with the review of performance evaluation indicators. <sup>\*2</sup> When calculated using the same standards as the fiscal year ending March 2025.

### [Taiwan]

With changes in the external environment such as global warming and energy saving, there is a growing demand for cooling among consumers, and we are focusing on developing body water as a new pillar following hair styling and paper products. For consumers seeking an even greater cooling sensation, we are strengthening proposals for “GATSBY Crazy Cool,” and through coordinated in-store displays and advertising investments, we are reaching even more consumers.



Coordination of in-store displays and advertising activities

### [Thailand]

In the cleansing category, Bifesta sheets saw increased sales through expanded sales channels and digital advertising. In the hair styling category, overall growth continues, with the “Sea Salt Spray,” which easily creates voluminous, tousled styles like after a day at the beach, performing particularly well in hair spray. This has also contributed to strengthening the sales base in overseas markets where it is available.



GATSBY Sea Salt Styling Spray

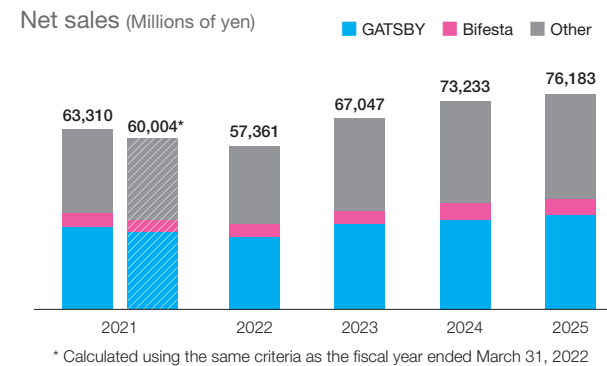


Mission, about Mandom (From the Past to the Present Mandom)

## Brands of the Mandom Group

The Mandom Group responds meticulously to the wants of each consumer and offer a wide range of brands, primarily in Asia.

GATSBY Bifesta  
LÚCIDO LÚCIDO-L PIXY SILKYGIRL



Development Regions (as of May 31, 2025)

	Japan	Indonesia	Singapore	Taiwan	Hong Kong	South Korea	Malaysia	The Philippines	Thailand	Vietnam	China	India
GATSBY	●	●	●	●	●	●	●	●	●	●	●	●
Bifesta	●	●	●	●	●	●	●	●	●	●	●	
LÚCIDO	●		●	●	●		●		●			
LÚCIDO-L	●	●	●	●	●	●	●	●	●	●	●	
PIXY		●		●			●					
SILKYGIRL		●	●				●					

### GATSBY

Target categories: Hair styling/hair coloring/face care/body care



A brand that brings fun to everyday life through grooming and style. Utilizing insights gained from addressing the essential needs and characteristics of men, we support those who want to transform themselves, and as a core brand of the Mandom Group, it is loved mainly in Asia.

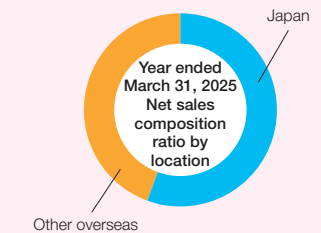


### Bifesta

Target categories: Skincare (cleansing lotion/cleansing sheets/point makeup remover/face wash, etc.)



With proposals that break away from conventional beauty norms, this skincare brand offers not only satisfaction with skincare effects and functionality, but also new discoveries, joy, and excitement, and is developed in Japan and other Asian countries.



### LÚCIDO



A brand that offers aging care\* for middle-aged men, based on years of research, providing mature style and grooming. Developed mainly in Japan.

\* Care appropriate for one's age



### LÚCIDO-L



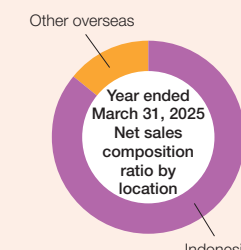
A brand that supports you in freely enjoying your own upgraded hair, with salon-inspired hair care proposals and attractive, easy, and reliable solutions for everyday hair concerns. Developed in Japan and other Asian countries.



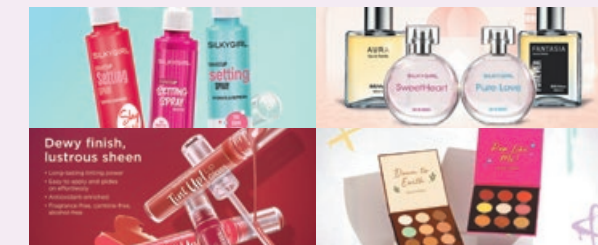
### PIXY



Rather than adhering to standardized beauty, this brand maximizes each individual's natural beauty and pursues the essence of beauty. Rolling out in Indonesia and certain other countries.



### SILKYGIRL



A brand with a lineup of makeup products suited to the tastes of consumers in Southeast Asia, developed by swiftly adopting cosmetic trends. Primarily operate in Malaysia, Singapore, and Indonesia.





## Mandom's Strengths at a Glance with Numbers



### Founding

# 98th year

100th anniversary in 2027  
(Founded on December 23, 1927)

Founded as "Kintsuru Perfume Corporation" that produces perfumes, Mandom will celebrate its 100th anniversary in December 2027.



### Since expanding globally

# 67th year

Ever since commencing operations with a technical tie-up in the Philippines in 1958, Mandom has long been expanding in Asia and providing Oyakudachi (Dedication to Service).



### Expanding globally from

# 12 areas

in Asia

In addition to our 12 areas of operation, trade means Mandom products are also distributed around Africa and North America.

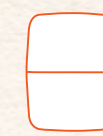


### Overseas sales ratio

# 47.0%

(as of end of March 2025)

The overseas sales ratio is on an upward trend and is expected to approach 50% as of the end of March 2025. Mandom is proving greater Oyakudachi (Dedication to Service) overseas.



### Brand awareness of GATSBY in Indonesia

# 70.9%

(2024)  
16–30 year-old consumers

GATSBY originated in Japan, but Indonesia has the leading brand recognition.

## Mandom's Strengths at a Glance with Numbers



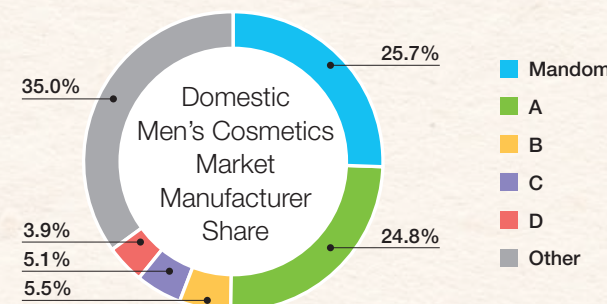
### Japan Domestic men's cosmetics market manufacturer share

# No.1 25.7%

(2023 24.4%)

INTAGE SRI+ (monetary amount)  
Period: April 2024 – March 2025  
Business format: All formats

Competition in the market remains fierce, but in FY2024, we were once again chosen by Consumers and proudly achieved No.1.



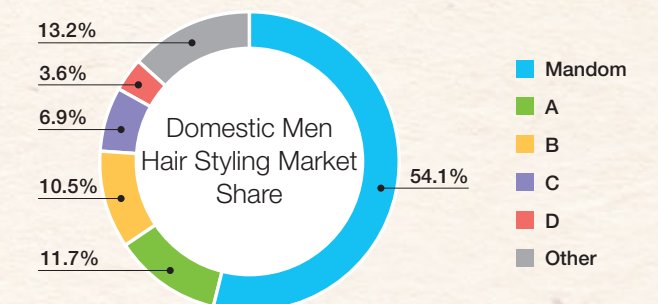
### Domestic men's hair styling market share

# No.1 54.1%

(2023 55.0%)

INTAGE SRI+ (Amount)  
Period: April 2024 – March 2025  
Business format: All formats

In recent years, many new brands have entered the men's hair styling market, but we maintain an unshakable No.1 share.



### GATSBY

## No.1 brand in the domestic men's hair styling product market for 19 consecutive years

Men's hair styling product market (amount)  
Period: INTAGE SRI April 2006 – December 2016 /  
INTAGE SRI+ January 2017 – March 2025  
Business format: All formats



Top message

## Top Message

**Ken Nishimura**President Executive  
Officer & Director

# This is where the true transformation and growth begin

— Toward the practice of management centered on business structure reconstruction and human capital

## Review of the 14th Medium-Term Management Plan (MP-14)

For the fiscal year ending March 2025, the Mandom Group has completed the first year of the 14th Medium-Term Management Plan (MP-14) (⇒P.40). As we look back on this past year, I would first like to express my heartfelt gratitude to our customers, shareholders/investors, and all stakeholders who supported us and understood our decision to temporarily crouch down in order to achieve strong profit growth from the fiscal year ending March 2026 onward. In particular, I would like to once again express my deep appreciation to all employees who ran through this year of transformation together with me.

The fiscal year ending March 2025 was an important year, marking the culmination of the previous medium-term plan (MP-13) and the first step of MP-14. I have a strong belief that, for Mandom to evolve into a new era,

bold transformation is essential without being bound by past practices. Since my appointment in 2021, I have advocated the message of “Change, or Die” and started new challenges together with employees. Having taken over the baton from the previous president, who steered management for 25 years, I have engaged in thorough dialogue with each department to instill a culture of “moving forward without fear of change.”

What was especially impressive was that, in the dialogue sessions held at locations nationwide, many employees expressed their desire to “take on more challenges” and “test their own abilities.” In response to these voices, in the first year of MP-14, I personally declared “structural reforms for improved profitability” as a pillar and have been working to build a system that encourages proactive



## Top Message

initiatives by employees (⇒P.38).

Consolidated net sales for the fiscal year ending March 2025 were 76.1 billion yen, slightly short of the target of 77.0 billion yen. On the other hand, consolidated operating profit exceeded the target, reaching 1.02 billion yen (consolidated operating profit margin: 1.3%) against the target of 780 million yen.

However, in addition to external headwinds such as fluctuations in the global economy, soaring raw material prices, and disruptions in logistics networks, our Indonesia business faced major challenges, including returns far exceeding expectations at the beginning of the fiscal year. Indonesia consists of more than 17,000 islands, and we have established a distribution network that reaches every corner of the country. This distribution network is an asset we are proud of, but inventory stagnated due to retail restrictions during the COVID-19 pandemic, resulting in an unusual situation where we had to accept large-scale returns due to expiration of quality assurance periods. Ideally, this year would have been one to build momentum

for strong profit improvement from the fiscal year ending March 2026 onward, but the struggles in Indonesia offset the gains in profits in Japan (⇒P.8).

In Japan, structural reform initiatives proved effective, and profit improvement progressed at a faster pace than expected. Specifically, measures such as reviewing procurement sources for raw materials and appropriate pricing have advanced the creation of a system to secure profits even with limited resources. Through these initiatives, I feel that each employee has heightened their awareness to “think and act independently,” promoting learning and growth for the organization as a whole (⇒P.38).

The first year of MP-14 was not merely the start of a business plan, but also a turning point that renewed our corporate DNA. With the goal of achieving an ROIC of 8% or higher in the final year of MP-14, we will strive to maximize corporate value while balancing investment and return. This marks the true beginning of Mandom’s transformation and leap forward.



## Deepening Domestic Business and Brand Strategy

In the domestic market, we recognize the challenge that we have not produced results that could be called “big hit products” in recent years. On the other hand, there are still many untapped areas in the Men’s Cosmetics market, and we believe there is room to fully leverage our brand assets and R&D capabilities.

For example, skincare habits that have become widespread mainly among younger generations are steadily penetrating into middle-aged and older demographics as well. Additionally, new needs and wants such as men’s makeup are beginning to emerge, and going forward, approaches and proposal capabilities tailored to each age group will become increasingly important. Furthermore, we see great potential in fields such as scalp care and aging care.

Our main brands, GATSBY and LÚCIDO, are already supported by a wide range of age groups from teens to those in their 40s. With products like the organic cosmetics “aono” (⇒P.51) and “ZFACE ( Face,” which targets mainly those aged 55 and over, we need to further appeal to older generations going forward. We are required to broaden our target segments and reconstruct our product lineup and promotion strategies in response to changes in the market’s volume zone.

Additionally, as a new pillar of growth for our domestic business, we are working on the full-scale development of D2C e-commerce channels. We are reviewing our distribution strategy, which has so far focused on physical

stores, and are strengthening customer touchpoints and deepening product experiences by utilizing digital technology. In the e-commerce field, we are taking on unprecedented challenges in terms of price range and categories, aiming to acquire new customer segments and diversify our business structure.

Joint research courses with Graduate School of Osaka University and endowed courses at Kitasato University School of Pharmacy are positioned as basic research and development of human assets for the future. In the fiscal year ending March 2025, we launched products born from advanced sweat gland research. We will commercialize research results in our overwhelming unique strengths of “Hair/Scalp,” “Skin,” and “body odor/antiperspirant.” (⇒P.49)

Of course, taking on these new fields involves risks, but at the same time, they are valuable opportunities to enhance our company’s growth potential. While using our existing strengths in categories such as styling agents, facial cleansers, and deodorants as a foundation, we will develop a brand strategy based on “selection and focus,” while also considering collaborations with external partners.

Although the domestic market is said to be mature, new values, needs, and wants are constantly emerging. Without being bound by the past, we will look to the future and continue to move forward without fear of change, working toward the regrowth of our domestic business.

## Toward the Regrowth of Overseas Business

Indonesia is the most important base in the Mandom Group’s overseas strategy. In the fiscal year ending March 2025, we faced temporary challenges such as handling returns of products past their quality assurance period due to stagnant distribution inventory, but by thoroughly addressing these issues, we were able to find a path to resolution. I myself visited the site and, through repeated dialogue with management and employees, have felt a definite sense of progress and signs of change. In particular, in our efforts to improve profitability, we have established a system in which local human assets take the lead, with local employees leading each subcommittee.

This is not merely a cost-cutting or efficiency measure, but also a major step toward “localization of management” to achieve decentralized decision-making and increased speed. The fact that local employees are beginning to think, make decisions, and act on their own is becoming a solid foundation for sustainable growth going forward. In addition, the distribution network that Mandom has built up over many years in Indonesia is a unique strength that competitors do not possess, and locally oriented marketing that leverages this distribution network will be key going forward. Along with the launch of new products from our core brands, GATSBY and Pixy, we have also



## Top Message

resumed advertising and promotional activities that had been put on hold since the COVID-19 pandemic. For the fiscal year ending March 2026, we are aiming for sales growth of over 20% year-on-year, and the entire local team is working together to achieve this goal (⇒P.36). Efforts to drive growth are also accelerating in markets outside Indonesia. The three areas previously grouped as “Overseas and Others”—Northeast Asia, Southeast Asia, and India—have been reorganized as “NSI” and positioned as a single independent business entity. In the NSI region, not only is the population continuing to grow, but the needs and wants of consumers are also diversifying and becoming more sophisticated. Until now, we have distributed products developed in Japan and Indonesia, but going forward, it will be essential to have the ability to plan and develop products and services that

match the needs and wants of each area from a local perspective.

For this reason, the local heads of NSI are required not only to have a keen market insight, but also the decision-making ability and leadership to execute product development and brand strategies. We will optimally allocate Mandom’s globally deployed management resources according to the potential of each region, and advance the sophistication of group management through overall optimization.

Our overseas business is the driving force for Mandom’s growth toward the next 100 years. With the recovery in Indonesia and the expansion of NSI as two wheels of progress, we aim to become a company that continues to evolve strongly and flexibly in the ever-changing global market.



## Determination for the growth of human assets and toward our 100th anniversary

## Management in Harmony with Sustainability

Under the corporate slogan “BE ANYTHING, BE EVERYTHING.”, the Mandom Group places reducing environmental impact and respecting human rights at the core of its business activities. We are not merely a cosmetics manufacturer, but as an entity that enhances the QoL (Quality of Life) of consumers, we continue to take on the challenge of balancing social responsibility and sustainability (⇒P.24).

For the fiscal year ending March 2025, we implemented a wide range of concrete environmental initiatives, such as reducing the amount of aluminum used in spray cans, curbing product returns from retailers, and reducing waste from promotional materials. These activities may seem modest, but they are raising environmental awareness throughout the company and leading to a shift in mindset among each and every employee (⇒P.61).

In logistics, from the perspective of “White Logistics,” we are promoting efficient pallet design and improved loading rates, achieving both a reduction in the number of trucks and a decrease in CO<sub>2</sub> emissions. We believe that these initiatives are not just about cost reduction, but are an important step from the perspective of balancing environmental conservation and economic rationality. In terms of human rights, we conduct sustainability surveys for all suppliers in our globally expanding procurement network, confirming the elimination of child labor and forced labor, and the establishment of

fair working environments. (⇒P.62) Within the company as well, we are thoroughly committed to creating an environment free from discrimination based on nationality or gender, so that diverse personnel can work with peace of mind.

We do not see sustainability as a “duty to be fulfilled,” but rather as an essential attitude of a company that stands alongside consumers. Because sustainability lies on the continuum of our corporate philosophy of “Dedication to Service (Oyakudachi) for consumers,” which we have consistently upheld since our founding, we are able to pursue sustainable value creation steadily and without strain.

Going forward, in addition to developing environmentally-friendly materials and packaging, we will pursue both comfort and sustainability in product use. For example, it is precisely in everyday products such as antiperspirants and deodorants that innovation is needed to achieve both comfort and reduced environmental impact. Through such products that are close to daily life, we will contribute to solving social issues in a way unique to Mandom.

Efforts toward sustainability do not yield results overnight; that is precisely why it is important to approach them with sincerity, care, and continuity. We pledge to continue being a sincere presence for Seikatsusha (Consumers), society, and the planet.

In December 2027, Mandom will mark a major milestone—its 100th anniversary since founding. I believe that positioning this memorable year not as a mere reflection on the past, but as a “beginning for the future,” and ensuring steady progress of the ongoing MP-14, is my greatest responsibility and mission (⇒P.28). Throughout these 100 years of history, Mandom has experienced numerous challenges and changes. Product development tailored to the needs and wants of the times, business strategies adapted to changes in the market environment, and expansion both domestically and internationally. The accumulation of efforts and wisdom of many predecessors has built the Mandom we know today. We will firmly inherit that spirit and pride, and accelerate transformation toward “maximizing corporate value” with an eye on the next 100 years.

What is especially important is our “human assets.” Over the past year, I have witnessed many employees proactively embracing change, thinking for themselves, taking action, and contributing to the organization. I am convinced that such attitudes among employees are the driving force supporting our company’s growth and greatly expanding our future possibilities.

However, I do not believe this is sufficient. Given the speed and complexity of future changes, mechanisms that encourage voluntary learning and cross-boundary career development will become more important than ever. In MP-14, we place the development of human assets at the core of our strategy and aim to foster a corporate

culture where people “learn and grow on their own.” We, as management, will also provide opportunities and environments for challenge so that each employee can recognize the “Fun” axis of enjoying things casually as a shared value of the Mandom Group, and continue to take on challenges and grow. I believe that these thoughts and attitudes of employees will surely be reflected in our products and conveyed to our customers. It has been 18 years since I joined Mandom, but I have never felt such a strong sense of transformation as I have this year. Seeing employees tackle issues with determination and deliver results gives me great confidence and hope for the future. My role now is to ensure that this change does not end as a temporary phenomenon, but is elevated into a driving force that will open up the next 100 years.

With MP-14, we will bring the first century of the Mandom Group to a close. And looking ahead to the start of our second century, we will walk alongside Seikatsusha (Consumers) and society, and pioneer new paths of value creation as a company that stays close to the hearts of Seikatsusha (Consumers).

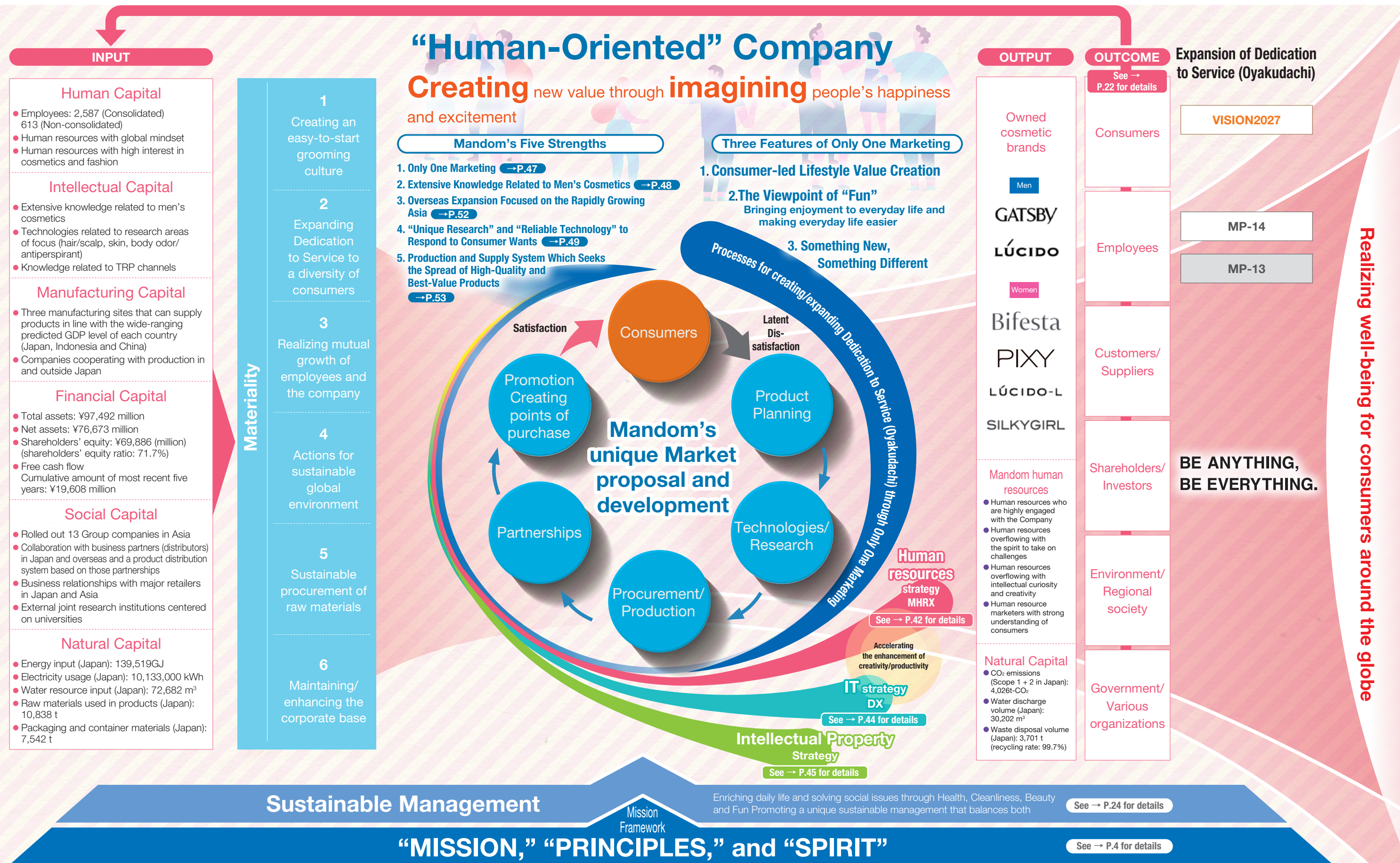
We sincerely ask for your continued support and understanding in the future.

### Ken Nishimura

Mandom Corporation Representative Director and President Executive Officer  
August 2025



# Mandom Group's Human-Oriented Value Creation Model





OUTCOME and Stakeholder Engagement

Name of stakeholders	Relation with stakeholders →P.21	Value provided to stakeholders (OUTCOME) Red underlines indicate our Materiality initiative themes. →P.27	Qualities necessary to provide such value Red underlines indicate items related to our materiality evaluation indicators.	Major touch points and engagement
Consumers	Narrowly defined, consumers are end users of Mandom products. Broadly defined, consumers are our employees, customers and suppliers, shareholders and investors, and each and every member of regional societies. We earn high-quality profits in return for the satisfaction of consumers by understanding their needs and wants and creating products that satisfy them. Our corporate slogan is “BE ANYTHING, BE EVERYTHING,” and we aim to create value that enriches the everyday lives of people by supporting everyone to live their lives to the fullest and creating in a sustainable manner a society that enables them to achieve this goal, which we have positioned as our new “Dedication to Service (Oyakudachi).”	Strengthening our Dedication to Service (“Oyakudachi”) for consumers who actively express their individuality	Expansion of number of proposals on a new cosmetic field that “enables consumers to freely express their own individuality” or on consumer attributes	<ul style="list-style-type: none"><li>● Customer Relations Div. (Company website)</li><li>● Company website</li><li>● Mandom Online Shop</li><li>● Official brand accounts on each social media site</li><li>● TV advertising</li><li>● Online advertising</li><li>● In-store promotional tools for retailers</li><li>● Integrated reports</li></ul>
		Expanding our Dedication to Service	Expanding number of proposals on new technology that contributes to solution of issues faced by consumers	
		Providing safety, security and high quality	Challenges addressed to expand our distribution network	
Employees	Our employees are at the very heart of the Company, whose corporate philosophy is rooted in the principle of being human-oriented. Our human resources philosophy is “Happy individuals make a happy company,” which seeks to allow each and every employee to demonstrate their individual qualities, enhance their expertise, and grow, thereby increasing their job satisfaction, while simultaneously allowing the Company to enhance its corporate value by making the most of its diverse human resources and fulfilling its Dedication to Service (Oyakudachi). Our aim is to become a cosmetics company that possesses strengths unique to Mandom and 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 Dedication to Service (Oyakudachi).	Developing human resources to create a new grooming culture	Enhancing initiatives to achieve zero maximum number of complaints about quality	<ul style="list-style-type: none"><li>● Corporate philosophy survey</li><li>● Employee performance evaluation interview</li><li>● Self-evaluation system</li><li>● 1-on-1 dialogue</li><li>● Internal open recruitment system</li><li>● Career training</li><li>● Executive video messages</li><li>● CxO messages</li><li>● Policy presentations</li><li>● MP News (internal newsletter)</li><li>● Integrated reports</li></ul>
		Creating a culture that encourages employees to take on new challenges	Expansion of Rate of practice the Code of Conduct MANDOM PRINCIPLES	
		Active engagement by diverse human resources	Expanding Ratio of “active engagement employees” in a philosophy survey	
		Safety and security of employees	Improvement of Employee engagement	
		Pursuing the mission	Proactive appointment of women in managerial posts	
Customers/Suppliers	We use a distributor system for sales in many cases in both Japan and overseas. As such, narrowly defined, our customers are domestic and overseas distributors. Broadly defined, our customers can also be considered to include retailers and e-commerce sites where consumers encounter our products. As the Company operates its business in Japan and Asia based on the policy of “high-quality and bestvalue products,” we are supported by many suppliers through the provision of sustainable and highly economical raw materials. In response, suppliers seek fair and sound transactions with us. In response, suppliers seek fair and sound transactions with us. In recent years, society has demanded that we build a sustainable supply chain that takes into consideration environmental conservation and the respect for human rights.	Equal and fair trade relationships	Reduction in number of employees on long-term leave	<ul style="list-style-type: none"><li>● Ongoing philosophy education</li></ul> <ul style="list-style-type: none"><li>● Appropriate and highly transparent purchasing rules</li><li>● Creation of high added value products</li></ul> <ul style="list-style-type: none"><li>● Capacity for a stable supply of products</li><li>● Highly accurate demand forecasting</li><li>● Understanding of consumers</li></ul> <ul style="list-style-type: none"><li>● Provision of high added value products</li><li>● Appropriate sales policies</li></ul> <ul style="list-style-type: none"><li>● Understanding of customers</li><li>● Understanding of consumers</li><li>● Understanding of products</li></ul> <ul style="list-style-type: none"><li>● Expansion of ratio of RSPO<sup>*1</sup>-certified palm oil among palm oil that is used as an origin of raw materials</li></ul> <ul style="list-style-type: none"><li>● Usage rate of FSC<sup>®*2</sup>-certified paper for paper and containers and packaging, and expanding the recovered paper usage ratio</li></ul> <ul style="list-style-type: none"><li>● Daily purchasing activities</li><li>● Supplier CSR Guidelines</li><li>● CSR Procurement Self-Assessment</li><li>● Daily sales activities</li><li>● New product presentations</li><li>● New product exhibitions</li><li>● Product catalogs</li><li>● Sales regulations</li><li>● Sales proposal materials</li><li>● Integrated reports</li><li>● Company website</li></ul>
		Stable supply of products		
		Provision of products capable of providing healthy profits		
		Proposals for creating shopping areas with high sales efficiency		
		Sustainable procurement of raw materials (palm oil)		
		Sustainable procurement of raw materials (paper containers and packaging materials)		
Shareholders/Investors	Shareholders/investors expect the Company to produce returns exceeding their capital costs in exchange for financially supporting the execution and growth of the business operations of the Company as the financial capital contributor. In recent years, there have been increased investor interest and demand for greater consideration for and engagement in ESG issues, which are in the spotlight. Shareholders and investors also function as monitors of the Company’s business execution. In response, the Company focuses on management transparency and accountability, and engages in dialogue as needed.	● Shareholder returns through earnings growth based on sound financial standing ● Stable and continuous shareholder returns through dividends ● Ongoing improvement of corporate value through growth investments	● Securing and expanding cash flows from operating activities ● Financial capital strategy ● Dividend policy ● Capital allocation ● Optimal capital structure ● Stable increase of share price	<ul style="list-style-type: none"><li>● General meeting of shareholders</li><li>● Financial results briefings</li><li>● 1 on 1 dialogue (individual interviews)</li><li>● Small meetings</li><li>● Overseas road shows</li><li>● Conferences held by securities companies</li><li>● Briefings for private investors</li><li>● Mandom Report dialogues</li><li>● Company website</li><li>● Integrated reports</li></ul>
		Highly transparent information disclosure	● Disclosure activities in accordance with disclosure policy ● Proactive IR activities	
Environment/Regional society	The soundness and sustainability of the global environment and regional societies is a major prerequisite for the Company’s continued sustainable growth, and we will promote sustainable management that creates resolution of social and environmental issues through our core businesses. In addition, for a corporate group such as the Mandom Group that operates widely across Asia, we cannot sustain our business without a mutual understanding and harmony with regional societies. Furthermore, we also generate employment opportunities by hiring locals in each operating country.	Promoting measures toward a carbon-free society	● CO <sub>2</sub> emissions reduction in Scope 1+2 ● Achievement of zero CO <sub>2</sub> emissions Group-wide ● Fossil resource-based virgin plastics emissions reduction	<ul style="list-style-type: none"><li>● Company website</li><li>● Integrated reports</li><li>● Activities that contribute to regional societies</li><li>● Company tours</li></ul>
		Eco-friendliness in products	Expansion of promotion of eco-friendly products	
		Waste reduction	Reduction of the use, weight, and dimensions of waste product and promotional item containers and packaging	
		Contribute to job creation in development regions in Asia	● Develop a personnel affair system in accordance with the Group’s human capital management initiatives ● Market creation and business scale expansion	
Government/Various organizations	As a corporate member of society, we strive to create new value by building partnerships with multiple stakeholders that we believe are effective for the sustainable development of society and the standard of living of people around the world. We also fulfill our social responsibilities as a corporation by paying the required taxes in compliance with the laws in each of our areas of operations.	New value creation through partnerships between industry, government, and academia	● Networking within the industrial sector ● Networking with government agencies ● Networking with academia	<ul style="list-style-type: none"><li>● Joint research programs</li><li>● Various technical conferences</li><li>● Technical presentations</li><li>● Information exchange with public institutions, local public bodies, etc.</li></ul>
		Paying taxes from profit from business activities	Generation of appropriate profits	
		Enhancing data security	Compliance with Cybersecurity Management Guidelines	

<sup>\*1</sup> RSPO: Roundtable on Sustainable Palm Oil   <sup>\*2</sup> FSC®: Forest Stewardship Council® (FSC®N003667)



# Sustainability Policy, Promotion Structure, Materiality

## The Concept of Sustainability in Mandom Group

Mandom Group's business activities are premised on the basis of sound and sustainable "environment (E)" and "society (S)." However, we are confronted with various issues that have begun surfacing, such as climate change, declining biodiversity, marine plastic pollution, and human rights issues in supply chains, which should be addressed appropriately by maintaining solid "governance (G)" that supports such actions. Mandom upholds "social responsibility & sustainability" as its philosophy, which itself is equivalent to sustainability of Mandom Group. To solve social and environmental issues, we place sustainable management at the core of our operations. In FY2021, we formulated our sustainability policy and identified material issues (materiality) in sustainability, aiming to further

enhance our Dedication to Service (Oyakudachi) through our business activities and create new corporate value.

### Framework for a Global Society and Sustainability of the Mandom Group

In September 2015, we signed the UN Global Compact to express our support for its ten principles in four areas of activity, with the aim of allowing all Mandom Group employees to share in the values of global society as a step toward sustainable development, and to create new opportunities to strengthen relations with a diverse and wide range of stakeholders.



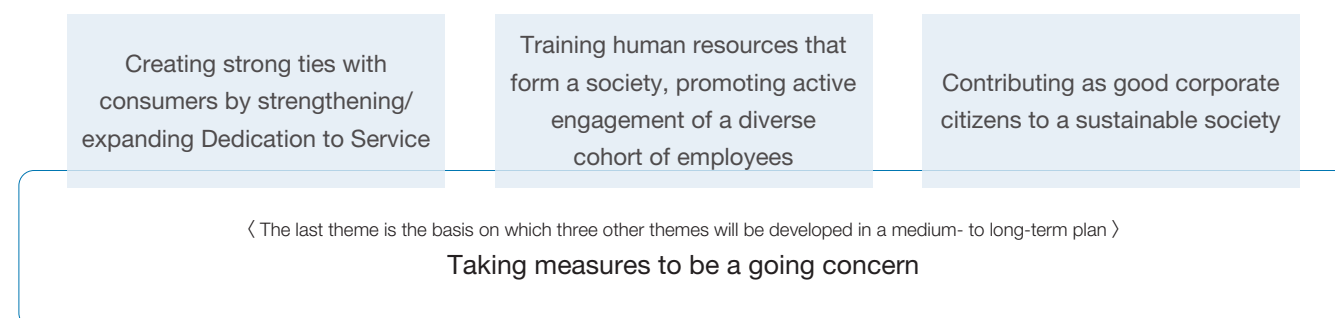
## Sustainability Policy

We will promote unique sustainable management that ensures both enrichment on an everyday basis and solution of social issues through our concepts of Health, Cleanliness, Beauty and Fun.

### Themes of Unique Sustainable Management

Theme	Description
Creating strong ties with consumers by strengthening/expanding Dedication to Service	We will focus on two aspects of Dedication to Service, that is, maximizing satisfaction of consumers and increasing contact with them, by creating unique new value and providing this to consumers through products, communication and distribution.
Training human resources that form a society, promoting active engagement of a diverse cohort of employees	We will train all employees to be diverse "human assets," who should take an active part in rewarding work and contributing to the corporate future and society through Dedication to Service.
Contributing as good corporate citizens to a sustainable society	We will dedicate ourselves to the realization of a sustainable society by analyzing the impact of all our business activities, including supply chains as well as products and services, on the global environment and society from a long-term perspective.
Taking measures to be a going concern	Through social responsibility & sustainability, 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.

### Relationship between the 4 themes



## Sustainability Promotion System

We have established a Sustainability Committee headed by the President Executive Officer with the aim of strengthening the sustainability promotion system. While developing our approach for promoting the sustainability of the Mandom

Group and holding discussions with relevant departments at committee meetings and other meetings, we are strengthening our efforts to contribute to the sustainable development of society.



Sustainability Information  
Sustainability > Sustainability Policy, Structure, and Goals

### Activities of the Sustainability Committee and associated committees

Committee	FY2024 Themes
Sustainability Committee	<ul style="list-style-type: none"><li>Manage progress toward Materiality-related medium- and long-term goals</li><li>Supervise and manage associated committees, including evaluating, analyzing, and proposing improvements to their activities</li></ul>
ESG Executive Committee	<ul style="list-style-type: none"><li>Check and monitor the progress of each medium- to long-term goal related to action themes based on materiality</li><li>Monitor progress toward medium- and long-term goals related to action themes</li></ul>
Quality Assurance Committee	<ul style="list-style-type: none"><li>Conduct management reviews based on quality assurance regulations</li><li>Summarize reports from customers</li><li>Respond to quality issues</li><li>Report on safety issues</li><li>Conduct and report on quality training and internal quality audits as well as plans for FY2025</li></ul>
Occupational Health and Safety Committee	<ul style="list-style-type: none"><li>Promote wellness initiatives under health and productivity management, and foster a workplace culture that supports such management</li><li>Fulfill the duty of care in line with the principle of prioritizing safety and security, including implementing line care initiatives</li><li>Plan and implement measures to reduce overtime labor as part of promoting physical and mental well-being</li></ul>
Total Risk Management Committee	<ul style="list-style-type: none"><li>Continuously promote the early detection and prevention of potential business risks, and ensure timely and appropriate responses when risks materialize</li></ul>
Code of Conduct Promotion Committee	<ul style="list-style-type: none"><li>Conduct effective company-wide training on the Code of Conduct</li><li>Implement measures to improve understanding of harassment issues</li><li>Provide education on various laws and regulations</li></ul>



Sustainability Policy, Promotion Structure, Materiality

Process for Identifying and Reviewing Material issues pertaining to Sustainability (Materialities)

Step 1	Extract and organize social issues surrounding our company with reference to social trends and the following information <ul style="list-style-type: none"><li>Dialogue with stakeholders</li><li>Key items in “Household &amp; Personal Products” sector determined by external organizations</li><li>Materiality items extracted by Japan Cosmetic Industry Association</li></ul>
Step 2	Evaluate the classified materiality items in terms of the importance of risks and opportunities in reference to MP-14, as well as the status of the company’s response to them
Step 3	During the evaluation in Step 2, prepare a materiality list revised based on the most important and insufficiently addressed items, as well as the themes and medium- to long- range targets for each materiality, for the Sustainability Committee to discuss and determine

\* External organizations: FTSE, MSCI, SASB

Material Issues (Materiality) in Sustainability

Materiality	Commitment	Related SDGs
Future challenges to be addressed by taking advantage of our strength and creating values		
1 Casual enjoyment Creating a culture of fashion <a href="#">➡P.46</a>	Based on our original concept of “Health, Cleanliness, Beauty and Fun,” that is, the basic parts of “Health, Cleanliness and Beauty”combined with “Fun,” we will offer unique, one-of-a-kind products and services, thereby providing excitement and exhilaration and helping consumers, who have diverse values, be who they want to be.	
2 For diverse Seikatsusha (Consumers) Expansion of Oyakudachi (Dedication to Service) <a href="#">➡P.50</a>	We will respond appropriately to changing senses of consumption behavior of consumers and maintain an environment in which consumers can look and choose the products and services that serve and satisfy a billion customers on earth.	
3 Employees and company achieving mutual growth <a href="#">➡P.54</a>	By investing in the growth of our employees, we maximize the performance of our “human assets” with their diverse individuality and strengths, thereby expanding the scope of our Dedication to Service (Oyakudachi) to all stakeholders.	
Issues to be addressed to realize a sustainable society and company		
4 Sustainable initiatives for the global environment <a href="#">➡P.58</a>	Switching over to a recycling-based society in our view, we will take measures to reduce our environmental burden at all stages of the life cycle of products, including less dependence on plastics. Regarding reduction of greenhouse gas emissions, we hope to realize virtually zero greenhouse gas emissions by 2050.	
5 Sustainable Procurement of raw materials <a href="#">➡P.62</a>	We will procure palm oil, paper, etc., ethically. Our action ranges from protection of forests and biodiversity to execution of corporate social responsibility by sustaining natural and labor environments and respecting human rights throughout all supply chains.	
6 Continuous strengthening of corporate foundation <a href="#">➡P.66</a>	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 for key issues (materiality) in sustainability

The Company formulated its sustainability policies and identified materiality in FY2021 and has been promoting initiatives in this regard. However, no specific materiality-related evaluation indicators and targets had been disclosed previously, which was considered to be an issue. The ESG Executive Committee, which was newly established in FY2022, has scrutinized and consolidated the themes of initiatives, as well as deliberated and formulated medium- and long-term targets for the material issues (materiality) in sustainability. Moving forward, we will continuously review materiality-related matters in consideration of the latest social conditions as well as the opinions and expectations of our stakeholders, while reporting on our progress.

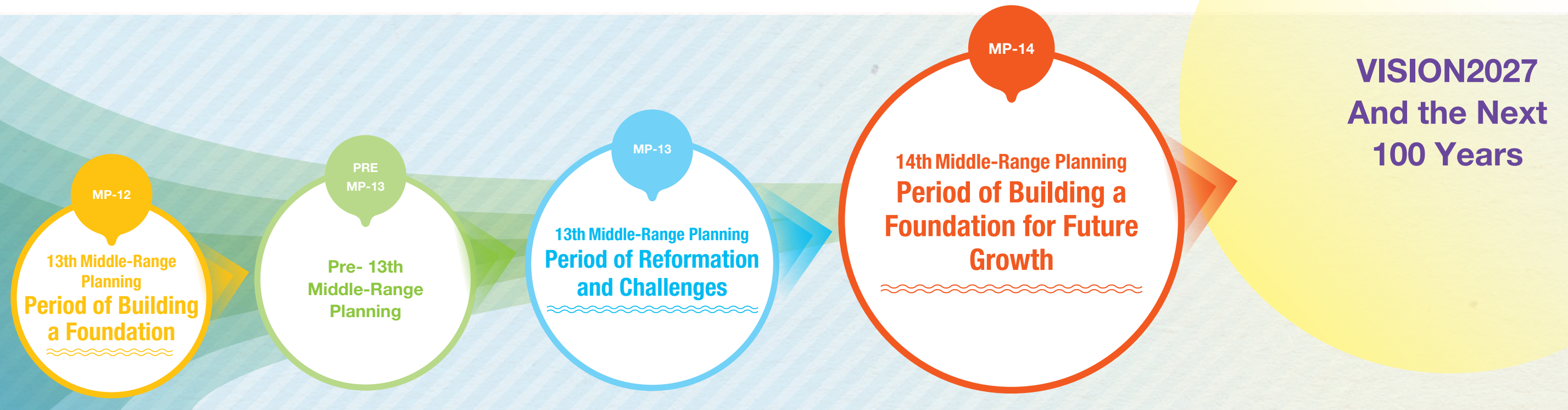
	Materiality	Themes of Initiatives	Evaluation Metrics	Medium to long-term targets		FY2024 Results
				Numerical target	Target Year	
Future challenges to be addressed by taking advantage of our strength and creating values	Creating an easy-to-start grooming culture	Strengthening our Dedication to Service (“Oyakudachi”) for consumers who actively express their individuality	Number of proposals on a new cosmetic field that “enables consumers to freely express their own individuality” or on consumer attributes	3 or more proposals per year	Each year	8 inquiries
			Number of proposals on new technology that contributes to solution of issues faced by consumers	A cumulative total of 35 proposals or more from 2021 to 2027	2027	23 proposals in total
		Developing human resources to create a new grooming culture	Code of Practices Rate of practice of the MANDOM PRINCIPLES	80% or more	2027	68%
	Expanding Dedication to Service to a diversity of consumers	Expanding our Dedication to Service	Number of challenges addressed to expand our distribution network	13 challenges or more attempts per year	Each year	102 inquiries
	Realizing mutual growth of employees and the company	Creating a culture that encourages employees to take on new challenges	Ratio of “active engagement employees” in a philosophy survey	38% or more	2027	20%
		Active engagement by diverse human resources	Employee engagement Ratio of women in managerial posts	81% or higher per year 20% or more (Mandom Corp. (non-consolidated))	Each year 2027	72% 14.8%
Issues to be addressed to realize a sustainable society and company	Actions for sustainable global environment	Promoting measures toward a carbon- free society	CO <sub>2</sub> emissions reduction (compared to FY2013) in Scope 1+2	CO <sub>2</sub> emissions reduction in Scope 1+2 in Japan and overseas: 43% or more compared to FY2013	2027	17.6% reduction
			Achievement of zero CO <sub>2</sub> emissions Group-wide	Completed preparation of scenarios for achievement of zero CO <sub>2</sub> emissions Group-wide by 2050	2027	Scope 3 emissions for overseas companies under calculation
			Fossil resource-based virgin plastics emissions reduction ratio	25% or more	2027	6.3%
		Eco-friendliness in products	Mandom Group standards-based eco-friendly products ratio	Eco-friendly products account for 90% of the Mandom products sold in Japan (meets internal standards)	2027	60.5%
	Sustainable procurement of raw materials	Waste reduction	Reduction rate of the use, weight, and dimensions of waste product and promotional item containers and packaging (Compared to FY2022)	65% or more	2027	23.3%
		Palm oil	Ratio of RSPO <sup>*1</sup> -certified palm oil among palm oil that is used as an origin of raw materials	Switching 100% of palm-derived raw materials used at the Fukusaki Factory to RSPO <sup>*1</sup> -certified palm oil (including book-and-claim compliance)	2026	61.5%
		Paper containers and packaging materials	Usage rate of FSC <sup>*2</sup> -certified paper for paper and containers and packaging, and recovered paper usage ratio	Switching completely to the use of FSC <sup>*2</sup> -certified paper/ recovered paper for paper containers and packaging	2027	94.0%
	Maintaining/ enhancing the corporate base	Providing safety, security and high quality	Number of complaints about quality	Serious complaints: 0	Each year	1 inquiries
		Safety and security of employees	Number of employees on long-term leave	Less than 10 (in Japan)	Each year	14
		Enhancing data security	Compliance with Cybersecurity Management Guidelines	Implementation of all ten important items	2027	73% attainment rate
		Pursuing the mission	Company-wide rate of Mission-based employee decision-making	80% or more	2027	65%

<sup>\*1</sup> RSPO: Roundtable on Sustainable Palm Oil (Round-table conference concerning sustainable palm oil)  
<sup>\*2</sup> FSC: Forest Stewardship Council® (FSC®N003667)



100th Anniversary Since Foundation, Growth Strategy for the Next Century

# 14th Middle-Range Planning (MP-14) (From April 2024 to March 2028)



## Basic Management Policies

The Group has formulated the MP-14 Middle-Range Planning Basic Management Policy based on the three axes of “Business,” “Function” and “Management Base (Group Management).”

### Basic Management Policy 1

Business	Implement structural reforms according to the growth stage of each business	Relevant Materiality See P.26
	<ul style="list-style-type: none"> <li>Challenge to improve profitability and acquire new growth engines in our Japan and Indonesia businesses ----- 1</li> <li>Achieve quantitative growth centered on the ASEAN area in international businesses ----- 1</li> <li>Expand and deepen customer touchpoints by establishing an EC system within the Group ----- 1</li> <li>Promote business activities that take into consideration responses to social and environmental issues ----- 3,4,5</li> </ul>	

### Basic Management Policy 2

Function	Conduct Dedication to Service (Oyakudachi) through value co-creation based on Consumer-led Lifestyle Value Creation	Relevant Materiality See P.26
	<ul style="list-style-type: none"> <li>Create and expand markets by providing products and services that resonate with consumers ----- 1</li> <li>Search for new businesses that will lead to the realization of well-being for consumers ----- 1</li> <li>Build a system for using customer data to create new value through digital transformation (DX) ----- 1,2,6</li> </ul>	

### Basic Management Policy 3

Management Infrastructure	Continuously strengthen management infrastructure to implement group management	Relevant Materiality See P.26
	<ul style="list-style-type: none"> <li>Improve organizational capabilities by maximizing human capital ----- 1,3</li> <li>Maximize management efficiency and further strengthen governance by improving the group management structure ----- 6</li> <li>Implement corporate branding aimed at establishing a global corporate brand image ----- 2</li> </ul>	

## Basic Management Objectives

Growth Potential	Consolidated Net Sales <b>¥100 billion</b> CAGR <b>8.1% or higher</b>	CAGR by business Japan 6% or higher Indonesia 7% or higher Other overseas 10% or higher
Profitability	Consolidated Operating Profit Margin <b>9.0% or higher</b> Consolidated ROIC <b>8.0% or higher</b>	ROIC = (NOPLAT <sup>*1</sup> + gain/loss from equity-method investments)/Invested capital <sup>*2</sup> <sup>*1</sup> (Operating income + interest income + dividend income) × (1 - effective tax rate) <sup>*2</sup> Borrowings + corporate bonds + lease liability + net assets [uses the average values of beginning and ending balances of the fiscal year]
Payout ratio	<b>40% or higher</b>	



## 14th Middle-Range Planning (MP-14) (From April 2024 to March 2028)

### MP-14 Each Business, Function, and CxO

The 14th Middle-Range Planning (MP-14) sets out to achieve “VISION2027,” our vision for the 100th anniversary of Mandom and is positioned as a “Period of Building a Foundation for Future” for subsequent sustainable growth. It places an even greater emphasis on promoting group management than before with the aim of increasing corporate value by expanding both economic value and social value.

We will maintain the matrix system comprising three businesses and six functions as with MP-13, while also introducing a CxO system to accelerate coordination between each business and function, which will build up our foundation as a group of people, regardless of nationality or gender, capable of cooperating and enhancing co-creation to increase corporate value as a single group known as Mandom.



### MP-14 Group Initiatives

The promotion of group management will begin in earnest from MP-14. Rather than taking the approach of single businesses and single functions, group initiatives will be addressed with coordination throughout the entire group.

MP-14 group initiatives are the top-priority challenges of MP-14 that were formulated in accordance with the Basic Management Policies and Basic Management Objectives.

#### Basic Management Policies

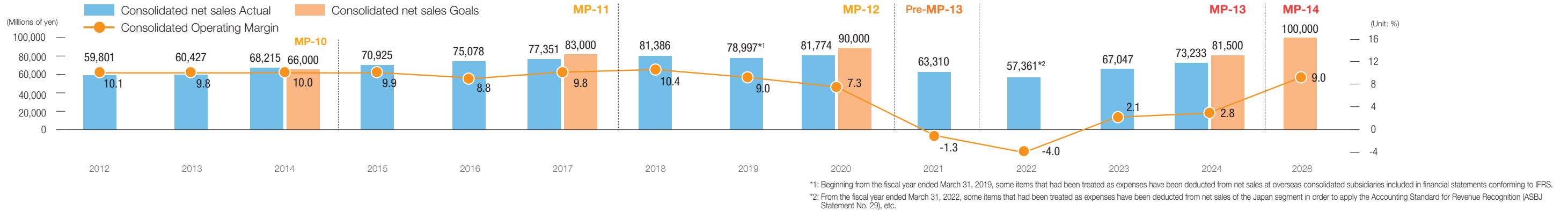
		Risk Management R								
		Related Businesses			Related Functions			Related Management Infrastructure		
		J	Id	In	M	T	SC	S	HR	F
<b>Policy 1. Implement structural reforms according to the growth stage of each business</b>										
Improving profitability in Japan and Indonesia and acquiring new growth engines	Reduce cost of sales ratio of Japan Business	○			○	○	○	○		○
	Reduce cost ratio of Indonesia Business		○		○	○	○	○		○
	Take on challenge of expanding share for women's skin care		○		○	○	○	○		
Achieve quantitative growth centered on the ASEAN area in International businesses	Expand scope of Oyakudachi (Dedication to Service) with value proposition of individual Overseas Business and entering new categories (increase sales per store)		○	○	○	○	○	○		
	Increase consumer touchpoints by leveraging product and brand strengths (increase number of stores available with products)		○	○	○			○		
Expand and deepen customer touchpoints by establishing an EC system within the Group	Establish communication model for increasing each country's customer experience value and conversion to fans	○	○	○	○			○		
Promote business activities that take into consideration responses to social and environmental issues	Consideration of new useful products that take sustainability into account	○	○	○	○	○	○	○		○
<b>Policy 2. Conduct Dedication to Service (Oyakudachi) through value co-creation based on "Consumer-led Lifestyle Value Creation"</b>		J	Id	In	M	T	SC	S	HR	F
Create and expand markets by providing products and services that resonate with consumers	Value proposition for products and services by creating new technologies capturing consumer wants, and enhancing and utilizing owned technologies	○			○	○		○		
	Aggressively propose and cultivate new men's brands with high expertise specializing in category x cluster	○	○	○	○	○	○	○		
	Expand the scope of women's business by proposing total beauty	○	○	○	○	○	○	○		
Search for new businesses that will lead to the realization of well-being for consumers	LP investment utilizing VC	○	○	○	○	○		○		○
	Creating new value through practical new business development	○	○	○	○	○		○		○
Build a system for using customer data to create new value through digital transformation (DX)	Increase sophistication of existing businesses and develop new businesses by capturing and leveraging customer data with the aim of increasing LTV	○			○			○		○
<b>Policy 3. Continuously strengthen management infrastructure to implement group management</b>		J	Id	In	M	T	SC	S	HR	F
Improve organizational capabilities by maximizing human capital	Develop group personnel system foundation by establishing group personnel headquarter function	○	○	○				○	○	
Maximize management efficiency and further strengthen governance by improving the group management structure	Establish and strengthen coordination of group management structure centered on CxO	○	○	○	○	○	○	○	○	○
	Promote initiatives for standardizing group accounting foundation	○	○	○				○		○
	Reduce international tax risks	○	○	○				○		○
Implement corporate branding aimed at establishing a global corporate brand image	Implement group branding activities by providing value from the "MANDOM" brand	○	○	○	○			○	○	



100th Anniversary Since Foundation, Growth Strategy for the Next Century

Look Back at Previous Middle-Range Planning (MP-10-13)

Consolidated Net Sales/Consolidated Operation Profit Margin



Positioning	MP-10 2011/4-2014/3	MP-11 2014/4-2017/3	MP-12 2017/4-2020/3	Pre-MP-13 2020/4-2021/3	MP-13 2021/4-2024/3	MP-14 2024/4-2028/3
	<b>"Only One" Company in Asia with Global Management Expertise</b> Focus on Dedication to Service (Oyakudachi) in Asia to accelerate growth in Group businesses	<b>Middle-Range Planning to Accelerate Growth and Cultivate New Business in Asia</b> Aim to establish competitive advantages by strengthening business expansion in major markets and increase sales volume by cultivating new markets and business fields	<b>Corporate Infrastructure Development for Realizing "VISION2027"</b> First of three phases to achieve "VISION2027" Aim to become a truly global company through proactive investments to strengthen marketing and internal controls	<b>COVID-19 Spread Countermeasures Single-year Plan</b>	<b>Theme</b> <b>Transformation and Challenges to Realize "VISION2027"</b>  <b>Management VISION Policy</b>  <b>1. Evolve and take on challenges in category strategy for the new normal; cross-company marketing transformation to improve brand value</b> ① Quickly construct cross-company structure that leads to accelerating growth in overseas and women's categories ② Improve value of global brands (GATSBY/Bifesta) across Asia ③ Improve quality and expand regions where Dedication to Service (Oyakudachi) is offered in the COVID-19 and the post-pandemic world  <b>2. Complete recovery of Indonesia business in a speedy manner and reform business model of overseas operations</b> ① Quickly build a structure and ensure its operation to solve the issues in Indonesia business ② Accelerate growth by strengthening alliances between overseas countries and marketing areas; improve management efficiency  <b>3. Shift to a company that creates new value through digitalization and open innovation</b> ① Achieve success in DX (digital transformation) resulting in the realization of wellness ② Create and expand new beauty and grooming culture that includes external knowledge  <b>4. Increase corporate value focused on sustainable management and evolve Dedication to Service (Oyakudachi)</b> ① Promote business expansion that contributes to solving social issues (ESG/SDGs) ② Advance capabilities to create unique values and improve corporate branding	
Basic Management Policies	<ul style="list-style-type: none"><li>● <b>Stable growth in men's grooming business, the Company's core business</b> Aim for stable growth as a core business; maintain and expand the market share in categories of the men's grooming segment.</li><li>● <b>Bolster the development of women's cosmetics business</b> Aim to strengthen and cultivate the rollout of products centered on skin care products, with the product lineups catered for the markets in each country where the operation of business is in place.</li><li>● <b>Continue strengthening overseas business operations with Asia as growth engine</b> Establish Indonesia and China as strategic markets and aim for proactive business expansion to establish the greater Asian market presence and improve the growth of the Group. In addition, construct distribution network and expand businesses in Indian and Indochinese markets, which have a future growth prospect.</li></ul>	<ul style="list-style-type: none"><li>● <b>Achieve sustainable growth in men's grooming business</b> Aim for sustainable growth as a core business; maintain and expand the market share in categories of the men's cosmetics segment.</li><li>● <b>Speed up the development of women's cosmetics business</b> Aim to speed up development in Asia with a product lineup customized to each country by focusing on the skin care and base makeup categories.</li><li>● <b>Continue strengthening overseas business operations as growth engine</b> Aim to expand the scale of operation by strengthening initiatives for Indonesian market as the major market and construct the foundation for developing markets, such as building a distribution network in China and Indochina.</li></ul>	<ul style="list-style-type: none"><li>● <b>Promotion of category strategies and thorough enhancement of brand value</b> (1) Develop a category into a robust pillar (2) Increase brand value</li><li>● <b>Improvement of growth in overseas business with a focus on Indonesia</b> (1) Indonesia: Provide greater Dedication to Service (Oyakudachi) for middle income class (2) Asian countries other than Indonesia: Promote marketing measures unique to each country by understanding consumer wants and achieve higher profitability</li><li>● <b>Building a group operation system and improving productivity per unit</b> (1) Increases in the decision-making accuracy and speed by building the Group's personnel affair system, accounting system, and information system, and building a structure to increase productivity per unit (2) Build a structure that allows the prompt formulation and implementation of strategy at operating companies</li></ul>			
Results and Issues	<ul style="list-style-type: none"><li>• The men's grooming business exceeded target growth rates mainly for "GATSBY" and achieved targets for consolidated net sales.</li><li>• The women's cosmetics business had sluggish growth in Japan and did not reach targets.</li><li>• The overseas business performed well, and the annual growth rate was 10%, exceeding the target.</li><li>• The consolidated operating margin was 10%, reaching the target.</li></ul>	<ul style="list-style-type: none"><li>• Although the women's cosmetics business reached the target growth rate due to growth of "Bifesta," consolidated net sales did not reach the target due to sluggish growth in the men's grooming business.</li><li>• The overseas business did not reach targets due to the impact of the factory accident in Indonesia.</li><li>• Consolidated operating income did not reach the target primarily due to net sales being below the planned level.</li></ul>	<ul style="list-style-type: none"><li>• We were able to execute just about all of the infrastructure development initiatives we should have executed.</li><li>• Net sales in men's business decreased due to the impact of reduced sales of summer seasonal goods due to poor weather in Japan in the fiscal year ended March 31, 2020.</li><li>• Women's business continued to reach the target growth rate due to strong performance of "Bifesta" and "PIXY."</li><li>• In addition to net sales being below the planned level, the injection of expenses associated with infrastructure development also contributed to the target consolidated operating margin not being reached.</li></ul>		<b>Results and Issues</b> <ul style="list-style-type: none"><li>• Recovery from the COVID-19 pandemic was delayed, and as a result, growth stagnated in Japan and Indonesia, causing the consolidated net sales to fall short of the plan.</li><li>• Both men's and women's cosmetics fell short of the target growth rates due to sluggish performance of "GATSBY" and struggles with "Pixy."</li><li>• In both Japan and Indonesia, intensified market competition left significant challenges for profitability.</li><li>• In Japan, we launched D2C products as a new channel and released a new brand for the first time in a while for existing channels.</li></ul>	

	MP-10		MP-11		MP-12	
Numerical Targets	(Numerical Targets)	(Actual)	(Numerical Targets)	(Actual)	(Numerical Targets)	(Actual)
Consolidated net sales	¥66.0 billion	¥68.2 billion	¥83.0 billion	¥77.3 billion	¥90.0 billion	¥81.7 billion
Men's Grooming BusinessCAGR <sup>1</sup>	3.2%	5.4%	5.2% or more	2.6%	3.0% or more	(0.6%)
"GATSBY" Brand CAGR	3.6%	5.9%				
Women's Cosmetics BusinessCAGR <sup>2</sup>	19.3%	11.8%	15.0% or more	15.9%	10.0% or more	11.1%
Consolidated Overseas Net Sales CAGR	9.4%	11.3%	11.4% or more	4.8%	10.0% or more	6.8%
Consolidated Operating Margin <sup>3</sup>	10%	10.0%	¥8.6 billion	¥7.6 billion	10%	7.1%
Consolidated Payout Ratio	40% or more	40.0%	40% or more	40.3%	40% or more	63.5%

\*1 \*2 Men's and Women's Business in MP-12

\*3 Operating income amount in MP-11

	Pre-MP-13	MP-13		MP-14
Numerical Targets	(Actual)	(Numerical Targets)	(Actual)	(Numerical Targets)
Consolidated net sales	¥63.3 billion	¥81.5 billion	¥73.2 billion	100 billion yen
Men's business CAGR		6.0% or more	2.5%	
"GATSBY" Brand CAGR				
Women's business CAGR		16.0% or more	7.1%	
Consolidated Overseas Net Sales CAGR		17.0% or more	12.9%	
Consolidated Operation Profit Margin	-0.3%	8.0% or more	2.8%	9.0% or more
Consolidated Payout Ratio	166.9%	40.0% or more	69.2%	40.0% or more
ROIC	-0.3%	7.0% or more	2.9%	8.0% or more

**Address Social Issues**

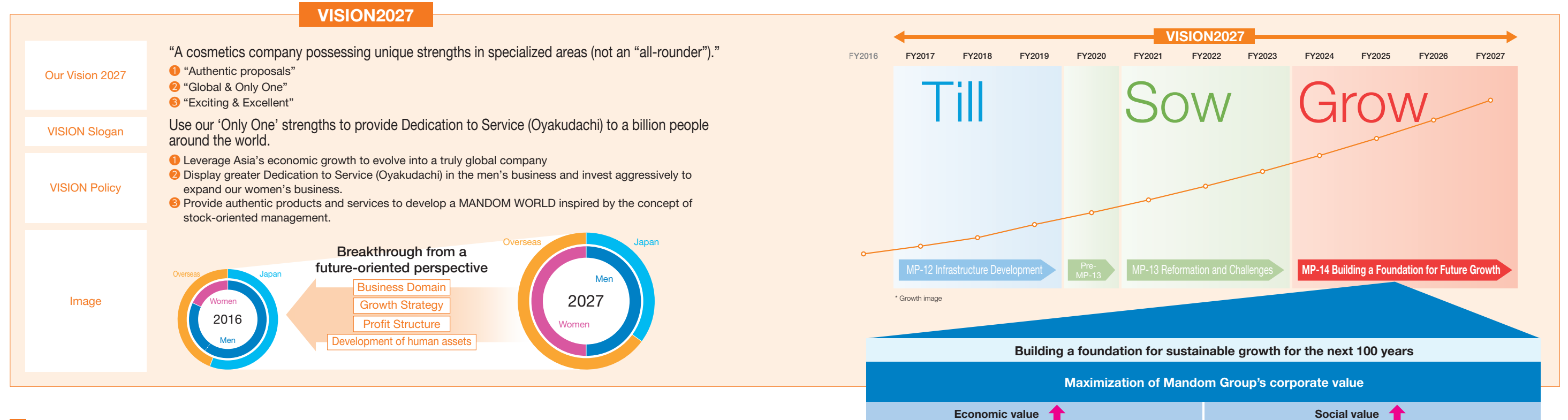
<b>Promote eco-friendly products</b>	
Japan	Response to environmentally friendly domestic products (in line with voluntary standards: 60%) <b>61%</b>
Indonesia	Usage of plastic packaging materials (Target: 10% reduction compared to FY2016) <b>45%</b>
	Amount of plastic waste (Target: 10% reduction compared to FY2016) <b>31%</b>



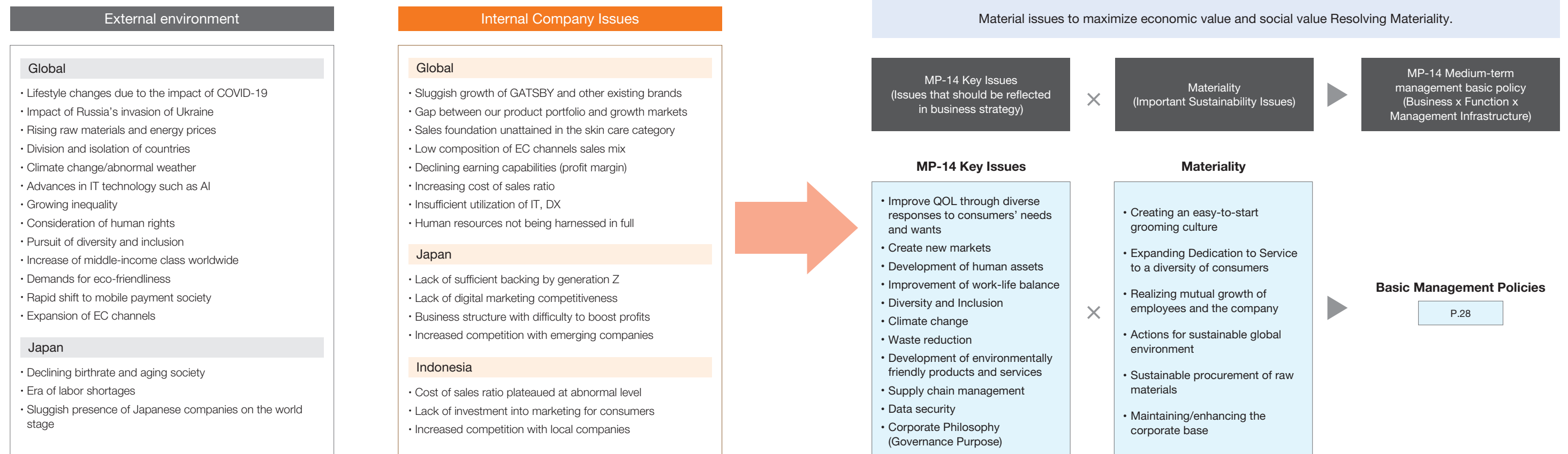
100th Anniversary Since Foundation, Growth Strategy for the Next Century

# Positioning of the 14th Medium-Term Management Plan “MP-14” and “VISION2027”

## Positioning of the 14th Medium-Term Management Plan “MP-14” and “VISION2027”



## Background of MP-14 Formulation (External Environment, Internal Company Issues)





# MP-14 Topic ①: Business Revitalization in Indonesia

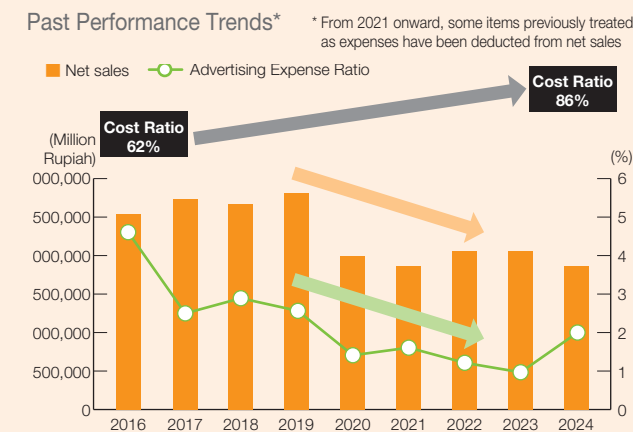
## Building a system for sustainable profit generation

In 1969, our company established a local subsidiary, P.T. Tancho Indonesia (now consolidated subsidiary PT Mandom Indonesia Tbk), in Jakarta, Indonesia, and we have focused on it as a key base for expanding the Mandom Group's overseas markets. We have integrated into the local community and actively developed and sold new products. Although there were tough times due to external factors such as politics and the economy, our business performance had been steady.

However, in recent years, in addition to intensifying market competition, the impact of the COVID-19 pandemic led to a decrease in net sales and a reduction in marketing investment in response, resulting in a decline in product competitiveness in the market. Furthermore, in FY2024, there has been a significant increase in returns of expired products, causing a substantial drop in business performance. Currently, we are advancing reforms to overcome this situation and rebuild a system capable of sustainably generating appropriate profits.

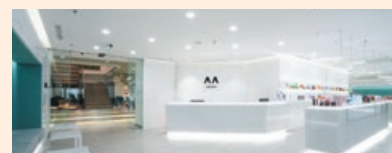
## With the normalization of a high cost ratio, a significant reduction in marketing expenses led to sluggish sales

Previously, we invested a certain amount in marketing expenses and steadily increased sales. However, due to increased depreciation from large-scale investment in a new factory, rising fixed costs from inflation including local wage increases, and decreased sales volume due to the impact of COVID-19, the cost ratio worsened significantly. Under these circumstances, we significantly reduced marketing expenses to balance profitability, and further curtailed the number of new product developments, which reduced our ability to reach consumers. As a result, brand image deterioration, lack of consumer awareness of new products, and decreased presence at retail stores ensued, and, combined with aggressive moves by competitors, led to a decline in sales. The decrease in sales led to a reduction in factory production volume, which in turn further worsened the cost ratio.



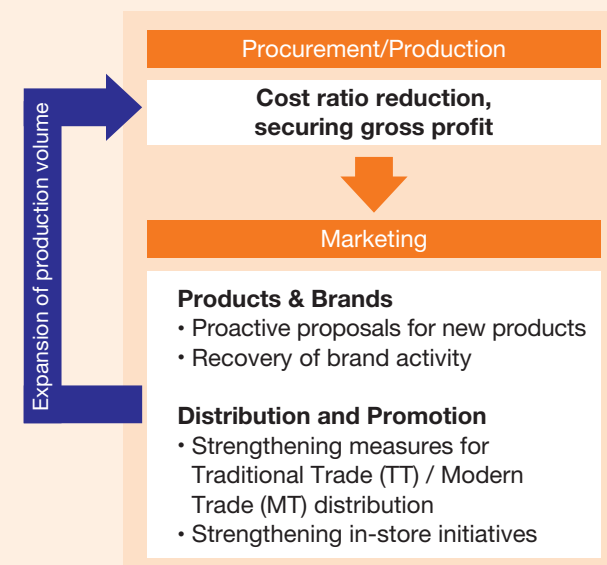
## Toward a positive cycle enabling investment in Seikatsusha (Consumers)

To solve the issue of a worsening cost ratio due to sluggish sales, MP-14 started by renewing all board members. First, while maintaining product quality, we are working to reduce the cost ratio by fundamentally reviewing raw material costs and packaging development, and reforming procurement and production systems in coordination with our Japan business. Furthermore, to enhance brand value and improve market competitiveness, we are actively investing in marketing and implementing measures in distribution and expanding in-store exposure. Ultimately, as sales recover, we will expand production volume, reduce the cost ratio, and make further investments to build a cycle toward a growth trajectory.



PT Mandom Indonesia Tbk Head Office

### Marketing-focused growth investment cycle



## Shift from PUSH to PULL

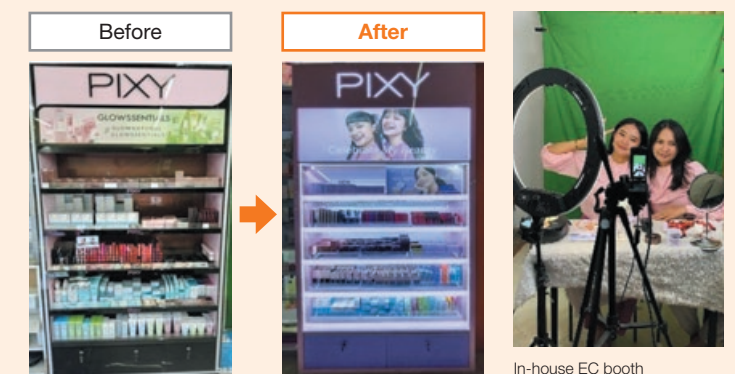
Currently, in order to acquire young users in Indonesia and establish a firm market presence, we have launched a new hair styling series from GATSBY, expanded deliveries to major convenience stores, and implemented advertising across various media. In conjunction with this, we are strengthening in-store initiatives at each store (ensuring regular product placement, displaying on the golden line, multi-faceted displays on end shelves, etc.), and actively launching new products in categories other than hair styling, such as fragrances, to further enhance the brand's presence. For PIXY, another core brand, we are redefining brand value and implementing rebranding, including renewing in-store fixtures and launching new products. We are launching new

series in base makeup, decorative, and skincare, and through advertising and in-store enhancements, we are reaching a wide range of Seikatsusha (Consumers). In developing new distribution channels, we have been strengthening our efforts in the rapidly growing e-commerce sector in recent years, implementing promotional measures on major e-commerce sites, developing toko online (e-commerce stores run by individuals or small businesses), and conducting live commerce from our in-house streaming studio, among other initiatives. Through these activities, we are working to maximize contact points with Seikatsusha (Consumers) and restore the activity level of each brand.

### GATSBY New Hair Styling Series Advertisement



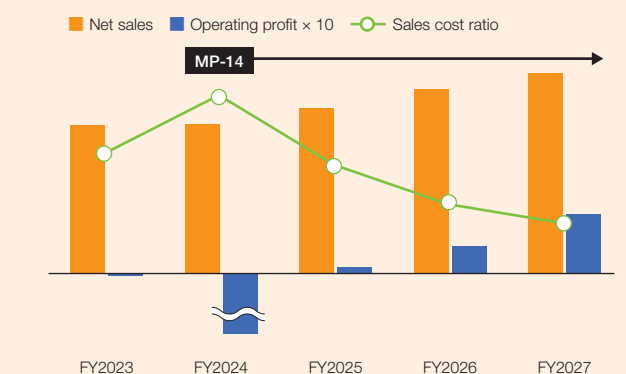
### Renewal of fixtures as part of rebranding



## Initiatives to break away from high cost ratios

To reduce the cost ratio, which has been an ongoing issue, we are strengthening collaboration between the Sales and Manufacturing departments (such as integrating sales initiative schedules), working to level production volumes by suppressing sudden fluctuations in production numbers, and striving to stabilize factory operating rates and improve production efficiency. Furthermore, we are horizontally deploying the use of robots, which had been implemented at the Fukusaki Factory in Japan, to further streamline work processes and review personnel allocation in the production area, thereby promoting cost ratio reduction. From fiscal 2025, we will fully launch the horizontal deployment of structural reforms for profitability improvement that started in Japan in the previous term, aiming for a sound financial structure.

### Indonesia Segment Four-Year Performance Trend Image (FY2024-FY2027)



MP-14 Topic ② Structural Reforms for Improving Profitability in Japan

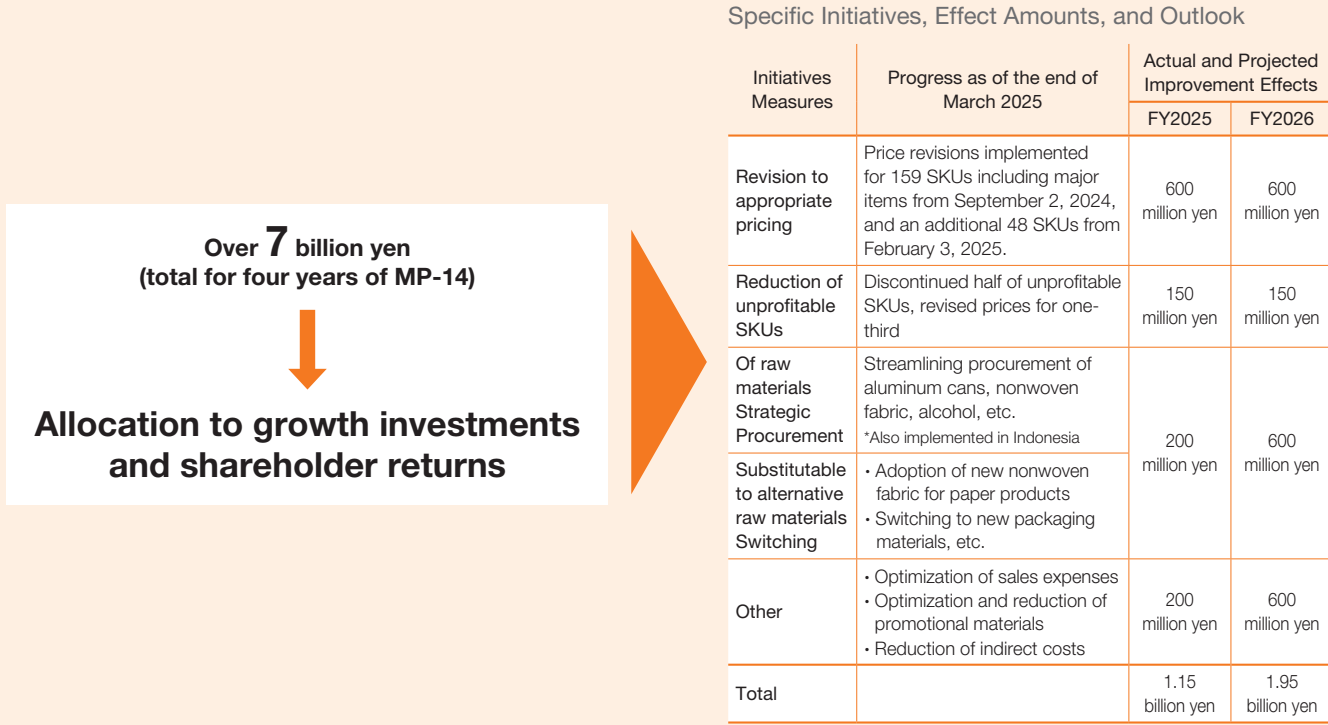
Background and Objectives

Upon completion of MP-13 and the start of MP-14, the most pressing issue for the Mandom Group was the deterioration of profitability in both the Japan and Indonesia businesses. In both segments, net sales have struggled to grow as initially planned, while many costs, especially raw materials, have surged, resulting in a continued rise in cost ratios, which has significantly squeezed profitability.

In MP-14, and to sustainably expand corporate value for the next 100 years and beyond, it is essential to generate solid earnings and secure resources to proactively invest profits in future growth areas. In this context, CEO Nishimura, driven by a strong belief that “we must change,” has taken the lead

as a transformative leader and, ahead of other segments, launched a cross-functional structural reform project in the Japan business from February 2024. This project is centered on not only addressing the management issue of improving profitability, but also on developing the human assets who will lead the next generation of Mandom by equipping employees with the skills and negotiation abilities needed to execute these reforms. The initiative is being promoted through nine workstreams (WS) across marketing, sales, technology, production, HR, and management strategy, with about 50 core members taking the lead and many employees participating in this company-wide effort.

Profitability improvement targets (including effects of reduced unit costs)



Status of workstream initiatives, achievements and challenges after one year

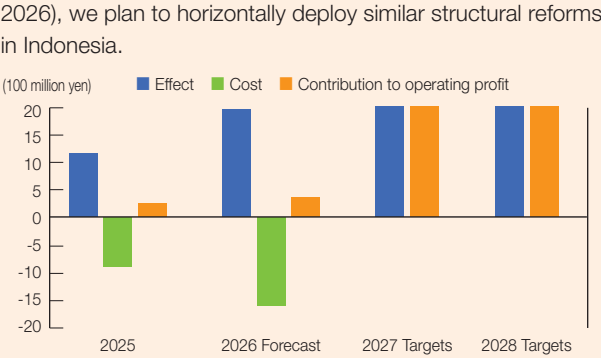
The main initiative of the Sales WS was “revision to appropriate pricing.” In the third and fourth rounds of price optimization implemented in September 2024 and February 2025, a total of 207 SKUs including core items, led by the “Moving Rubber” series, the main product of GATSBY, were subject to price revisions. In particular, the “Moving Rubber” series has been a star product since its launch in 2006, creating many fans while maintaining its original price and supporting the growth of the GATSBY brand. Therefore, in negotiations with distributors and retailers, we held repeated discussions before business talks and conducted detailed analysis and preparation to realize proposals that would benefit all parties. Persistent negotiations bore fruit, and we were able to gain understanding and rational agreement, achieving appropriate pricing. Our customers highly praised our price optimization efforts and detailed proposals, which

not only realized mutual benefit but also led to the growth of individual sales staff and the organization, as well as the creation of new strengths.

In the Procurement WS, we set priorities for each raw material category at the start, focused on specific categories, and succeeded in conducting actual cost reduction negotiations and achieving results in a short period of about three months. In the Technology WS, we have emphasized the quantity of ideas from the start, and based on those ideas, we have examined the content and amount of effect and formulated plans. We have continued to generate ideas, and in eight months, about 800 ideas have been produced. We also held study sessions on understanding the concept and framework of agile development, with the theme of next-generation “agile development,” and conducted discussions on these topics.

Annual structural reform project benefits and cost image

In the previous fiscal year (ending March 2025) and the current fiscal year (ending March 2026), although profitability improvement effects will be seen, necessary costs associated with structural reforms will arise, so the contribution to profits will be limited. However, from the fiscal year ending March 2027 onward, as these costs will no longer be necessary, operating profit is expected to increase dramatically, and the consolidated operating profit is also planned to grow significantly from the fiscal year ending March 2027 onward. Furthermore, from the current fiscal year (ending March



Results after one year

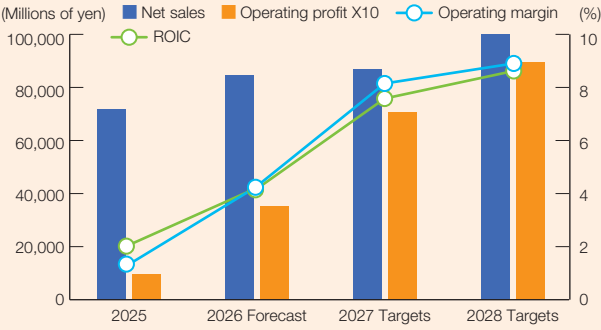
- Employees are proactively taking ownership and working on solving their respective issues. As a result, the tasks to be addressed are progressing as planned.
- While promoting these initiatives, we have also been implementing the necessary education and training in parallel, such as the “thoroughness” to always achieve goals and “negotiation skills” with business partners and customers, resulting in improved skills of individual employees and enhanced organizational knowledge.

Challenges after one year

- Although the tasks themselves have progressed as planned, due to a lack of accuracy in forecasting the timing of effects on performance at the time of planning, delays in the timing of impact on some PL items have been identified. Mainly regarding strategic procurement and switching of raw materials, the gap between task completion and actual reflection in cost of sales was larger than initially

expected. (Example: When switching to a new formulation, even if negotiations with suppliers are completed, if there is inventory of the raw materials used before the switch, procurement and production will occur after consuming that inventory, etc.)

- Regarding nonwoven fabric, changes occurred from the initial procurement plan due to external factors.





# MP-14 Financial Strategy

## Financial Strategy ~ CFO Message ~



Masanori Sawada

CFO  
In charge of Finance Div. and Investor Relations Div.;  
General Manager of Finance Div.

## We will promote corporate transformation to achieve significant profit growth.

FY2025 March Performance Overview Chart		Rate of change
	(Unit: million yen)	
Consolidated net sales	76,183	4.0%
Operating income	1,028	-49.1%
Ordinary income	2,180	-26.8%
Net income attributable to owners of parent	1,859	-28.5%

## Review of 14th Middle-Range Planning (MP-14)

For the fiscal year ending March 2025, net sales were 76.1 billion yen, operating profit was 1 billion yen, ROE was 2.7%, and ROIC was 2.0%. In the final year of “MP-14,” we have a plan for operating profit of 9 billion yen and ROIC of 8.0% or higher, and it was positioned as a year of intentional contraction in order to achieve a leaner financial structure and to make a significant leap forward from the second year onward.

“MP-14” is an aggressive plan that initially targets operating profit of 780 million yen in the first year (fiscal year ending March 2025), aiming to raise this to 9 billion yen by the fourth year (fiscal year ending March 2028).

The main points are (1) returning net sales to a growth trajectory, and (2) improving profitability as a group.

First, regarding sales growth, in the two overseas segments, there is ample room to expand net sales with existing brands, so we will expand sales by deepening our presence in each area’s market. We will actively make the necessary marketing investments to achieve this. Across the group, especially in Indonesia, we were forced to significantly curb marketing expenses after the COVID-19 pandemic, but we now see this as a turnaround phase and have resumed active marketing investments. We are also currently strengthening our development functions in Asian areas, including Indonesia. Our aim is to respond in detail to the differing characteristics and wants of Seikatsusha (Consumers) in each area. In Japan, while addressing categories with still low usage rates and growth categories with our existing brands, we are also working on proposing new brands, responding to D2C channels, and entering new fields such as beauty appliances. For some brands, there are gaps with the plan, so we will

continue to make necessary investments while closely monitoring acceptance by consumers.

Regarding profitability improvement, since the previous fiscal year, we have launched a company-wide structural reform project in Japan, focusing on procurement, production, marketing, and sales. This initiative is expected to improve profitability by about 7 billion yen over the four years of “MP-14.” In the previous fiscal year, we achieved a profit improvement effect of over 1.1 billion yen. Although there is a gap in the timing of the effects compared to the initial plan, we plan to continue improving profitability, mainly by expanding gross profit, and expect this to make a significant contribution to the expansion of operating profit from this fiscal year onward. Furthermore, from this fiscal year, we will roll out similar initiatives in Indonesia.

## Proactive allocation of funds for growth

Triggered by the decline in net sales due to the COVID-19 pandemic, our stock price has stagnated since 2021, and PBR has continued to fall below 1x, which is very disappointing for me as CFO. I strongly feel that, in addition to insufficient strength in business recovery, a major factor is that investors have not felt expectations for our company’s future growth. At the start of “MP-14,” we announced our capital allocation policy. Here, about one-third of the cash generated during the period will be allocated to investments in new business areas. One-third will be allocated to shareholder returns through dividends. The final is planned to be allocated to capital investments and IT/DX investments. In addition, we are actively considering M&A, utilizing borrowings separately from this generated cash. As mentioned earlier, initiatives in new business areas are underway, mainly in Japan. However, unfortunately, we have not been able to announce any M&A

Our main initiatives to expand PBR

## ROE Expansion initiatives

### Profitability Improvement

#### Structural reforms in Japan

- Revision to appropriate pricing
- Strategic procurement of raw materials
- Reduction of unprofitable SKUs
- Switchover to substitute raw materials

#### Business revitalization in Indonesia

- For core brands “GATSBY” and “Pixy”  
Reinforcement of marketing
- Initiatives to reduce manufacturing and production costs

#### Balance Sheet management

- Improving capital efficiency through share buybacks
- Review of appropriate cash on hand levels
- Consideration of optimal capital structure including borrowings
- Further reduction in cross-shareholdings



## PER Initiatives with a focus on expansion

### Future growth expectations

#### Initiatives and investments in new areas

- Strengthening initiatives for D2C channels
- Expansion of sales through external EC channels
- Expansion into Health, Cleanliness, Beauty and Fun areas related to cosmetics
- Strengthening collaboration with retailers
- Expansion of business areas in Asia

#### Strengthening existing channels

- Strengthening new brands for existing distribution channels: “ZFACE”, “Levätä”, “T/ME U”
- Sales recovery through rebranding of “GATSBY” and “Pixy”

#### Initiatives to reduce capital costs

- Strengthening group governance and risk management
- Enhancement of IR activities and disclosure information

## M&A

Targeting domestic and overseas brands and companies in categories with low existing sales composition

achievements. This is because our goal is not to conduct M&A for its own sake, but to search for deals that can reliably contribute to strengthening the portfolio of categories with low sales composition and acquiring new businesses related to Health, Cleanliness, and Beauty outside of cosmetics. ACG International, which we acquired through M&A in 2019, is now driving the “Other Overseas” segment, and a major factor in this success was the alignment of corporate culture and values with the Mandom Group. We will continue to carefully examine this point as we consider future M&A opportunities. We will steadily carry out these “MP-14” initiatives and first aim for a PBR of 1x or higher.

## Shareholder Returns Policy

We continue to set shareholder returns at a dividend payout ratio of 40% or higher. Over the past four years, while focusing on growth investments in new areas that will serve as a foundation for growth after MP-14, we have also maintained stable dividends, resulting in a dividend payout ratio close to 100% last fiscal year with an annual dividend of 40 yen. Dividends are planned to be increased significantly based on a 40% payout ratio in the third year in FY2026 and final year in FY2027 when profits are planned to greatly increase. We are closely monitoring the level of cash and cash equivalents on hand. Our company has a business structure that consistently generates cash, and since the investment for the expansion of the Fukusaki Plant in 2021, there have been

Unit: 100 million yen

Sales/CF (4-year plan)  265	Investment in new fields  1/3	• Advance investment into new brands • Full-scale entry into D2C business • Expand into new areas, advance investment
	Shareholder returns  1/3	• Ensure stable dividends during MP-14 • 40% or more payout ratio • Purchase of treasury shares determined with overall consideration
	Capital investment IT investment	
Sale of cross-shareholdings 15	Utilize debt according to the amount of M&A	
	M&A budget 200	• Categories with low existing composition • New businesses related to Health, Cleanliness, Beauty

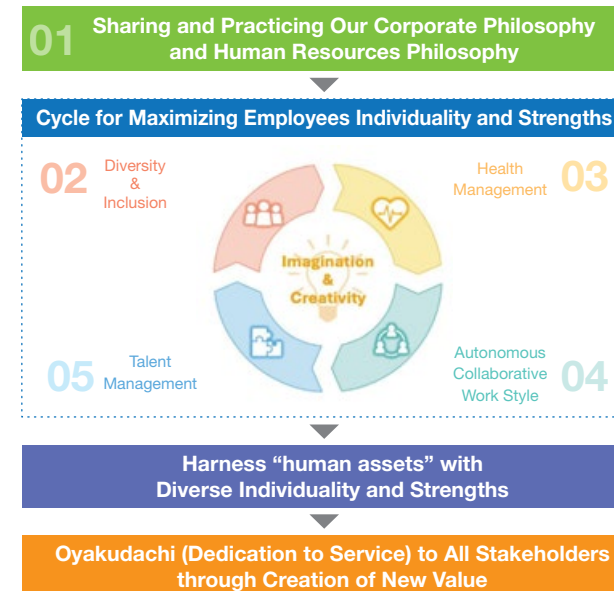
no large-scale investments, so we recognize that the level of cash and deposits is high. Cash and deposits will be prioritized for growth investments such as new businesses and M&A for the sustainable growth of our group, but if it is expected that the level of cash and deposits on hand will exceed expectations during the period, we will earnestly consider specific measures to enhance shareholder value. To this end, we request your continued understanding on this matter.

## 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

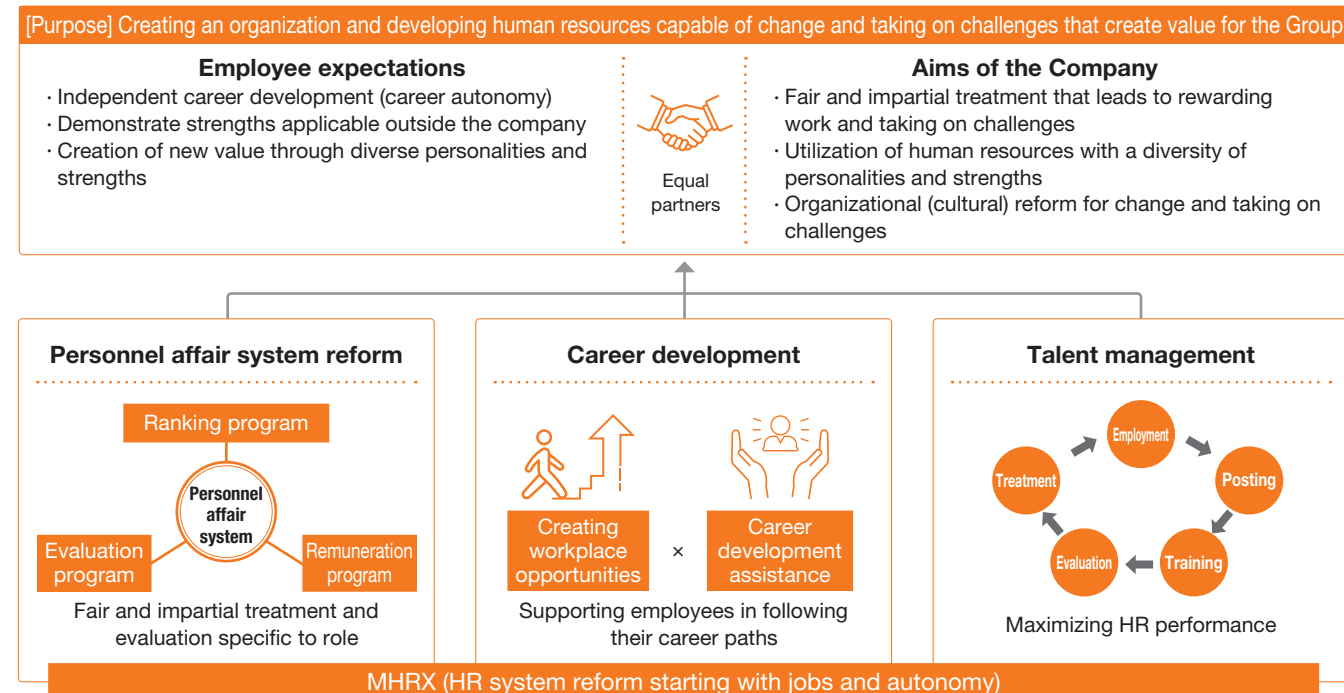


### MHRX (Mandom HR Transformation) Initiatives

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

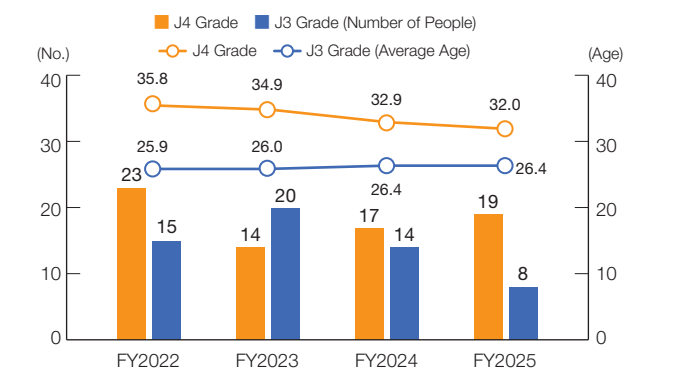


### Results of MHRX

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:

- To listen directly to the voices of on-site managers who actually operate the personnel affair system and clarify the issues
- 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.

- Visualization of skills held by employees
- 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.

#### 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

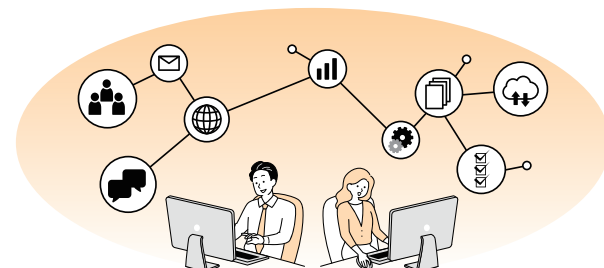
Q Did what you learned in the training help in your work?	A It was helpful	93%
Q How much time did you save in your daily work after taking the course?	A 10 to 30 minutes	41%
	30 to 60 minutes	28%
	More than 60 minutes	11%

#### 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.



**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.

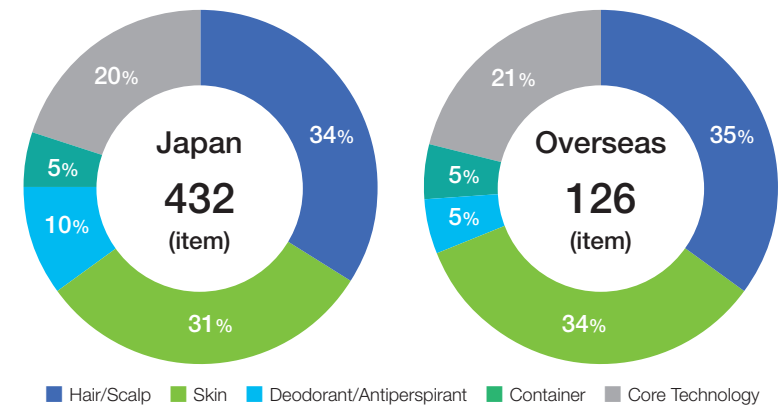
As of March 31, 2025, our company holds 432 registered patents in Japan and 126 overseas, and in particular, we are committed to developing **innovative technologies in key technical fields such as “Scalp and Hair,” “Skin,” and**

**“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 Patens (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  
Department  
Technology & Intellectual  
Property Group  
Manager



## Creating an Easy-to-start Grooming Culture

### Comittment

Based on our original concept of “Health, Cleanliness, Beauty and Fun,” that is, the basic parts of “Health, Cleanliness and Beauty” combined with “Fun,” we will offer unique, one-of-a-kind products and services, thereby providing excitement and exhilaration and helping consumers, who have diverse values, be who they want to be.

### Medium to long-term targets

Themes of Initiatives	Evaluation Metrics	Medium- to Long-Term targets		FY2024 Progress	Example of Initiatives
		Numerical Targets	Target Year		
Strengthening our Dedication to Service (“Oyakudachi”) for consumers who actively express their individuality	Number of proposals on a new cosmetic field that “enables consumers to freely express their own individuality” or on consumer attributes	3 or more proposals per year	Each year	8 inquiries	P.46
	Number of proposals on new technology that contributes to solution of issues faced by consumers	35 or more proposals in total from 2021 to 2027	2027	23 proposals in total	P.49
Developing human resources to create a new grooming culture	Rate of practice the Code of Conduct MANDOM PRINCIPLES	80% or more	2027	68%	—

We at Mandom aim to be a company that has a Dedication to Service (Oyakudachi) by proposing concepts born from the day-to-day lives of Consumers as genuine value through our “human-oriented” approach. In the age of VUCA, where the future is uncertain and complexity is increasing, we believe that proposing unique, one-of-a-kind products and services that meet the needs and wants of Consumers will lead to the realization of well-being for more Consumers and, in turn, to the sustainable growth of the company. Mandom has always been and will continue to be committed to our original concept of “Health, Cleanliness, Beauty, and Fun”—that is, the basic elements of “Health,” “Cleanliness,” and “Beauty” combined with “Fun”—and we will continue to serve Consumers through unique, one-of-a-kind products and services.

### Example of Initiatives 1

#### Creating New Value through New Brands

In recent years, the diversity of the needs, wants, and values of Consumers has been increasing, resulting in the emergence of numerous small mass markets. We are advancing marketing

innovations to address this, launching new brands to approach generations with new values and to acquire new targets as Mandom.

#### The new hair care brand “Levätä,” focusing on “head fatigue” among busy modern people

Modern Consumers are feeling both physically and mentally fatigued due to the use of digital devices such as computers and smartphones, their busy schedules at work and in their private lives, and the increasing complexity and diversity of communication with those around them. They feel things like “my head feels kind of heavy and dull” or “I just can’t shake off this haze,” and it has become clear that, amid their busy days, they are unable to secure enough rest time and are not satisfied with their performance.

Even in such busy daily lives, we are proposing a new hair care item that helps improve scalp condition, provides a pleasurable sensation as if the scalp is being loosened, and brings a sense of relaxation.



“Levätä” Site  
A new experience:  
Meditation Shampoo

#### Focusing on the time after a bath, “T/ME U (Time You)” is a new hair care brand that makes time your ally.

After a bath, it is the golden time for nurturing beautiful skin and hair. In the busy daily life, people tend to prioritize skincare and body care, but many consumers also want to pay more attention to hair care, treating it with the same care as skin. We focused on the post-bath time as an important moment for both skin and hair care.

Even without drying immediately after a bath, it keeps the moisture inside the hair, leading to smooth and manageable beautiful hair. We propose a new habit for women who want to make better use of their time and perform more meticulous hair care.



“T/ME U” site  
[Official] T/ME U Time U

### Strengths of Mandom 1

#### Only One Marketing

##### Proposing products that lower taboo lines to freely enjoy cosmetic actions

The Mandom Group pursues a unique marketing model in which we constantly interact with and give care to consumers. This is in order to meet their latent needs and wants and guide their discoveries and feelings under a marketing philosophy of “Only One Marketing through Consumer-led Lifestyle Value Creation.” We have been proposing new cosmetic behaviors and working on market creation to respond to the changing wants of consumers over time.

The “Fun” axis that Mandom considers includes perspectives

to help consumers experience “the joy of use,” “new discoveries,” and “ease of use.” Without being bound by stereotypes or current norms, we aim to make cosmetic behaviors freer and more enjoyable, offering proposals that allow consumers to pursue their individuality. Product proposals based on the “Fun” axis have lowered taboo lines for consumers and created new markets. This initiative is the practice of Mandom’s unique Only-One marketing and is connected to the realization of our corporate slogan, “BE ANYTHING, BE EVERYTHING.” We believe this leads to its realization.





## Creating an Easy-to-start Grooming Culture

### Strengths of Mandom 2

#### Men's Cosmetics

Achievements and knowledge in the men's cosmetics field

Overwhelming presence in men's cosmetics since Tancho and MANDOM

At Mandom's founding, we were known for Kintsuru Perfume. Mandom did not start out specializing in men's cosmetics. After launching hit products such as Tancho Tique and the MANDOM series, we began to establish a strong presence in men's cosmetics.

PIXY, a series of cosmetics centered around makeup, has been rolled out in Indonesia since 1987. Mandom also globally launched the Bifesta skincare brand in Japan and other Asian countries in 2011 onward. Both of these series have been performing well, experiencing expanding sales. However, even now the core brand of Mandom remains the men's GATSBY brand.

In order to satisfy the high expectations of male consumers, primarily in the long-selling GATSBY series and LÚCIDO cosmetic brand for middle-aged men, Mandom has invested people, resources, and money to continue tracking changes in every management resource, men's tastes and values. We possess the advantage of having continuously conducted proprietary research on men's hair and skin.

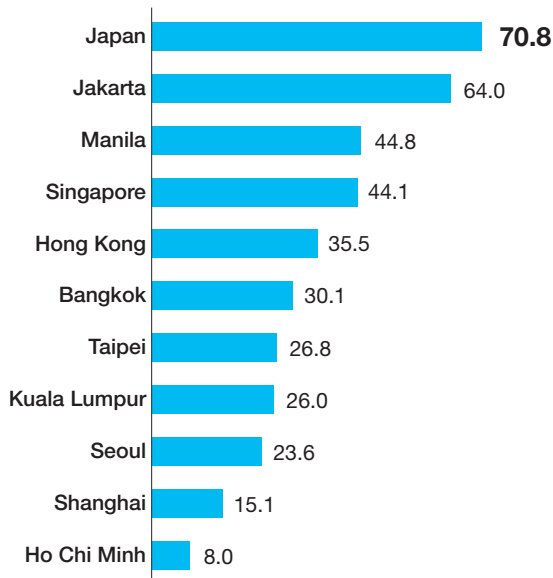
GATSBY, our men's grooming brand enjoying tremendous popularity in Asia

Born in 1978, for over 40 years GATSBY has continuously delivered an enjoyable grooming experience to young men in their teens and 20s in various Asian countries. We offer a wide range of products in a variety of categories for all grooming situations, from personal grooming to fashion, including hair styling, hair coloring, skin care, shaving, body care, and fragrances.

GATSBY is currently available in all of the 12 areas where Mandom does business, including Japan. Although GATSBY's brand philosophy is globally unified, different products are sold in Japan and other countries. Needs or wants and the standard of living of local consumers differ between Japan and overseas countries; therefore, the content and selling price of the products are designed differently for each country.

As a result of focusing on the young male in our business expansion in Asia, not just with products but also with communication and in-store points of contact, the name recognition of the GATSBY brand is high in many countries, and it has penetrated to the point of establishing a number one position in the hair styling market. With the spread of social media, we will continue to offer products and value that can help men realize their ideal selves, in line with their ever-increasing awareness of fashion.

GATSBY brand awareness in major Asian cities (%)



Survey by Mandom (2024)  
Consumers aged 16 to 25



### Strengths of Mandom 3

#### "Unique Research" and "Reliable Technology" to Respond to Consumer Wants

Conducting unique research to respond to diversifying consumer wants

The Mandom Group focuses particularly on the three areas of "Hair/Scalp," "Skin," and "Body Odor/Antiperspirant," advancing research and development. These areas have diverse states and consumer wants depending on differences in race, gender, age, lifestyle, climate, and culture. We are advancing wide-ranging research to respond to these diverse wants, from elucidating the structure and mechanisms of the human body to discovering ingredients and applying them to products.

As part of this initiative, the research group of Osaka University and our company established a new antiperspirant technology that suppresses sweat gland contraction movements, "putting sweat to sleep." The ingredient "Monoammonium Glycyrrhizinate (GMA)" acts on both thermoregulatory and emotional sweating, suppressing sweat volume by 40-60% compared to normal levels. While the conventional antiperspirant ingredient ACH (Aluminum Chlorohydrate) temporarily blocks sweat glands, GMA enhances sustainability and effectiveness through a different approach, expanding the possibilities of antiperspirant technology.

#### Hair/Scalp

As a sector, hair/scalp is considerably affected by the external environment surrounding consumers, such as climate and trends, as well as by consumers' own internal changes such as growing in age.

In order to continue to address the ever-changing, ever-evolving new wants and concerns of consumers, Mandom conducts research and development from the perspective of consumers to develop bold and revolutionary products.

#### Research Example

Realized perm-like hair arrangements by fastening fine crystal "spikes" atop hair

Our "GATSBY Meta Rubber Series" that we launched in February 2023 is a new form of hair styling product for young men who pursue efficiency and cost performance at an affordable price point. This series strikes a balance between setting power and ease of use. Among them, the product "GATSBY Meta Rubber Bubble Perm Style Creator" is revolutionary, allowing users to enjoy perm-like styles without actually getting a perm, even with straight hair, using easily spreadable foam. After evenly applying and blending the foam agent into the hair, it dries to form crystals called "spikes" that adhere to the hair, manifesting adhesive properties and a function that hooks hair strands together. This makes it easy to create the three-dimensional curls characteristic of perm styles. The short report on this technology, "Development of Styling Agents to Achieve Perm Styles Without Perm Treatment," received the "Encouragement Award" at the 26th SCCJ (Society of Cosmetic Chemists of Japan) Excellent Paper Awards. The Encouragement Award is given to research published in SCCJ journals in 2024 that is expected to develop further in the future.

#### Skin

Mandom has continuously conducted surveys and research related to the condition of skin in both men and women and has shown that there are unique conditions for the skin of each gender. In particular, regarding men, we have been conducting thorough investigations earlier than other companies in the cosmetics industry, identifying characteristics different from women. In recent years, we have also focused on the impact of skin condition on "visual impressions." Additionally, regarding women, we have researched the relationship between the menstrual cycle and skin condition, discovering new insights.

#### Research Example

Concealer is proven to instantly change the impression of the skin of middle-aged men by reducing the appearance of blotches, redness, and dry skin

In a joint study with Assistant Professor Koyo Nakamura and Professor Katsumi Watanabe of the School of Science and Engineering, Waseda University, it was found that the makeup effect of concealers tended to reduce the "noticeability of blemishes," "noticeability of scars," and "redness of skin," as well as the "apparent age." It was also found to have a stronger effect of reducing the appearance of blotches close rather than far away, meaningfully improve one's impression of leadership, and make one appear younger when the face was slightly tilted to the side rather than facing straight forward.

#### Deodorant/Antiperspirant

Body odor influences one's impression and plays an important role in achieving smooth communication. Understanding body odor and taking appropriate care is directly linked to a clean and comfortable life. We are engaged in research and development to propose products to help with various body odors, such as with the discovery of new body odors like the "middle-aged body odor" which had not been identified before and the development of technology to limit substances which are the source of body odor, including sweat.

#### Research Example

3D structure of sweat gland published in "Gray's Anatomy," the common anatomy textbook used worldwide

The (Mandom) Joint Research Program in the Laboratory of Advanced Cosmetic Science at the Graduate School of Pharmaceutical Sciences at Osaka University produced a new visualization of the detailed structure of human sweat glands and the blood vessel structure that is the source of sweat production. This image was published in the "Skin" part of Chapter 1 of "Gray's Anatomy." Based on this knowledge, if ideas that solve sweat gland disorders are born and our understanding of the basic mechanisms of sweat gland contraction and maintenance of homeostasis are deepened, this will not only help in development of the next generation of antiperspirants, but also contribute to medical developments through the elucidation and treatment of medical conditions related to sweat, such as heat stroke and hyperhidrosis.



## Expanding Dedication to Service to a Diversity of Consumers

### Comittment

We will respond appropriately to changing senses of consumption behavior of consumers and maintain an environment in which consumers can look and choose the products and services that serve and satisfy a billion customers on earth.

### Medium to long-term targets

Themes of Initiatives	Evaluation Metrics	Medium- to Long-Term targets		FY2024 Progress	Example of Initiatives
		Numerical Targets	Target Year		
Expanding our Dedication to Service	Number of challenges addressed to expand our distribution network	13 challenges or more attempts per year	Each year	102 inquiries	P.50, P.51

We will pursue “depth” in the form of brands, communications and categories as a means of dedicating ourselves to serving as many consumers as possible, combined with “breadth” of distribution, channels and areas for ensuring the satisfaction of as many consumers as possible, as we aim to become a global company capable of continuing to create strong ties. At Mandom, we will create new, unique value while keeping an eye on foreseen changes in our market environment and establish systems through which we can continue to provide that value to consumers through products, communication, and distribution as we aim to “use our ‘Only One’ strengths to provide Dedication to Service (Oyakudachi) to a billion people around the world.”

### Example of Initiatives 1

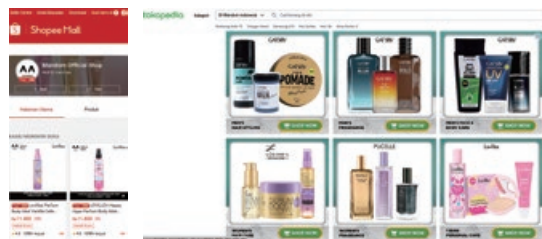
#### Approach to Indonesia’s EC market

In Indonesia, under conditions such as population growth and rising minimum wages leading to active personal consumption, and a population structure with many young people, smartphone penetration is rapidly advancing, especially in urban areas, with many consumers purchasing various products online. Furthermore, the Indonesian

government is promoting the development of digital infrastructure, supporting online businesses, and accelerating the growth of the EC market. Even in the future, this market is expected to grow further, and Mandom Indonesia will strengthen EC initiatives to expand consumer touchpoints.

#### Setting priority initiatives

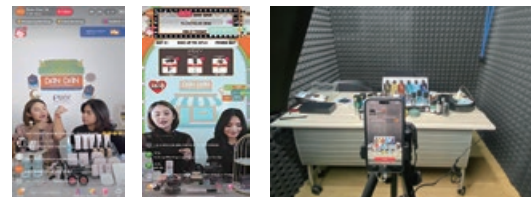
In the EC market, major sites like “Shopee” and platforms like TikTok maintain a certain market share and are expanding sales. Based on this situation, we are setting priority initiatives to build a foundation for expanding EC sales, implementing promotions and live commerce based on effectiveness, and expanding the deployment of official brand sites. On the other hand, “Toko Online,” where individuals and small-scale retailers sell online, is also growing. We are setting top-selling stores as priority stores, building relationships through local visits, and working on horizontal expansion of successful patterns identified through these efforts to other stores.



Deployment on EC sites

#### Strengthening marketing activities in EC

To introduce products, enhance understanding of their features, and generate buzz among targeted consumers, we are strengthening information dissemination through social media. One such initiative is actively deploying live commerce. We have set up a live streaming studio within Mandom Indonesia’s headquarters, refining content and timing based on previous broadcasts, and increasing broadcast hours to make live commerce more effective. Additionally, we are utilizing influencers who strongly impact consumer purchasing activities and deploying digital advertisements to expand sales.



Live commerce broadcasting and in-house studio

### Example of Initiatives 2

#### Evolution and History of “Tancho Tique” ~ Traditional Product with 92-year History Crafting New Markets ~

Mandom launched Japan’s first plant-based tique “Tancho Tique” in 1933, which swept over the market with its quality and lavender scent. By the following year it had become an extraordinary hit, claiming a 90% share of the market. Later, in 1958, a technical partnership company in the Philippines began operations and started local production. This went on to become the first overseas expansion in the cosmetics industry after the war, and represented a significant step for both Mandom and the industry as a whole.



An essential for daily life (excerpt from “Bungeishunju,” 1941)



Slicked-back hairstyle that is in fashion with celebrities overseas

“Tancho Tique” on sale on overseas EC sites

Over time, in 2022, “Tancho Tique” became a topic on social media as American celebrities used it to create tight “Slick Back Bun” hairstyles, increasing attention in the American market. Although exporting existing products was difficult due to raw material issues, we responded to local wants and launched “Tancho Tique Sakura Fragrance” for the U.S. market in November 2023. With a high ratio of female users in America, we added cherry blossom styling to the traditional crane design and “TANCHO” characters, with the content also made with a cherry blossom color for an adorable look. We continue to aim provide new Oyakudachi (Dedication to Service) with “Tancho Tique”, 92 years after release.

### Example of Initiatives 3

#### Hosting the first pop-up for the “aono” brand

The men’s organic cosmetics brand “aono” began sales on its own EC site in January 2024. To expand consumer touchpoints and product recognition, we opened the brand’s first pop-up store for a limited time. Consumers could experience the high-quality fragrance and texture of products

not available online, and the pop-up store expressed the brand message “Wisdom of Nature for Your Skin,” creating a space where consumers could feel nature even in the city, connecting to the proposal of experiencing the world of “aono.”

#### Event overview

##### ‘aono POP UP store at BEAMS NEWS’

- Period: March 24 (Mon) - April 4 (Fri), 2025
- Location: BEAMS NEWS (Inside NEWoMan Shinjuku, 2F, JR Shinjuku Station South Exit)

#### About “BEAMS NEWS”

Located in the station area on the 2nd floor of NEWoMan at Shinjuku Station South Exit, it is a concept store featuring re-edited apparel and goods from BEAMS labels based on periodically changing themes. As a new “newsstand,” it showcases items and concepts selected by BEAMS’ discerning eye.





## Expanding Dedication to Service to a Diversity of Consumers

### Strengths of Mandom 4

#### Overseas Expansion Focused on the Rapidly Growing Asia

The Mandom Group views overseas countries as markets rather than production bases. We have been engaged in overseas business with the policy to demonstrate Dedication to Service (Oyakudachi) to local consumers through our products. Our overseas expansion began with the commencement of operations at Tancho Corporation, our technical tie-up in the Philippines, in 1958. Later, in 1969, we established a subsidiary in Indonesia via a joint venture. Since then, we have continued to expand our area of operations, and today, we have 13 business companies in 11 areas in Asia. Furthermore, we export our products from Indonesia to more than 90 countries, including in the Middle East and Africa, via Dubai (UAE), which is a global trade hub.



Products sold overseas

Since our founding, there has been a spirit of spreading high-quality and best-value products at Mandom. In our overseas operations, we target the general public in each area. We are engaged in product development with a thorough emphasis on Consumer-led Lifestyle Value Creation for the consumers in each area, not getting caught up in what

products are popular in Japan. If there is a need or want among consumers, we will boldly take up the challenge to roll out products in various categories, regardless of whether we have experience with such categories in Japan, such as with the PIXY makeup brand in Indonesia.

Moreover, lifestyle types, income levels, and preferences about fragrances vary depending on the area. As of now, we have placed development hubs in Indonesia, Malaysia, China, South Korea, and other countries in order to offer products that match the preferences and buying power of consumers and have built a distribution network that makes it easy for general public consumers to acquire our goods. Through these and other efforts, we provide reasonably priced products and services that allow people to enjoy personal styling.



Products sold in Japan and overseas

#### Overseas Business Areas (The Company's overseas operations are reported in two segments: Indonesia and Overseas Other)



Products on sale at a store overseas

### Strengths of Mandom 5

#### Production and Supply System Which Seeks the Spread of High-Quality and Best-Value Products

##### Product supply system comprised of three manufacturing bases with different missions

The Mandom Group reinforces the concept of products through Consumer-led Lifestyle Value Creation in each Asian country we operate. Mandom has three manufacturing bases in Japan, Indonesia, and China in order to provide high-quality, reasonably priced products and services which fit the changing income levels, wants, and tastes and lifestyle of consumers in various countries.

Fukusaki Factory in Japan takes the lead of the Group as an innovation center with technological and production functions. It is the supply base to provide high quality "Made in Japan" women's cosmetics, including Bifesta, to Asian countries. Starting in February 2019, we carried out the construction of a new production building to meet the expected supply capacity, including domestic and overseas exports, by the time we reach VISION2027, the 100th anniversary of the Company's founding. Previously, there were some inefficiencies due to the transfer of items among five buildings between delivery of raw materials and shipping of finished goods. With the new production facility, each building is connected by a walkway that enables employees and raw

materials to pass indoors throughout, which has improved efficiency. We made the building's design environmentally friendly, aiming to obtain an A rating under the CASBEE<sup>\*1</sup> evaluation standard, and are also implementing IoT, AI, and robotization. Mandom is also working to enhance logistics by increasing the pallet loading ratio with improvements to the size and number of product cases, and pursuing a modal shift from trucks to rail and ship as a means of achieving greater efficiency and reducing environmental impact.

Our Indonesian factory, which serves as a global production center, has a production structure that allows it to manufacture high-quality, cost-competitive products. The factory primarily supplies ASEAN countries, but its global reach extends to many markets. Our factory in China primarily supplies products to the country's domestic market and provides additional production for the Group.

We are also taking efforts to construct a system to substitute, provide complementary production, and conduct shipping in cases when natural disasters or accidents occur at factories.

<sup>\*1</sup> CASBEE (Comprehensive Assessment System for Built Environment Efficiency): Methodology of evaluating and rating the environmental performance of buildings

#### Three manufacturing bases which support the Group



Fukusaki Factory (Japan)  
Production volume: 114 million units



Factory 1 (Indonesia)  
Production volume: 314 million units



Zhongshan Factory (China)  
Production volume: 12 million units

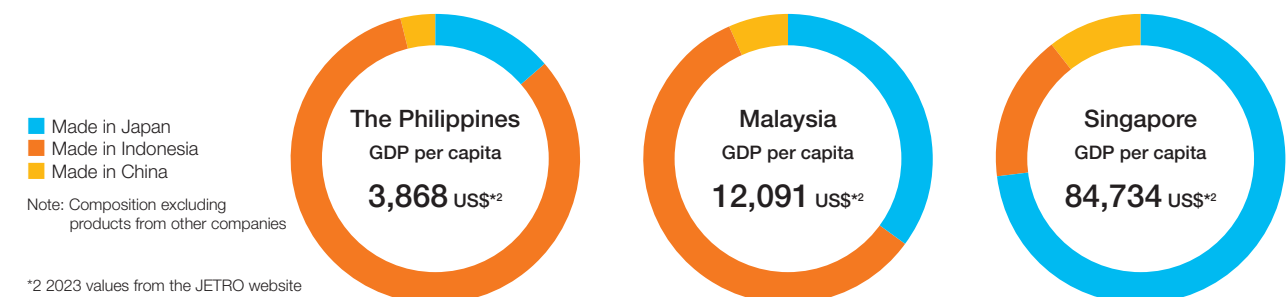
Note: Production volume based on FY2024 performance

##### Product supply system which fits various GDP levels and local requirements

Group companies in each country sell products with their own unique product mix; importing products from Japan, Indonesia, and some from China, tailored to the GDP levels of the countries, consumers' income levels, and lifestyles.

In each country, products produced in Japan are in a higher price zone, while products produced in Indonesia are in a more reasonable price zone and products produced in China are between those two zones. This makes it possible to arrange the best product mix for each country.

#### Comparison of net sales by manufacturing center



<sup>\*2</sup> 2023 values from the JETRO website



## Realizing Mutual Growth of Employees and the Company

### Commitment

By investing in the growth of our employees, we maximize the performance of our “human assets” with their diverse individuality and strengths, thereby expanding the scope of our Dedication to Service (Oyakudachi) to all stakeholders.

### Medium to long-term targets

Themes of Initiatives	Evaluation Metrics	Medium- to Long-Term targets		FY2024 Progress	Example of Initiatives
		Numerical Targets	Target Year		
Creating a culture that encourages employees to take on new challenges	Ratio of “active engagement employees” in a philosophy survey	38% or more	2027	20%	P.54
	Employee engagement	81% or higher per year	Each year	72%	P.54
Active engagement by diverse human resources	Ratio of women in managerial posts	20% or more (Mandom)	2027	14.8%	P.57

The Mandom Group upholds “Human Assetism” as one of the “MANDOM PRINCIPLES” in its corporate philosophy, consistently valuing all employees as precious “assets” since its founding. Based on this Human Assetism, the Mandom Group’s human asset philosophy, “Happiness for Individuals and the Company,” has been formulated.

Based on this HR philosophy, Mandom actively invests in the growth of its employees and aims to “realize mutual growth of employees and the company” by having all employees capitalize on their diverse individuality and strengths to perform to the best of their ability (individuals’ happiness), which in turn allows the company to grow and enhance their Dedication to Service (Oyakudachi) to society (Company’s happiness)

For this reason, the Mandom Group is promoting a variety of human asset initiatives based on this perspective of “mutual growth.”

### Example of Initiatives 1

#### Initiatives for creating a culture that encourages employees to take on new challenges

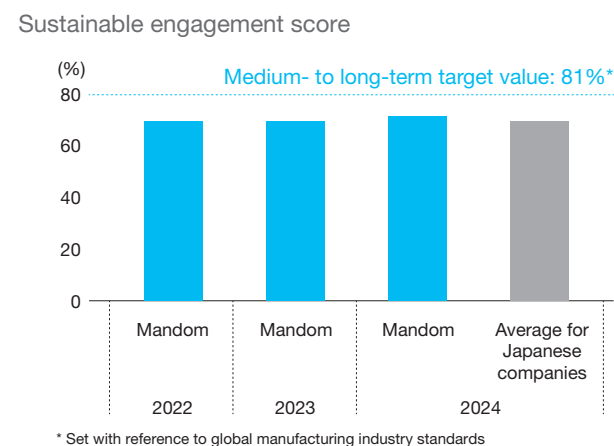
In addition to “Human Assets,” our code of conduct also includes “Challenge / Change / Innovation” and “Cohort of Employees,” and the Mandom Group focuses on “Employees who think independently, and act autonomously and proactively” so that group employees are able to contribute to society with Dedication to Service(Oyakudachi). Accordingly, the Mandom Group believes that a comprehensive understanding of the Group’s core philosophy and conduct based on this philosophy contributes to “greater job

satisfaction and employee engagement” of each and every employee. Based on this, we conduct the Mandom survey every year as part of efforts toward “Sharing and practicing our corporate philosophy and human resources philosophy” of our human capital management, and respond to the various issues that are evident in the results with the aim of fostering a greater understanding of and promoting empathy with the corporate philosophy amongst employees, and also boosting engagement further.

### FY2024 Mandom survey results and Group response

#### (1) Sustainable engagement

The “Sustainable Engagement” score across the entire Mandom Group showed a slight increase compared to the previous year. Although the situation varies by business, including company performance, success cases aimed at performance recovery have become evident within the Group, and there has been significant improvement in scores related to leadership among management, which had been a challenge. To further improve employee engagement scores, we will advance initiatives and measures based on the following results.



### Points that showed improvement compared to previous fiscal year

#### Leadership

Starting in FY2024, we have been advancing a structural reform project aimed at improving profitability, with its results beginning to manifest in the company’s performance for FY2024. Additionally, we regularly issue internal messages to convey not only the project’s initiatives and specific outcomes but also the daily thoughts of CxOs, which we believe have led to clear improvements in leadership scores. Notably, organizations with many members participating in the project have shown remarkable improvements in these scores, and we aim to continue sharing information company-wide through internal communication.

### Points that did show improvement compared to previous fiscal year

#### Collaboration/Communication

This category maintained the same score as the previous fiscal year. Similar to the leadership category, which showed clear improvement trends from the previous fiscal year, scores in this collaboration/communication category related to areas and departments involved in the structural reform project also improved significantly. This is considered a result of closer and more advanced collaboration among various areas to promote the project, leading to the creation of outcomes.

### Points of superiority compared with the Japanese industry average

#### Goals/targets

This category has been a continued strength for several years. We have been focusing on instilling our philosophy, which we believe has led to a high-level understanding of the spirit of Dedication to Service (Oyakudachi) in management strategies and functional strategies of the departments they belong to. We will continue to share thoughts with all employees and work together to achieve Dedication to Service for society through the creation of new value.

### Points of inferiority compared with the Japanese industry average

#### Post-survey initiatives

Regarding initiatives following the Mandom Survey conducted company-wide or by each organization, while there was a slight increase compared to the previous year, there remains a gap compared to Japanese benchmark values. In response to this situation, since last year, we have been working on internal communication to share survey results in a timely manner, express company policies based on survey results, and present and implement specific countermeasures more effectively.

### (2) Initiatives to improve engagement

In FY2024, based on the job-based personnel affair system introduced in the previous year, we strengthened initiatives from both human asset development and engagement improvement perspectives under the theme of “Understanding and instilling new personnel systems and directions for change among employees.” We believe it is important not to let personnel system and organizational structure reforms end as mere system changes but to root the system in the field, leading to understanding, acceptance, and autonomous actions by each employee. Among these, efforts to engage managerial staff responsible for daily management are indispensable for enhancing the effectiveness of reforms. In FY2023, we conducted training targeting department heads, promoting inter-departmental collaboration and fostering mindsets based on role expectations. In FY2024, we further developed these initiatives, focusing on “section manager-level” roles closer to the field, and implemented the following two measures.

(1) Line Manager (Section Manager) Training: We conducted a one-day intensive “Line Manager (Section Manager) Training” aimed at recognizing roles and applying management practices for section managers who play important roles as field management layers. This training covered various themes required for field management, including clarifying role expectations under the job-based personnel affair system, promoting understanding of evaluation systems, managing subordinates’ health from a health management perspective, and career support. Additionally, discussions and case studies among participants were incorporated to create a dialogue-based learning environment based on actual field challenges. This encourages section managers to shift from “understanding” the system to “operating it and becoming agents of change.”

(2) Individual Dialogue Sessions with Line Managers (Section Managers): To deepen mutual understanding between the field and the HR department regarding challenges and questions related to personnel systems faced by section managers in their management roles, we established one-on-one dialogue sessions. We believe this initiative not only enhances the practical effectiveness of system operations but also contributes to improving engagement among managerial staff. \*Details are provided in “Human Asset Strategy” (P.43), along with the organization and analysis of current challenges related to MHRX, so please refer to that section.

We will continue to provide opportunities for dialogue and learning to draw out the autonomy of each employee, beyond system design. By establishing a cycle where the field and HR, individuals and organizations grow together, we aim to strengthen the human asset foundation that supports transformation and challenges.

## Realizing Mutual Growth of Employees and the Company

### Structural reform project for improving profitability

#### Efforts in human asset development within structural reform

In the structural reform project aimed at improving profitability, we are continuously working on human asset development. Through human asset development, we aim to accumulate various skills and know-how as organizational knowledge, ensuring that profitability improvement is not a one-time event but a continuous effort. It consists of three axes: business skills to enhance job execution capabilities for all employees, leadership skills for managerial staff, and specialized skills tailored to each job type. To date, business skills training has been conducted in two types, totaling 32 sessions with 530 participants; leadership skills training in

three types, totaling 25 sessions with 154 participants; and specialized skills training in ten types, totaling 13 sessions with 312 participants. We believe these achievements are steadily reflected in the performance of our Japan business. Continuing these initiatives and achievements is important, and we aim to build a human asset development system equipped with execution power to keep transforming and challenging. From FY2026 onward, we plan to expand these human asset development initiatives not only in Japan but across the entire Group, practicing human asset development from a group-wide perspective.

Business skill training	Training to learn and practice business skills necessary for behavioral change required of all employees.
Leadership skill training	Training to learn and practice actions required of leaders who deliver results.
Specialized skill training by area/department	Training to learn and practice skills necessary for improving profitability in each area/department.



Training scenes: Aoyama



Training scenes: Nihonbashi



Training scenes: Headquarters

#### Comments from the person in charge

Through training, I strongly feel that the proactive learning and growth of each employee are becoming the vitality of the entire organization. Individual growth leads to the growth of the organization and company, and continuing to take on challenges without fear of change is essential for realizing the vision we aim for.

In this training, we focused on practical content by actively incorporating opinions from the field in specialized skill training by area/department. Additionally, in business skill training and leadership skill training, we introduced the concept of adult learning, deepening learning through teaching colleagues. These initiatives are major features of this training and points I particularly emphasized as the person in charge.

I hope this will serve as a starting point for further embedding a culture of mutual learning. We aim to continue fostering an environment where employees stimulate and elevate each other, nurturing a corporate culture that keeps transforming. We believe that the challenges and growth of each employee will become the driving force for shaping the company's future.



Midori Katayama

Human Resources and General Administration Division, Human Resources Planning Section

### Example of Initiatives 2

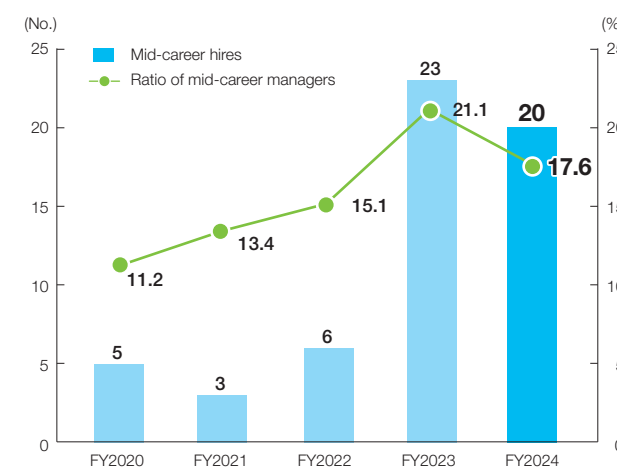
#### Initiatives for active engagement by diverse human resources

The Mandom Group places particularly high importance on initiatives related to "Diversity and Inclusion" as part of Human Capital Management. This is because we view the role of "Human assets with diverse individuality and strengths" as essential for sparking innovation for the

#### Acquisition and retention of career hires for business growth

While placing human asset development within the company as the foundation, we are actively acquiring career hires with skills not available internally to realize Dedication to Service (Oyakudachi) in response to rapid societal changes. From the perspective of "work history," we believe career hires bring ideas and perspectives not found in Mandom, considering them as an important aspect of diversity for creating innovation. Since last year, we have implemented onboarding measures to help career hires quickly adapt to the company culture and fully demonstrate their abilities, including unique initiatives such as "exchange 1on1" with key persons from other areas connected through work and the "buddy system" for close consultation and support, which have been well-received by career hires. We are also advancing initiatives to ensure career hires settle into Mandom, combining the company's accumulated assets with new ideas and perspectives from career hires to create new value.

#### Career hiring

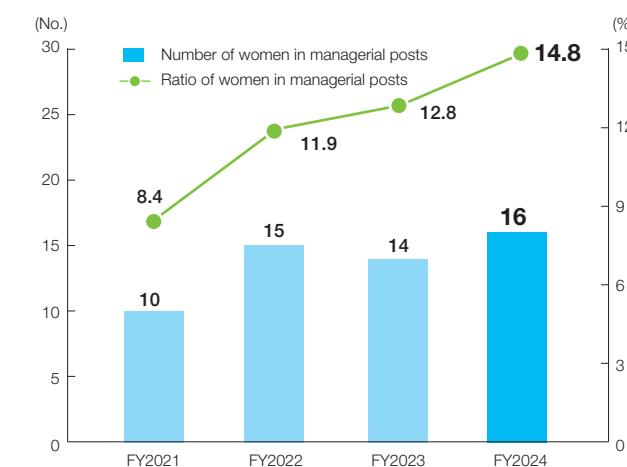


Oyakudachi (Dedication to Service) that the Mandom Group aspires to provide. To this end, the Mandom Group will seek human resources with diversity in the four areas of "Cultural background," "Career history," "Gender," and "Age" from the stance of sparking innovation.

#### Promotion of women's empowerment

Mandom is also focusing on promoting the advancement of women, with the aim of making the workplace more comfortable and rewarding for female employees. We are focusing on career development for female employees in particular from the perspective of job satisfaction. By raising career awareness and promoting networking among female employees through participation in career design forums and other sessions, we are promoting the creation of an environment in which each employee can more readily leverage their individuality and strengths. We are also actively promoting women to management positions, based on the viewpoint of diversifying human resources at the decision-making level. At the beginning of FY2025, we achieved the target of a 20% ratio of female managers, but we will continue this initiative to ensure women are involved in important decision-making and promote business with diversity perspectives.

#### Ratio of women in managerial posts





## Actions for Sustainable Global Environment

### Commitment

Switching over to a recycling-based society in our view, we will take measures to reduce our environmental burden at all stages of the life cycle of products, including less dependence on plastics. Regarding reduction of greenhouse gas emissions, we hope to realize virtually zero greenhouse gas emissions by 2050.

### Medium to long-term targets

Themes of Initiatives	Evaluation Metrics	Medium- to Long-Term targets		FY2024 Progress	Example of Initiatives
		Numerical Targets	Target Year		
Promoting measures toward a carbon-free society	CO <sub>2</sub> emissions reduction (compared to FY2013) in Scope 1+2	CO <sub>2</sub> emissions reduction in Scope 1+2 in Japan and overseas: 43% or more compared to FY2013	2027	17.6% reduction	P.58
	Achievement of zero CO <sub>2</sub> emissions Group-wide	Completed preparation of scenarios for achievement of zero CO <sub>2</sub> emissions Group-wide by 2050	2027	Scope 3 emissions for overseas companies under calculation	P.58
	Fossil resource-based virgin plastics emissions reduction ratio	25% or more	2027	6.3%	P.61
Eco-friendliness in products	Mandom Group standards-based eco-friendly products ratio	Eco-friendly products account for 90% of the Mandom products sold in Japan (meets internal standards)	2027	60.5%	P.61
Waste reduction	Reduction rate of products and promotional items (Compared to FY2022)	65% or more	2027	23.3%	P.60

Environmental issues such as climate change and plastic marine pollution are becoming increasingly severe. The Sixth Assessment Report by the IPCC (Intergovernmental Panel on Climate Change) concluded that “It is unequivocal that human influence has warmed the atmosphere, ocean, and land,” and that human activities are reflected in the frequent occurrence of extreme phenomena such as heat waves and heavy rainfall. Environmental awareness among stakeholders, including consumers and investors, is rising, and we recognize this as an important factor affecting the sustainability of our future business. We believe that promoting initiatives for the global environment as a company leads to enhancing corporate value.

### Example of Initiatives 1

### Disclosure based on TCFD<sup>\*1</sup> recommendations

As a corporate citizen, while contributing to society, we aim to evolve Dedication to Service (Oyakudachi) and create corporate value through our core business, positioning climate change response as a critical management issue. As part of this, in June 2022, we expressed support for the recommendations of the “Task Force on Climate-related Financial Disclosures (TCFD).”

<sup>\*1</sup> TCFD: Task Force on Climate-related Financial Disclosures

### Governance

We position climate change response as a material issue in sustainability management and as one of the themes for materiality initiatives. We have formulated medium- to long-term goals related to climate change<sup>\*2</sup> and are discussing them in the Sustainability Committee<sup>\*3</sup> (composed of management) and its subcommittees. These contents are submitted to the Management Council and the Board of Directors’ Meeting, where monitoring and deliberation ensure appropriate supervision and strengthened governance.

<sup>\*2</sup> Medium- to long-term targets for key issues (materiality) in sustainability  
Please refer to P.27.

<sup>\*3</sup> See P.25 “Sustainability Promotion System.”

Using the TCFD framework, we are working to strengthen governance related to climate change and conducting scenario analysis that reference scenarios presented by various initiatives, such as the 1.5°C and 4°C scenarios. We continuously evaluate the financial impacts of risks and opportunities arising from climate change on our business.

### Strategy (Opportunity and Risk Analysis)

Depending on the status of warming prevention measures, a number of conceivable scenarios are present with respect to the issue of climate change. Using a variety of data as a reference, the Group examines transition risks and physical risks in its business management while referring to scenarios for 1.5 °C and 4 °C<sup>\*4</sup>, both of which are considered representative average temperatures. We will analyze risks and opportunities as well as their impact and aggressively tackle them as they pertain to the effects on our Dedication to Service (Oyakudachi) through the products that constitute our business domain.

External Site

<sup>\*4</sup> Examples of various scenarios used as a reference

AR6 Synthesis Report: Climate Change 2023  
IPCC > World Energy  
World Energy Outlook (WEO)  
2022: International Energy Agency (IEA)

### Risk Management

Under the Sustainability Committee, after examining of impact on our business activities pertaining to climate-related opportunities and risks at meetings of related committees, we ascertain the situation in the entire Group and examine response. Through deliberation and approval by the Sustainability Committee and reports to the Management Council and the Board of Directors, we manage progress in each material issue (materiality) and target. Additionally, regarding emission results, we calculate CO<sub>2</sub> emissions (Scope 1+2) originating from energy and electricity used by the entire group 2 and CO<sub>2</sub> emissions (Scope 3) in the value chain of our Japan business annually, managing progress toward targets<sup>\*5</sup>.

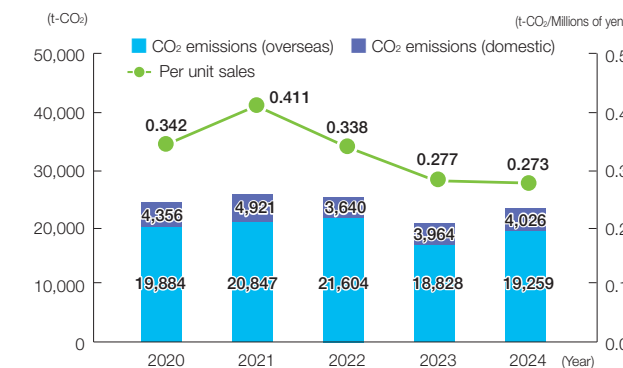
<sup>\*5</sup> Trends over five years in environmental data for the Mandom Group – Supply chain emissions in Japan

Five-Year Trends in Environmental Data for the Mandom Group  
Supply Chain Emissions in Japan

### CO<sub>2</sub> emissions in business activities

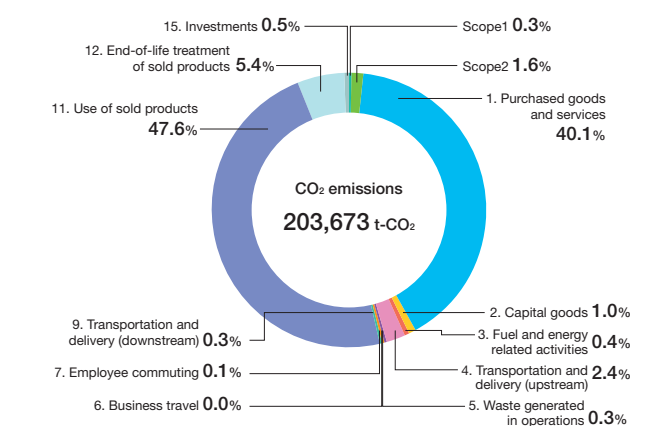
CO<sub>2</sub> emissions (Scope 1+2) in Japan and overseas for FY2024 were 23,285 tons, a 17.6% reduction compared to FY2013. However, compared to the previous year, there was a 2.2% increase.

### Trends in CO<sub>2</sub> emissions (Scope 1 + 2 in Japan and overseas)



### Calculation of GHG emissions for the entire value chain

Since FY2018, we have started calculating greenhouse gas emissions across the entire value chain based on the “GHG Protocol Scope 3 Standard.” Our calculations show that more than 90% of greenhouse gas emissions fall under Scope 3 and we were able to see that emissions were particularly large in Category 1 (Purchased goods and services) and Category 11 (Use of sold products). In addition to improving the accuracy of future calculations, we will strive to reduce our environmental impact throughout the value chain, such as by developing environmentally friendly products that can help reduce emissions in the categories detailed above.



Calculation target: Japan Calculation target period: April 2024 - March 2025

### Indicators and Targets

In order to realize a sustainable society, we at Mandom are moving to ascertain our GHG emissions (in Scopes 1, 2 and 3). Believing that addressing the matter with further speed is of the essence, in addition to the long-term targets that we formulated, we formulated medium-term targets aimed at achieving the long-term counterparts in December 2021. As a Group-wide initiative, we formulated an initiative roadmap for risks and opportunities based on scenario analysis that we performed in 2022, and are currently implementing that roadmap.

### GHG emission reductions in the Group

- Long-Term targets**
  - Aiming to achieve zero CO<sub>2</sub> emissions Group-wide in FY2050
- Medium-Term targets**
  - Aiming to reduce CO<sub>2</sub> emissions in Scope 1 + 2 in Japan and Overseas by 46% or more compared to FY2013 by FY2030
  - Aiming to reduce CO<sub>2</sub> emissions in Scope 1 + 2 in Japan and Overseas by 43% or more compared to FY2013 by FY2027

### Related targets: Eco-friendliness in products

- Long-Term targets**
  - Turning 100% of products marketed by the Mandom Group into eco-friendly products by 2050
- Medium-Term targets**
  - Turning 90% of Mandom products marketed in Japan into eco-friendly products by 2027

## Actions for Sustainable Global Environment

### Road Map for Initiatives Related to Risks and Opportunities

Scenario	Classification	Risks and opportunities	FY2023	FY2027	FY2030	FY2050
1.5 °C scenario	Transition risks	<ul style="list-style-type: none"><li>• Introduction of/rise in carbon tax</li><li>• Rise in energy costs for renewable power</li></ul>	Reduction of CO <sub>2</sub> emissions by 43% in Scope 1 & 2		Net zero CO <sub>2</sub> emissions * Including Scope 3	
			Reduction of CO <sub>2</sub> emissions by 46% in Scope 1 & 2			
	Opportunities	<ul style="list-style-type: none"><li>• Cost resulting from transition from packaging materials and plastic products to “sustainable products”</li><li>• Decrease in earnings and increase in business costs resulting from changes in the market</li></ul> <ul style="list-style-type: none"><li>• Cost reduction, revenue increase, asset value increase, etc. resulting from development of new products and technologies</li><li>• Increase in earnings and enhancement of market competitiveness resulting from incorporation of consumer preferences</li></ul>	Promotion of eco-friendly products (Rate of eco-friendly products sold in Japan: 90% by 2027 ➡ 100% by 2050)			
4 °C scenario	Physical risks	<ul style="list-style-type: none"><li>• Disruption of supply chains due to damage to suppliers</li><li>• Risk of suspension of business activities due to water shortages resulting from heat waves or droughts</li></ul>	Creation of supply chain from perspective of BCP (Business Continuity Planning)			

#### Status of Initiatives

In FY 2024, additional solar panels were installed at the Fukusaki Factory. However, due to increased production volumes in both Japan and Indonesia, CO<sub>2</sub> emissions (Scope 1 + 2) in Japan and overseas increased by 2.2% year-on-year. Regarding our efforts to make our products environmentally friendly, we are expanding our range of eco-friendly products, and as of the end of FY 2024, 60.5% of Mandom products sold in Japan were environmentally friendly. To respond to changes in consumer value in the market due to rising outside temperatures associated with climate change, we are rolling out products utilizing our unique "Kai-tech technology" and engaging in the application of advanced sweat gland research.

#### Using Renewable Energy

Solar panels installed at Fukusaki Factory and two factories in Indonesia



Fukusaki Factory  
Solar panels on the roof of a new production building

Factory 1 (Indonesia)  
Solar panels on the roof of the factory

Factory 2 (Indonesia)  
Solar panels on the roof of the factory

#### Example of Initiatives 2

### Initiatives for reducing returned waste

We are working to reduce product returns as part of our waste reduction efforts. Initiatives we have developed with retailers have led to a reduction in inventory by stopping orders at appropriate timing and utilizing markdowns. We also work with our distributors to manage inventory and prevent

#### Products utilizing "Kai- tech technology"

GATSBY  
Space Shower Wipes  
For scalp/body

Mandom Happy Deo  
Body Sheet Super Refreshing/  
Extra Cool



#### "Kai- tech" technology

Mandom has focused on sensory stimulation of the skin as a way of improving the function and feel of cosmetics, and to this end is engaged in research harnessing skin sensation sensor TRP channels (Transient Receptor Potential channels). "Kai-tech Technology" is Mandom's proprietary technology that harnesses this knowledge to thoroughly pursue greater comfortable upon use. "GATSBY Space Shower Wipes for Scalp/for Body" features technology that is able to provide a cool, comfortable sensation even in environments where alcohol cannot be used, based on the cool, pleasant sensation provided by the existing "Kai-tech technology" developed for use in space.

#### Products born from advanced sweat gland research

(Left) GATSBY EX Premium Type Deodorant Roll-On Unscented (Quasi-drug)

(Right) GATSBY EX Premium Type Deodorant Spray Unscented (Quasi-drug)



#### Example of Initiatives 3

### Eco-friendliness in products

We place eco-friendliness as one of our product values and promote efforts to create value that empathizes with society in accordance with the Mandom Group Eco-Friendliness Product Standards. As part of our effort, we have adopted our own eco-friendly product standards alongside medium-to long-term targets. We will promote efforts to make eco-

friendly products in aid of achieving sustainability across society while checking progress toward our targets. These standards will be updated on an ongoing basis, with reference to the latest information on technology and developments in Japan and overseas while taking into account views, expectations and wishes of all our diverse stakeholders.

#### Eco-friendliness of Products

Life Cycle Stage	Environmental Issues	Environmental-friendliness Standards
Procurement of raw materials	Biodiversity conservation and forest conservation	Product that uses recycled paper with 80%+ content of waste paper pulp as material for its outer and inner box package inserts and other paper-based items
		Product that uses FSC certified paper as material for its outer and inner boxes, package inserts and other paper-based items
		Product that uses raw and other materials that have satisfied other international environmental certification systems or criteria
	Climate change/ Carbon neutrality/ CO <sub>2</sub> emissions reduction	Product that uses 25%+ plant-derived biomass content for its container and packaging materials
Product use	Water use reduction	Product that uses 10%+ plant-derived biomass content for its laminate packaging
		Product that uses 25%+ recycled materials for its container and packaging materials
		Product that uses 50%+ recycled materials for its laminate packaging
Disposal	Waste reduction	Product that uses 20%+ less in power for dryer and gas for hot water supply when product is used, compared against benchmark
		Product that uses 20%+ less water when product is used, compared against benchmark
		Product that eliminates use of main container and packaging materials or reduces weight or dimension to achieve 10%+ less use of such packaging, compared against benchmark
	Plastic waste reduction	Product that eliminates use of individually packaged units or reduces weight by 10%+ of such packaging, compared against benchmark
Other	Recycling Circular economy	Refill product that reduces container weight by 50%+, compared to standard container weight
		Product that has switched from petroleum-based plastic to alternative materials (e.g. paper, glass)
Other	Recycling Circular economy	Product that uses mono materials that make separation for disposal easier

(Notes) 1. Product that satisfies one or more of the criteria above shall be considered an eco-friendly product.  
2. The benchmark will be a product manufactured in 2016 when Mandom revised the Environmental Policy.

(FSC® N003667)

#### Example of "Reduce"

For seven GATSBY hair styling products using aluminum cans, we adopted lightweight cans that reduce aluminum usage while maintaining container performance and strength. The annual reduction in total aluminum usage for the targeted products is approximately 25 tons<sup>\*1</sup>, and the reduction in greenhouse gas emissions due to this lightweighting is approximately 335 tons of CO<sub>2</sub><sup>\*2</sup> equivalent annually.

<sup>\*1</sup> Calculated based on FY2023 shipment results (calculated using slag). Slag: Aluminum processed into coin shapes before forming into cans.

<sup>\*2</sup> Calculated based on FY2023 shipment results in CO<sub>2</sub> equivalent.



#### Plastic reduction through exterior removal



When renewing the Mandom Happy Deo facial sheets, we reduced the amount of plastic by reducing the external packaging by 10% or more.

#### Reduction of individual packaging

We have eliminated individual packaging for three-piece sets sold exclusively on EC.



See the Mandom website for other examples.  
Sustainability > Environment (E) > Environmentally Friendly Products and Promotional Items



## Sustainable Procurement of Raw Materials

### Commitment

We will procure palm oil, paper, etc., ethically. Our action ranges from protection of forests and biodiversity to execution of corporate social responsibility by sustaining natural and labor environments and respecting human rights throughout all supply chains.

### Medium to long-term targets

Themes of Initiatives	Evaluation Metrics	Medium- to Long-Term targets		FY2024 Progress	Example of Initiatives
		Numerical Targets	Target Year		
Palm oil	Ratio of RSPO <sup>*1</sup> -certified palm oil among palm oil that is used as an origin of raw materials	Switching 100% of palm-derived raw materials used at the Fukusaki Factory to RSPO <sup>*1</sup> -certified palm oil (including book-and-claim compliance)	2026	61.5%	P.64
Paper Container and Packaging Materials	Usage rate of FSC <sup>*2</sup> -certified paper for paper and containers and packaging, and recovered paper usage ratio	All paper containers and packaging to use FSC <sup>®</sup> -certified paper and recycled paper	2027	94.0%	P.64

<sup>\*1</sup> RSPO: Roundtable on Sustainable Palm Oil

<sup>\*2</sup> FSC<sup>®</sup>: Forest Stewardship Council<sup>®</sup> (FSC<sup>®</sup>N003667)

We will follow the Guiding Principles on Business and Human Rights and identify the negative impact on human rights relating to the business conducted by the Mandom Group and will engage in action that prevents or reduces such negative impact. If due diligence action on human rights uncovers any occurrence or furtherance of negative impact on human rights, we will strive to take appropriate and effective remedial action.

If our products or services are directly linked to a negative impact on human rights due to our trading partnerships, we recognize the possible need to take corrective action.

### Example of Initiatives 1

#### Understanding risks in the supply chain

Considering increasingly diverse and complex social and environmental issues over time, responsible procurement of raw materials by companies is increasingly emphasized. To realize a sustainable society, Mandom prioritizes understanding and managing whether raw materials used in products are appropriately procured in terms of human rights, environmental, and ethical perspectives. We have been working based on the “Procurement Policy,” formulating CSR Procurement Guidelines, presenting them

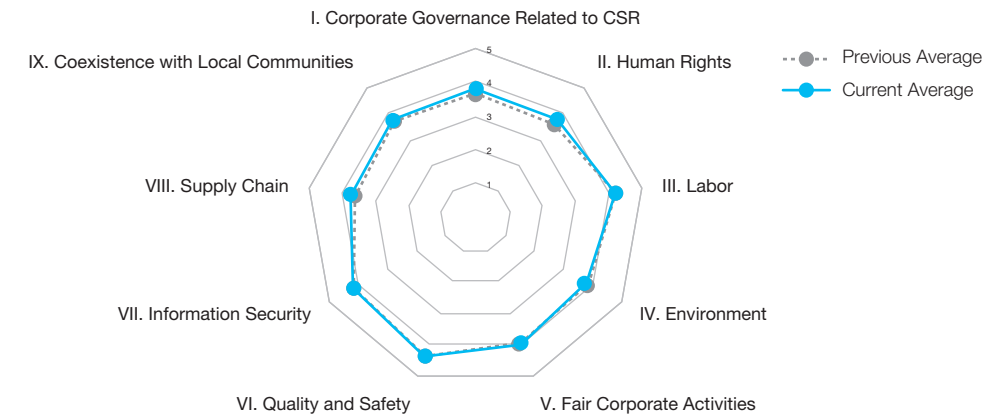
to our direct suppliers (primary suppliers), requesting their signatures of agreement, and conducting self-assessments (SAQ) to use as criteria for continuing or initiating trade relationships, improving transparency across the supply chain. In FY2024, to comprehensively understand risks in the supply chain, we requested all new suppliers to conduct SAQ. This is establishing a system to identify upstream risks in the supply chain early and continuously improve procurement activities. SAQ surveys are conducted every two years.

we conduct risk surveys tracing back to the origin level for certain natural raw materials where human rights violations are reported. For example, in the procurement of plant-derived raw materials in developing countries, issues such as child labor, forced labor, and environmental destruction are internationally reported. To address these risks, we request information from primary suppliers who use these raw materials regarding production sites, procurement routes, and involved intermediaries, working to ensure traceability as much as possible.

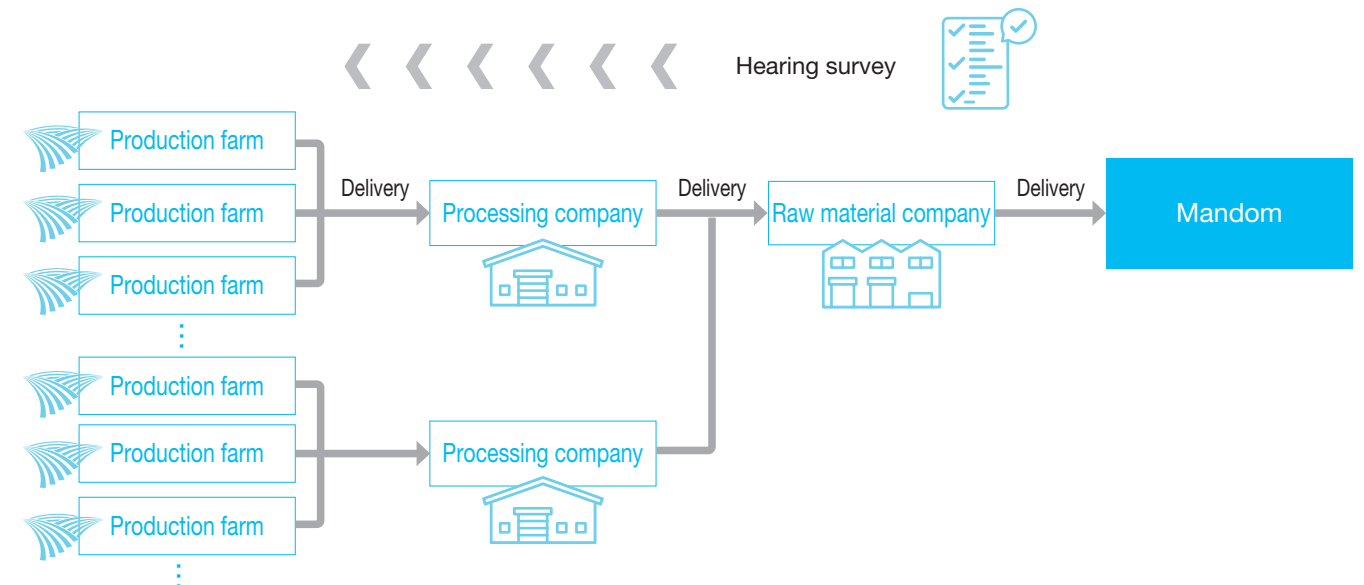
#### Results of CSR Procurement Self-Assessment Survey (conducted in FY2023)

Based on the evaluation results of the conducted SAQ, we held individual dialogues with suppliers where procurement risks were identified, sharing issues and discussing specific improvement measures. Through these dialogues, we aim to strengthen relationships as partners beyond merely confirming trade conditions. In addition to self-assessments through SAQ by suppliers,

#### Results of CSR Procurement Self-Assessment Survey



#### Overview of the flow of traceability surveys (tear-down surveys) for certain raw materials



During the survey process, challenges such as difficulty obtaining local information from multiple production farms and industry practice constraints were identified. We plan to continue risk surveys for key raw materials, utilizing external organizations as needed.

We will continue to improve the quality of assessments to visualize potential risks in the supply chain, and by building collaborative systems with partner companies to reduce risks, we aim to promote sustainable raw material procurement and realize more responsible corporate activities.

#### Comments from the person in charge

To build a sustainable procurement system, we started with processes to systematically classify and evaluate risks related to raw materials and associated supply chains. In FY2024, we expanded the scope to include all raw materials, advancing risk evaluation accuracy and risk management system development step by step. Additionally, we analyzed responses to SAQ from suppliers, identifying risks and conducting dialogues with suppliers as needed to support improvements through collaboration. As supply chains are expected to become increasingly broad and complex, flexible and accurate responses to international situations and region-specific risks will be in higher demand. We will strengthen collaboration with related departments, aiming for highly effective initiatives.



**Yuko Shiomi**  
Strategic Procurement  
Division, Procurement  
Management Section

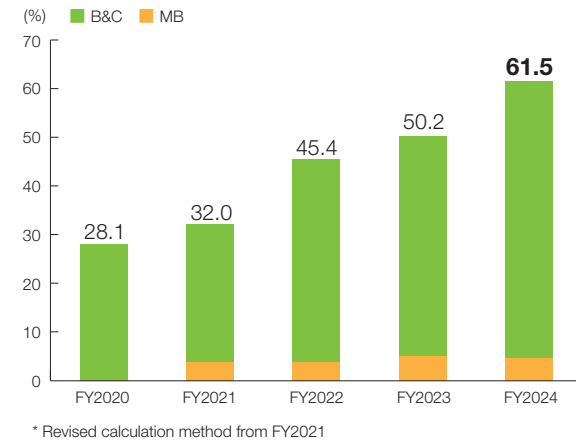
## Sustainable Procurement of Raw Materials

### Example of Initiatives 2

#### Procurement of Sustainable Palm Oil

In March 2018, we joined the Roundtable on Sustainable Palm Oil (RSPO) in order to procure sustainable palm oil that takes into consideration the social issues and environmental impact of the raw material production area, and in March 2021 acquired RSPO supply chain certification at its Fukusaki Factory, the only production base in Japan, and began procuring mass balance (MB) certified oil in May 2021. In FY2024, in addition to procuring RSPO-certified palm oil using a mass balance method for some raw materials used at our Fukusaki Factory, we completed the purchase of certification under the RSPO supply chain certification model “book-and-claim method” for the entire volume of 25 raw materials, including the one most commonly used at that factory. We plan to gradually increase our purchase of certifications for other materials in the future. For book and claim credits, we also purchase credits that support small-scale palm farmers who obtained RSPO certification.

Ratio of RSPO-certified palm oil used by Mandom in Japan (ratio by type)



### Example of Initiatives 3

#### Procurement of Sustainable Paper Materials

Mandom engages in the procurement of sustainable paper materials. We will contribute to preventing global warming through the effective use of forestry resources that is eco- and community-friendly while preventing illegal deforestation and the destruction of ecosystems. We have set a target to use FSC®-certified paper or recycled paper for all paper containers and packaging for our products by 2027 in accordance with “Eco-Friendliness of Products” on page 61. We are 94.0% of the way there as of March 31, 2025. At the Fukusaki Factory, we are gradually introducing the use of FSC®-certified paper and recycled paper for cardboard used to transport Mandom products (FSC® N003667).

Examples of product using FSC®-certified paper



- External Site  
FSC FSC Japan Official Website
- External Site  
WWF Japan Official Website about RSPO Certification

## Human Rights Policy

The Mandom Group recognizes that our business activities must only exist on the basis of our respect for human rights. We have adopted and will implement the following Human Rights Policy so that we can promote action in respect of the

human rights of all Mandom employees and their families, trading partners and all others involved in the supply chain as well as production operations upstream, consumers and all other stakeholders relating to the Mandom Group.

### Mandom Group's Human Rights Policy

#### 1. Basic Stance on Human Rights

We support and respect international norms relating to human rights including the International Bill of Human Rights stipulated by the United Nations on the basic human rights of all people, the ILO Declaration on Fundamental Principles and Rights at Work, and the Guiding Principles on Business and Human Rights.

As a signatory to the United Nations Global Compact, the Company supports the ten basic principles of the Compact. The Mandom Group will comply with the laws of the nations and regions where we conduct our business activities. If laws or rules in the nations or regions conflict with the international principles on human rights, we will comply with the local laws while pursuing methods of respecting the internationally accepted basic human rights principles.

rights relating to the business conducted by the Mandom Group and will engage in action that prevents or reduces such negative impact. If due diligence action on human rights uncovers any occurrence or furtherance of negative impact on human rights, we will strive to take appropriate and effective remedial action. If our products or services are directly linked to a negative impact on human rights due to our trading partnerships, we recognize the possible need to take corrective action.

#### 2. Respect of Stakeholder Human Rights and Promotion of Diversity

We respect all the diverse values, individualities and privacy of stakeholders relating to our corporate activities as we promote diversity.

We will not discriminate under any circumstance against any person on reasons of race, nationality, ethnicity, sex, age, origin, religion, education, physical characteristics, disability, health condition, sexual orientation, or gender identity. We strive to create a workplace environment where employees can work safely with reassurance, energy and in full mental and physical health, where there is mutual trust and where common sense prevails.

We will eliminate any discrimination, violence or harassment in the workplace.

#### 5. Reporting System

Any employee recognizing the possibility of violation of laws and rules that apply in the countries and regions of our operation or the infringement of human rights rules and other in-house regulations can use the internal reporting system to report such violations. We also have set up a reporting contact where external stakeholders can report any violation of our Human Rights Policy or any risk of violation.

#### 3. Due Diligence in the Supply Chain

We will follow the Guiding Principles on Business and Human Rights and identify the negative impact on human

#### 6. Education and Training

We will deliver continuous education to employees so that correct knowledge about respect for human rights can be fully diffused and understood throughout the Mandom Group.

#### 7. Information Disclosure

We will disclose the progress and results of our human rights actions on the Company website and through other means.

## Establishment of Internal Reporting System (Helpline System)

In December 2002, we introduced the “Helpline System,” an internal reporting system aimed at early detection, prevention, and recurrence prevention of compliance violations. This system accepts reports and consultations when acts contrary to various laws and codes of conduct are observed in the workplace or when there is a risk of violation. It is operated by the Code of Conduct Promotion Committee, including external contacts (advisory lawyers), ensuring that whistleblowers are not treated disadvantageously. In September 2007, we expanded the scope of the Helpline

System to include business partners of Mandom Group companies in Japan.

We request business partners who notice compliance violations or potential violations by directors or employees of our group companies in Japan to report to our Helpline reception desk according to the following procedure. Upon receiving a report, the Code of Conduct Promotion Committee will promptly investigate the facts, identify causes, prevent and prohibit violations, and prevent recurrence, working towards resolution.



## 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

Shinichiro Koshiba

Director & Senior Managing  
Executive Officer  
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.

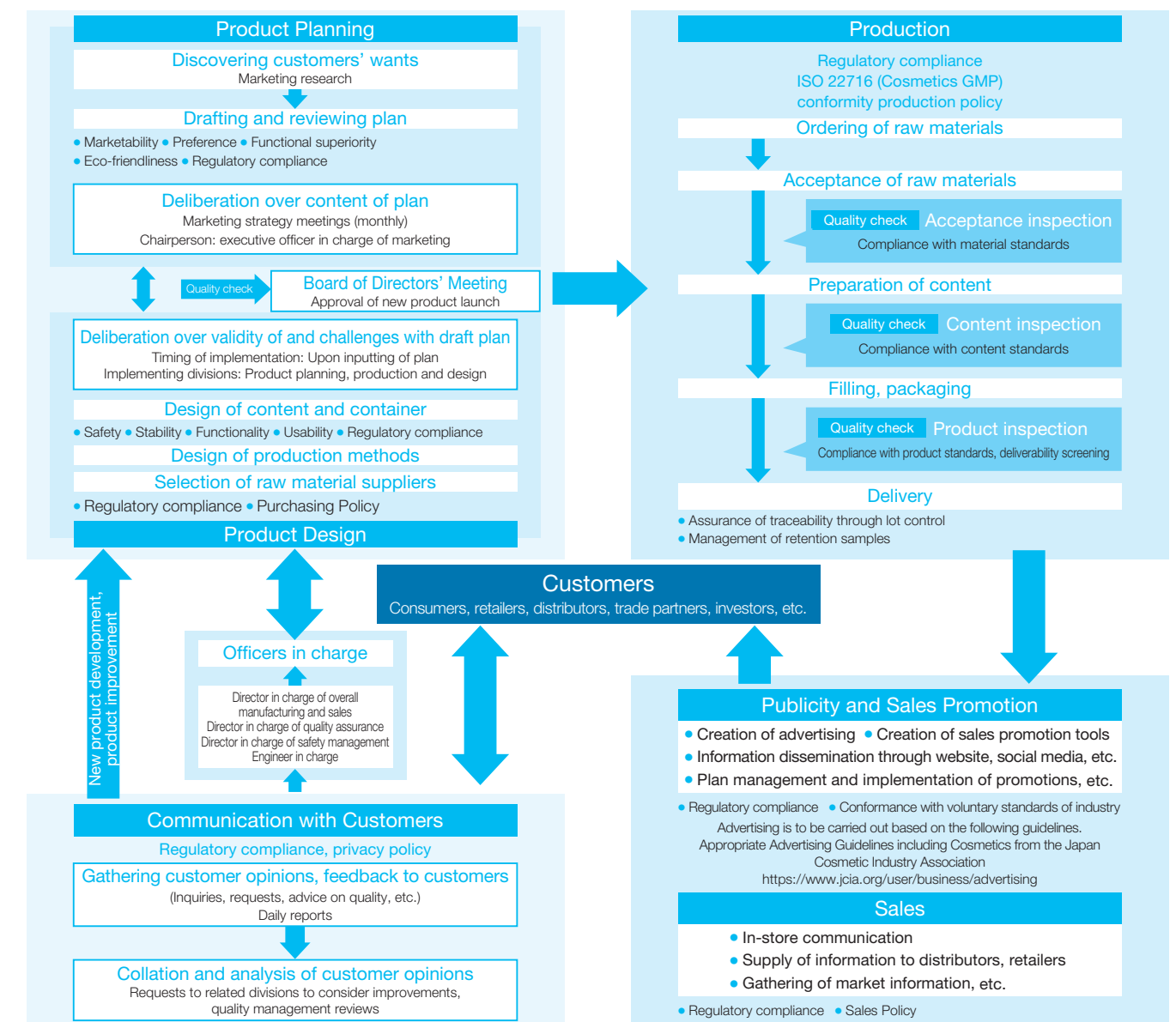
In January 2014, we established the ISO 9001-based “Mandom quality management system” (a system for quality assurance activities that incorporate customer opinions), which we have since operated as we pursue continuous improvement of quality.

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

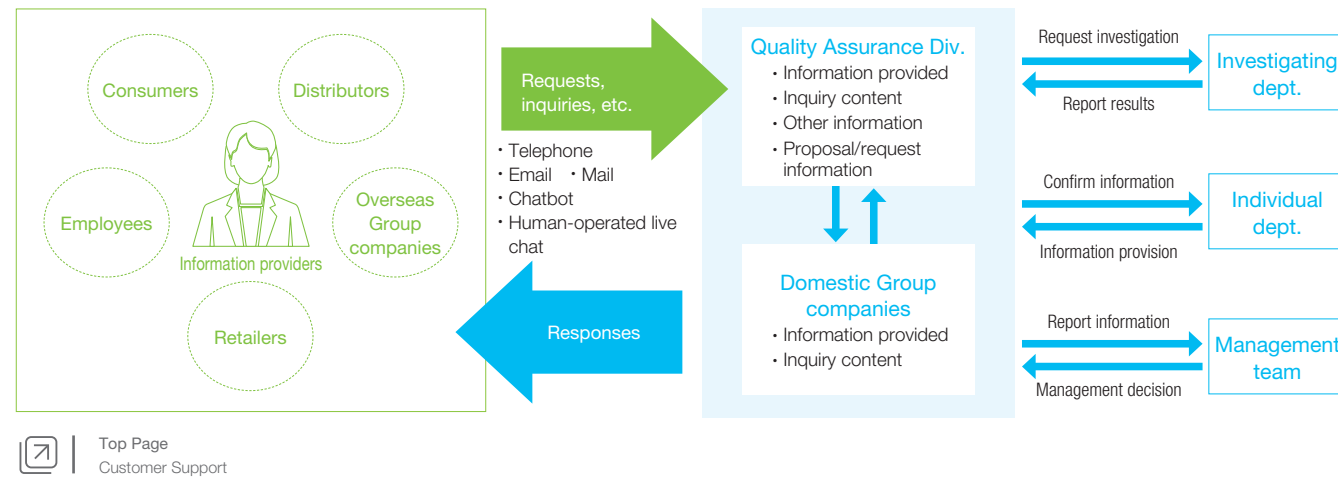
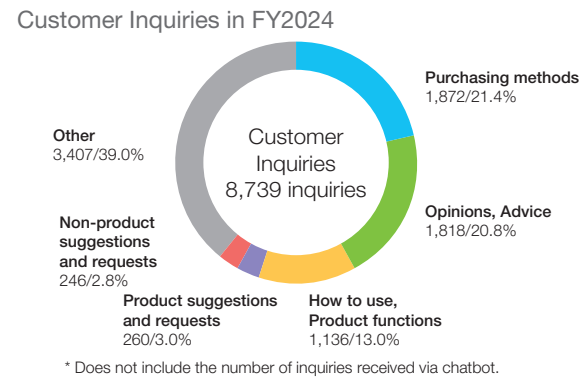
Mandom quality management system (a system for quality assurance activities that incorporate customer opinions)



## 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.



### 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.

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.

#### 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

#### 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.



## Introduction of Officers (as of June 24, 2025)



**Motonobu Nishimura**  
Representative Director & Chairman  
(Date of birth: Tuesday, January 09, 1951)

Since being appointed as the company's president in 1995, Motonobu Nishimura has led group management, appropriately executed duties, steadily achieved results, and fulfilled responsibilities. As Representative Director & Chairman, the Company expects him to contribute to the growth and development of the group's financial and non-financial areas.



**Ken Nishimura**  
Representative Director & President Executive Officer  
(Date of birth: May 12, 1982)  
  
Chief Executive Officer (CEO), Chief Operating Officer (COO) of Japan businesses and Chief Marketing Officer (CMO), In charge of Internal Audit Div.

After holding key positions in management strategy and marketing areas, Ken Nishimura is currently serving as President Executive Officer & Director and CEO, leading the group's management. By proactively promoting structural reforms in management and appropriately executing duties, he has fulfilled responsibilities. Going forward, the Company expects that he will demonstrate leadership in corporate transformation, including BX and CX, driving the growth and development of the Group.



**Shinichiro Koshiba**  
Director & Senior Managing Executive Officer  
(Date of birth: December 24, 1963)  
  
CRO, Risk Management Office, Legal Affairs Office, In charge of Quality Assurance Division  
Chairman of the Audit & Supervisory Board of PT MANDOM INDONESIA Tbk

After serving as a manager of overseas group companies, Shinichiro Koshiba has appropriately executed duties and steadily achieved results in marketing and overseas business areas, fulfilling responsibilities. Utilizing these experiences, the Company expects that he will contribute to the growth and development of the group as Senior Managing Executive Officer and CRO by further strengthening risk management and compliance.



**Koichi Watanabe**  
Director & Senior Managing Executive Officer  
(Date of birth: November 16, 1965)  
  
Chief Operating Officer of Indonesia Businesses, President Director, PT Mandom Indonesia Tbk

Having served as production supervisor and executive in PT MANDOM INDONESIA Tbk, Koichi Watanabe has appropriately executed duties and steadily achieved results in the he has overseen possessing high insight. Utilizing these experiences, the Company expects that he will contribute to the Group's growth and development as Managing Executive Officer by further strengthening global business expansion.



**Hitoshi Tanii**  
External Director  
(Date of birth: June 02, 1972)

Having management experience in multiple companies, broad knowledge, and excellent insight, Hitoshi Tanii has actively contributed to Board of Directors' Meetings, fulfilling appropriate roles as an External Director. Going forward, the Company expects that he will continue fulfilling these roles, supervising and advising directors' execution of duties from an independent standpoint, and participating in the Nominating Committee and Compensation Committee as chairman, objectively and neutrally selecting officer candidates and determining officer compensation.



**Mami Ito**  
External Director  
(Date of birth: November 24, 1967)

With extensive experience as a corporate executive and an international perspective, Mami Ito has actively contributed unique and meaningful opinions and observations at Board of Directors' Meetings, fulfilling appropriate roles as an External Director. Going forward, the Company expects her to continue fulfilling these roles, supervising and advising directors' execution of duties from an independent standpoint, and participating in the Nominating Committee and Compensation Committee as a member, objectively and neutrally selecting officer candidates and determining officer compensation.



**Tetsuro Harada**  
External Director  
(Date of birth: September 22, 1965)

Having knowledge and insight cultivated through consulting for companies in various industries, Tetsuro Harada has provided strategic advice and important proposals to enhance management transparency and soundness, fulfilling appropriate roles as an External Director. Going forward, the Company expects that he will continue fulfilling these roles, supervising and advising directors' execution of duties from an independent standpoint, and participating in the Nominating Committee and Compensation Committee as a member, objectively and neutrally selecting officer candidates and determining officer compensation.



**Yasuaki Kameda**  
Audit & Supervisory Board Member

Having held key positions in marketing and administrative departments, and serving as Vice President Executive Officer overseeing domestic business since April 2021, Yasuaki Kameda has extensive experience within the company. Going forward, the Company expects him to utilize the high insight cultivated through these experiences across financial and non-financial areas, fulfilling responsibilities as an Audit & Supervisory Board Member.



**Mikiharu Mori**  
External Audit & Supervisory Board Member

As an attorney, Mikiharu Mori is well-versed in international corporate law, including cross-border M&A. Beyond compliance and risk management, he has provided meaningful advice and opinions on matters related to the execution of duties by other auditors from an independent standpoint. Going forward, the Company expects him to reflect this high insight in the company's management, contributing to qualitative improvements in group management overall.



**Motohiro Tanaka**  
External Audit & Supervisory Board Member

As a CPA, Motohiro Tanaka is well-versed in accounting and auditing, possessing high insight in corporate management. Reflecting this insight in the Company's management is expected to contribute to strengthening corporate governance and qualitative improvements in group management overall.

### Chief Officers/Executive Officers

CTO	<b>Takuji Asada</b>	Advanced Technology Institute, in charge of Technology Strategy Division, Regulatory Strategy & Affairs General Manager of Technology Strategy Division
CSCO	<b>Tsunehisa Hirota</b>	Fukusaki Factory, in charge of Production Engineering Division General Manager of Fukusaki Factory
CHRO	<b>Tetsuya Takahashi</b>	In charge of Human Resources & General Administration Division, Executive Secretary Division General Manager of Human Resources & General Administration Division
CSO	<b>Tetsuaki Matsuda</b>	In charge of Corporate Planning Division, IT Innovation Promotion Division General Manager of Corporate Planning Division
CFO	<b>Masanori Sawada</b>	In charge of Finance Division, Investor Relations Division General Manager of Finance Division

Chief Sales Officer (CSLO) of Japan businesses	<b>Kenji Uchiyama</b>	In charge of Chain Store Sales Division, Distribution Development Division
COO of Northeast Asia, Southeast Asia, and India Business (NSI Business)	<b>Hiddenori Yamada</b>	In charge of NSI Business Division
Executive Officer	<b>Ichiro Kagawa</b>	In charge of Brand Communication Division, Public Relations Division General Manager of Brand Communication Division
Executive Officer	<b>Gosuke Omori</b>	In charge of Product Marketing Division 1, Product Marketing Division 2, BX Promotion Division General Manager of Product Marketing Division 1
Executive Officer	<b>Teruhiko Komatsu</b>	In charge of Sales Strategy Division, East Japan Sales Division, West Japan Sales Division General Manager of Sales Strategy Division

Executive Officer	<b>Shinya Hara</b>	In charge of Package Development Division, Hair Care Institute, Skin Care Institute General Manager of Hair Care Institute
Executive Officer	<b>Masao Kozu</b>	In charge of Corporate Transformation Division General Manager of Corporate Transformation Division
Executive Officer	<b>Shohei Ishigami</b>	Marketing Strategy Office, in charge of Sales Marketing Division General Manager of Marketing Strategy Office
Executive Officer	<b>Tetsuya Sugaki</b>	In charge of Strategic Procurement Division General Manager of Strategic Procurement Division

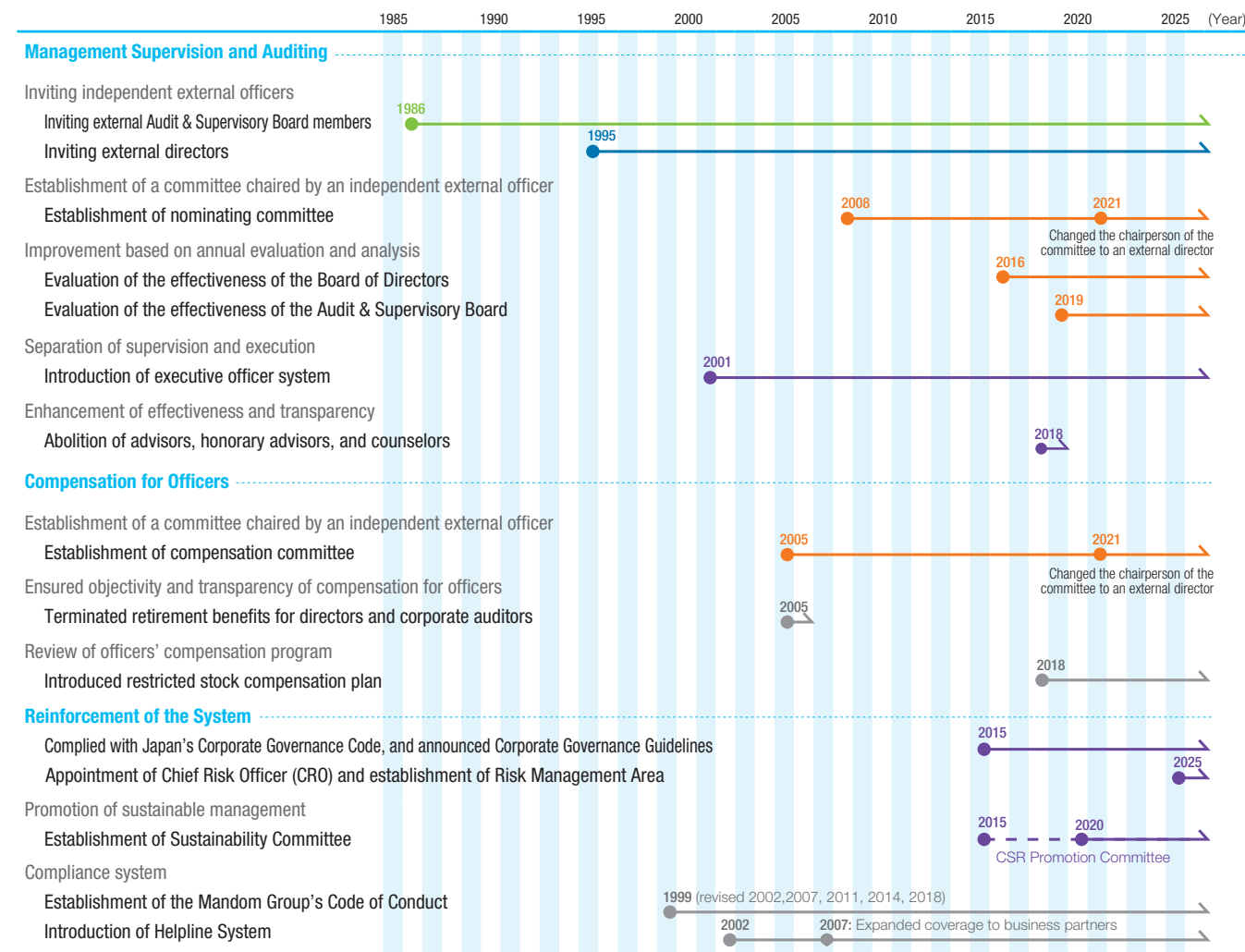
# List of Initiatives Over the Years to Strengthen Governance

## Corporate Governance

### Corporate Governance Policy

The Mandom Group's mission is co-existence, mutual growth and mutual creation with global society. Consequently, to realize our core philosophy, we are dedicated to generating stable profits by pursuing efficiency, while ensuring soundness and transparency. As a result, we look to achieve sustainable, steady growth together with consumers, society and other stakeholders.

## Efforts to Strengthen Corporate Governance

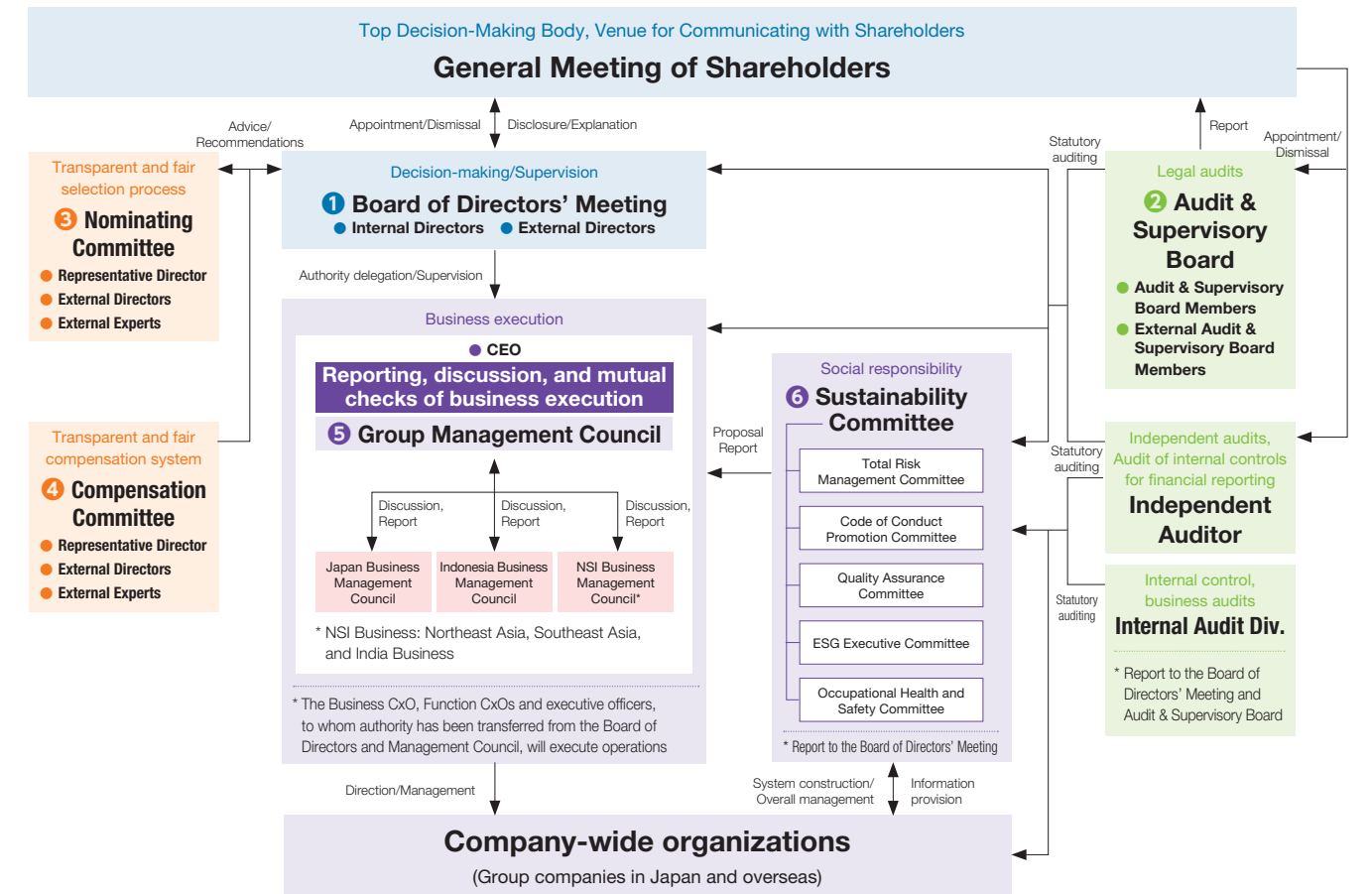


## Corporate Governance System

The Company adopts an audit & supervisory board system, where its compliance management is founded on strict audits carried out by Audit & Supervisory Board members to ensure the legality of the Company's activities. Based on such policy, the Company will strengthen its monitoring and advisory functions by appointing more than one (1) external director in the Board of Directors, while also adopting an executive officer system for clarifying responsibilities and delegating authority to develop a system for the proactive

and expeditious execution of operations. A CxO system will also be introduced from FY2024 when the 14th Middle-Range Planning begins, to strengthen the group management execution system, optimize the allocation of management resources, and accelerate the decision-making process with the view to accelerate innovation and improve growth. From FY2025, we established the Risk Management Area to further strengthen the risk management system, appointing a CRO as its responsible officer.

## Corporate Governance System (as of June 24, 2025)



- 1 Board of Directors' Meeting**

The Board of Directors is comprised of directors and makes decisions regarding important business execution matters based on a corporate philosophy and corporate planning in addition to supervising the execution of business by directors, managing executive officers, CxOs, and executive officers. Representative Director and Chairman serves as Chair.
- 2 Audit & Supervisory Board**

The Audit & Supervisory Board is comprised of Audit & Supervisory Board members, who attend important meetings, such as Board of Directors and Group Management Council meetings. Audit & Supervisory Board members also exchange information with the Accounting Audit and Internal Audit Division and audit the business execution of directors, etc. through hearing of each division and affiliated company. An Audit & Supervisory Board member serves as Chair.
- 3 Nominating Committee**

The Nominating Committee is comprised of the Representative Director and external directors. It is established as an advisory body to the Board of Directors in order to ensure fairness and transparency of the process when determining candidates for directors, Audit & Supervisory Board members, managing executive officers, and CxOs. This committee advises the Board of Directors on proposals regarding candidates for director, Audit & Supervisory Board member, managing executive officer, and CxO. An external director serves as Chair.
- 4 Compensation Committee**

The Compensation Committee is comprised of the Representative Director and external directors. It is established as an advisory body to the Board of Directors in order to ensure transparency and fairness of the process when determining officers' compensations. This committee advises the Board of Directors on policies regarding compensation for directors and managing executive officers. An external director serves as Chair.
- 5 Group Management Council**

The Management Council comprises directors, Audit & Supervisory Board members, managing executive officers, and CxOs, and functions as a forum for reviewing and monitoring management plans and strategies from a group-wide perspective, resolving issues related to the promotion of group management, as well as check and supervise business execution from a medium- to long-term perspective. The Representative Director & President Executive Officer serves as Chair.
- 6 Sustainability Committee**

The Sustainability Committee is comprised primarily of directors, Audit & Supervisory Board members, managing executive officers, and CxOs. While developing our approach for promoting the sustainability of the Mandom Group and holding discussions with relevant departments at committee meetings and other meetings, this committee is strengthening our efforts to contribute to the sustainable development of society. The President Executive Officer & Director serves as Chair.



## Status of External Officers, Messages from External Directors

### Status of External Officers

By appointing external directors and external Audit & Supervisory Board members who have no special interest relationships with the Company and are highly independent of the Company, the Company aims to reinforce its corporate governance and augment the Group's overall management quality. The Company has formulated the Standards for the

Independence of Independent External Officers shown below. The external directors and external Audit & Supervisory Board members of the Company satisfy these standards and the Tokyo Stock Exchange's independence criteria. The Company has notified the Tokyo Stock Exchange that all of these executives are independent officers.



Corporate Information  
Company Overview > Corporate Governance > External Directors  
"Standards for Independence of Independent External Directors"

### Discussion among External Directors



### Impressions and changes regarding Mandom's Board of Directors' Meeting

**Tanii:** Since your appointment, Ms. Ito for two years and Mr. Harada for one year, could you share your honest opinions about the discussion content and atmosphere of Mandom's Board of Directors' Meetings? Also, have you noticed any changes since your appointment?

**Ito:** Although discussions are held in the Group/ Business Management Council (preliminary deliberation meetings), there are times when I feel discussions at Board of Directors' Meetings are insufficient. However, I feel that external directors and auditors can freely express their opinions and comments.

**Harada:** Agenda items submitted for Board of Directors' Meetings are deliberated in advance at management meetings by executive members, where external officers are present. I think it's a good point that discussions are held from diverse perspectives, combining the viewpoints of internal members from the business field and external officers from a governance perspective. On the other hand, as Ms. Ito mentioned, the large number of participants sometimes makes it difficult for everyone to actively speak. In the latter half of last year, this point was discussed in management meetings, and from this year, the number of executive members participating in management meetings has been reduced. There is no definitive answer, so I think it's important to continue such trial and error to further activate discussions.

**Tanii:** I also feel that discussions are very active. It's been five years since my appointment, and I feel the vibrancy of discussions has improved year by year. As Mr. Harada mentioned, the approach to important meetings has changed this fiscal year, and I feel that substantial discussions have increased compared to before.

### External directors' perspectives on their offensive and defensive statements

**Tanii:** Changing the topic, in Board of Directors' Meetings for FY2024, could you share any particularly memorable proposals you made as independent external directors, either to accelerate growth or to apply brakes from a governance perspective?

**Harada:** On the offensive side, I spoke about strengthening market analysis capabilities. In growth strategies and marketing strategies, it's necessary to consider measures and resource allocation based on quantitative and qualitative analysis of the growth potential, profitability, and competitive advantage of target customer segments. Strengthening this point would enable more timely and appropriate measures, which was the basis of my statement. On the defensive side, I mentioned that the internal audit function should be independent from the internal control promotion function in the organizational design. The 3-Line Model by the Institute of Internal Auditors (IIA) emphasizes this independence from the perspective of reliability and accountability of internal audits. Like sports cars, businesses can boldly step on the accelerator because they have good brakes.

**Ito:** What stands out to me is my statement that the way we launches new products might confuse customers. In our industry, when similar products are launched one after another, consumers might not know what to buy from their perspective. While it might be necessary to continuously modify products to maintain staples, proposing products that truly delight customers and are carefully crafted is the most

important thing for Mandom. However, I'm not sure if this statement was a brake or a gear change to alter direction.

### Expectations for Mandom going forward

**Tanii:** Finally, could you share any particular expectations or movements you have for Mandom from FY2026 onward?

**Ito:** With changes in CxO members, I hope the organization becomes one where members can speak freely without hesitation or concern. I expect Mandom to be thoughtful yet swift.

**Harada:** In Japan and Indonesia, we are advancing structural reform efforts for cost reduction, including improving employees' analytical skills. Going forward, I also expect them to refine market analysis skills as mentioned earlier. I hope empowered employees with enhanced skills will evolve Mandom's growth strategy through its tradition of "all-inclusive management."

**Tanii:** Several new brands have been launched this year. Mandom has built internationally recognized brands such as "GATSBY." I look forward to seeing the new brands grow into brands that shape the next era. This fiscal year, as Mr. Harada mentioned, we aim to contribute to management that boldly steps on the accelerator because it has good brakes. Thank you very much.

## Attendance at Board of Directors and Audit & Supervisory Board Meetings, Skill Matrix

### Role and Attendance at Major Meetings in FY2024

		Meeting/Committee Name	* Including 4 extraordinary meetings Board of Directors' Meeting	Audit & Supervisory Board	Nominating Committee	Compensation Committee	Management Council	Sustainability Committee
		Number of Meetings Held	14	17	3	1	11	2
		Role						
Board of Directors								
	Motonobu Nishimura	Board of Directors' Meeting Chairperson	13		3	1	10	2
	Ken Nishimura	Chairperson of the Group Management Committee Sustainability Committee Chairperson	13		3	1	11	2
	Shinichiro Koshiba		14				11	2
	Koichi Watanabe		11*				11	2
Independent External Officers	Hitoshi Tanii	Nominating Committee Chairperson Compensation Committee Chairperson	14		3	1	11	2
	Mami Ito		14		3	1	11	2
	Tetsuro Harada		10*		3	1	8*	2
Audit & Supervisory Board								
	Takeshi Hibi	Retirement	14	17			11	2
	Yasuaki Kameda	Chairman of the Audit & Supervisory Board	14	10*			11	2
Independent External Officers	Mikiharu Mori		14	17	3	1	11	
	Motohiro Tanaka		11*	10*	3	1	9*	

\* Appointed and approved at the June 2024 General Shareholders' Meeting

### Skill Matrix of Directors and Audit & Supervisory Board Members

Mandom acknowledges the importance of a composition of personnel with various business experiences and of diversity when it comes to the composition of the Board of Directors and the Audit & Supervisory Board. From the standpoint of promoting women's contribution, we have had one female external director since June 2019. Mami Ito was appointed in June 2023. In our largest overseas business area, Indonesia, the listed subsidiary has seven directors, including five Japanese nationals and two foreign nationals, actively contributing.

Moreover, five foreign nationals (including one of whom is an equity-method affiliate) have already served as representative directors of overseas subsidiaries. Mandom aims to become a global company, and while we currently do not have any foreign national directors or Audit & Supervisory Board members, we acknowledge this as an important issue in order to promote diversity management. Going forward, we aim to lead innovation and realize new Oyakudachi (Dedication to Service) for society and improved corporate value by proactively promoting diverse human assets, including foreign nationals and women, to officers and managerial positions to provide opportunities for them to leverage their talents.

### Skill Matrix (as of June 24, 2025)

		Global Business	Marketing	Technology/ Production	Finance/ Accounting	Human Resources/ General Resources	Legal Affairs/ Risk Management	ESG	BX/DX
(Board of Directors)									
	Motonobu Nishimura				●			●	
	Ken Nishimura	●	●						●
	Shinichiro Koshiba	●					●		
	Koichi Watanabe	●		●				●	
Independent External Officers	Hitoshi Tanii		●						●
	Mami Ito	●				●			●
	Tetsuro Harada				●	●			●
(Audit & Supervisory Board)									
	Yasuaki Kameda		●					●	
Independent External Officers	Mikiharu Mori						● Attorney		●
	Motohiro Tanaka				● CPA				

### Selection Rationale for Each Skills Matrix

Skill	Selection Rationale
Global Business	As the world becomes increasingly globalized in the modern age where information is disseminated at a tremendous pace, there is the need for management personnel armed with extensive experience in overseas management, overseas lifestyle and customs, and the skills and experience to build cooperative relationships with employees, business partners and other internal and external stakeholders anywhere in the world, including Japan, in order to achieve business results.
Marketing	With the demands of consumers changing rapidly, achieving Only-One marketing that forms the core of our business calls for management personnel who have a high level of understanding of innovative technologies, in addition to basic marketing know-how and skills, and who are able to respond to changes in a flexible manner.
Technology/ Production	Mandom requires management personnel with exceptional knowledge in research and production as well as a high understanding of innovative technologies in order to achieve a production system with a high productivity per unit by incorporating various advanced technologies, while ensuring compliance with Mandom's safety standards (safety quality) and consumer satisfaction (safety quality).
Finance/Accounting	Developing and realizing financial strategies that allocate resources for implementing growth investments (including M&A) and strengthening shareholder returns to increase corporate value in a sustainable manner while building a strong financial foundation calls for management personnel with sound knowledge and experience in the fields of finance and accounting.
Human Resources/ General Resources	Becoming a "human-oriented company" by creating new value through imagining people's happiness and excitement requires the development of human resources strategies that ensure each employee feels fulfilled with their work and able to maximize their capabilities, and calls for management personnel with a high level of knowledge and a broad perspective in the field of human capital.
Legal Affairs and Risk Management	To promote group management, strengthen governance systems as a group, and maximize sustainable corporate value, we require management human assets with experience as executives and solid knowledge and experience in corporate governance, risk management, and compliance.
ESG	Implementing the Mandom Group's sustainable management (ESG management + SDGs management), which encapsulates ESG perspectives that are increasingly required of companies in recent years, requires management personnel with a broad perspective and insight and who understand the way social demands evolve, including respect for human rights and the environmental concerns of all stakeholders.
BX/DX	Departing from business models of the past and creating a position of Oyakudachi (Dedication to Service) with respect to fast and rapidly changing consumer wants and lifestyles requires management personnel with knowledge and skills in IT and DX, and a high level of understanding of innovative technologies.



## Evaluation of the Effectiveness of the Board of Directors

### Evaluation of the Effectiveness of the Board of Directors

Since 2016, the Company has conducted an annual survey on the effectiveness of the Board of Directors targeting those participating in the Board of Directors' Meetings (excluding the chairman). Based on the results of the survey, we believe that the effectiveness of our Board of Directors has been ensured if the quantitative evaluation shows that the Board of Directors has been appropriately implemented. In addition, items that were pointed out or suggested in the

qualitative evaluation and items that need to be strengthened in future corporate governance are identified as issues and items for improvement. The following is a summary of our evaluation and analysis of the effectiveness of the Board of Directors for the fiscal year ended March 31, 2025 based on the Corporate Governance Code (hereinafter the "CG Code") [Supplementary Principle 4-11 3] in our Corporate Governance Guidelines (hereinafter the "CG Guidelines").

#### 1. Overview of Board of Directors' Meeting Evaluation and Analysis Method

Period: January - May 2025		Target: FY2024 Directors (6), Auditors (4)
Evaluation and analysis methods	Step 1	Conducted a survey of 23 items with participants of Board of Directors' Meetings to evaluate whether the Board effectively fulfills its roles regarding policies in Chapter 4 (Responsibilities of the Board of Directors) of the CG Code described in the CG Guidelines.
	Step 2	When necessary, the Representative Director (Chairman and President) exchanged views with each director and auditor in a wide-ranging set of interviews on their opinions.
	Step 3	Provided the responses to the survey and the results of opinion exchanges to Nominating Committee members, ensuring a period and opportunity for consideration by participants, and the Nominating Committee made a report to the Board of Directors after careful deliberation.
	Step 4	Upon receiving the Nominating Committee's report, the Board of Directors confirmed the results of its own evaluation and analysis of the effectiveness of the Board of Directors based on an understanding and respect for the content of the report.

The results for FY2024 were as follows: 65.2% for the highest evaluation (appropriate) (69.1% in FY2023), 28.3% for the next highest evaluation (appropriate with some issues) (28.3% in 2022), and 1.7% for the lowest evaluation (not appropriate with many issues) (1.3% in 2021).

#### 2. Overview of Evaluation and Analysis Method for Effective of Board of Directors' Meeting

##### (1) The Company's Board of Directors is assessed to be effective on the following key findings.

- Based on the Mandom Mission Framework, the Board of Directors has developed, revised as needed, and disclosed the Corporate Governance Policy and Corporate Governance Guidelines through constructive discussions in prior deliberations at the Group Management Council and Management Council meetings.
- The Board of Directors' Meeting strives to cultivate an atmosphere that respects broadminded, open and constructive discussion and exchange of opinions, by having External Directors and External Audit & Supervisory Board Members make suggestions and voice their opinions, including raising issues, and encouraging each Director and Audit & Supervisory Board Member to make positive statements, and is able to operate in this manner
- Independent External Directors and External Audit & Supervisory Board Members (hereinafter, "independent outsiders") shall hold a meeting, comprising solely of independent outsiders, for exchanging opinions on a regular basis (once a year), and communicate as appropriate amongst independent outsiders to exchange information and share awareness, based on an objective viewpoint.

##### (2) During the course of evaluating and analyzing the effectiveness of the Board of Directors' Meeting, the following observations and recommendations were made, which our Board of Directors' Meeting recognizes as issues that require addressing and will be working toward improving.

- External directors are primarily individuals with management backgrounds. Considering whether diverse knowledge is gathered, such as experience in the cosmetics industry and technical production areas, could lead to more active and constructive discussions. (Supplementary Principle 4-11(1))

- When there are agendas requiring particularly deep discussions at Board of Directors' Meetings, providing opportunities for agenda proposers to explain to independent external officers beforehand could deepen their background understanding, narrow down discussion points, and activate deliberations at the Board. (Supplementary Principle 4-1(1))

- Building organizational systems and securing personnel to sufficiently establish and operate internal control systems for overseas subsidiaries could enable the Board of Directors to conduct appropriate audits of business execution and speed up decision-making. [Supplementary Principle 4-3 (4)]

(Reference: Points raised and proposals over the past two years)

##### Year ended March 2023 (FY2022)

- Although the Nomination Committee and the Compensation Committee, chaired by an outside director, are being operated appropriately, it is considered that clarifying the policies and procedures regarding the appointment and development of directors and management would enhance transparency and deepen discussions.

- By further strengthening the supervisory function over the execution of duties by management, it is considered that variance analysis and review of progress against management plans would lead to stronger linkage to subsequent actions.

##### Year ended March 2024 (FY2023)

- By reconsidering the roles and positioning of important meetings such as the Management Council and the Executive Board spearheaded by Board of Directors' Meetings from a governance perspective, the Board can be expected to operate in a more functional manner. (Supplementary Principle 4-1 (1))

- More in-depth discussions can be expected by leveraging our culture of accepting new businesses and challenging proposals in order to instill an attitude of examining and suggesting various proposals, including new products and measures with a commitment to profitability and awareness of capital costs. (Supplementary Principle 4-2)

### Method of Determining Compensation Amounts for Company Officers

The Company has formulated an officers' compensation program based on the following policies.

- The compensation program should provide motivation for achieving the management plan by "pursuing efficiency" based on the assumption of "ensuring soundness and transparency"
- Efforts for achieving medium- and long-term strategies with the aim of permanently increasing corporate value should be promoted
- The compensation level should be commensurate with the extent of roles and responsibilities that reflect each individual's mission, and should be designed with differentiation in compensation based on the degree of achievement of management goals (results)

The Company has set compensation for directors with an appropriate balance between an amount of fixed compensation to ensure steady devotion to their duties, and greater performance-linked variable compensation that serves as an incentive to a higher level of motivation, by taking into consideration with standards at other companies and the positioning of each type of compensation.

The ratio of fixed compensation to variable compensation varies depending on the position, but in general, the total fixed compensation for internal directors is approximately 60% and variable compensation is approximately 40%. Compensation for external directors is composed solely of fixed compensation. As the role and responsibility of Audit & Supervisory Board members is to conduct rigorous legal audits unrelated to the Company's operating performance, the compensation of the Company's Audit & Supervisory Board members is composed only of the fixed compensation portion, which is not affected by operating performance. The amount of compensation for each Audit & Supervisory Board Member is determined through discussions with each Audit & Supervisory Board Member, including the two External Audit & Supervisory Board Members, based on a comprehensive consideration of each member's abilities, audit performance, external data, and other factors. The policy for determining the compensation for Audit & Supervisory Board Members is determined through discussions with each Audit & Supervisory Board Member, including the two External Audit & Supervisory Board Members.

Appropriate Balance of Fixed and Performance-Linked Compensation (at time of standard evaluation)

Compensation category	Fixed compensation (monetary)	Short-term performance-linked compensation (money)	Medium to long term Performance-linked compensation (stock)
	Approximately 60%	Approximately 30%	Approximately 10%
Payment method	Set compensation level based on responsibility Paid as monthly fixed compensation	Performance evaluation based on achievement of single-year targets Paid as bonus after evaluating target achievement	Performance evaluation based on achievement of Middle-Range Planning targets Four fiscal years
Performance evaluation period	—	One year	Four years (FY2024–2027)
Evaluation Metrics	—	Company's Performance • Achievement rate for net sales forecast in pertinent fiscal year • Achievement rate for operating margin • Performance of division in charge	Company's Performance • Consolidated ROIC • Medium- to long-term material issues in sustainability
Range of fluctuation of evaluation	—	50% above or below standard	33% above or below standard
Eligible persons	Directors Audit & Supervisory Board members Managing Executive Officers CxO	Directors Audit (excluding outside directors), Managing Executive Officers CxO	Directors Audit (excluding outside directors), Managing Executive Officers Executive Officers CxO

### Amount of Compensation, etc. for Directors and Audit & Supervisory Board Members for FY2024

Director Category	Total amount of compensation (Millions of yen)	Total amount by type of compensation (Millions of yen)			Number of eligible officers (persons)
		Fixed compensation	Performance-linked compensation	Of which, non-monetary compensation, etc.	
Directors (excluding External Directors)	292	159	133	31	5
Audit & Supervisory Board Members (excluding external Audit & Supervisory Board Members)	36	36	—	—	3
External Director	24	24	—	—	4
External Audit & Supervisory Board Member	12	12	—	—	3

<sup>\*1</sup> The table includes two directors (including one external director) and two auditors (including one external auditor) who retired at the conclusion of the 107th Ordinary General Shareholders' Meeting held on June 21, 2024.

<sup>\*2</sup> The amount of monetary compensation for directors was resolved at the 89th Ordinary General Meeting of Shareholders held on June 23, 2006 to be no more than ¥450 million per year. As of the close of said General Meeting of Shareholders, the number of directors was eight (including one external director). Separately from the above compensation framework, a resolution was passed at the 101st Ordinary General Meeting of Shareholders held on June 22, 2018 that the annual amount of compensation under the Restricted Stock compensation plan shall not exceed ¥150 million and the maximum number of shares shall not exceed 39,000 shares per year (external directors are not eligible for the grant). The number of directors (excluding external directors) as of the close of said General Meeting of Shareholders was five. The 107th Ordinary General Meeting of Shareholders held on June 21, 2024 resolved that the maximum number of shares of Restricted Stock compensation shall not exceed 150,000 shares per year (external directors are not eligible). As of the close of said General Meeting of Shareholders, the number of directors was four (excluding external director). In principle, the amount of this compensation is based on the assumption that an amount equivalent to the compensation for the execution of duties over the period covered by the Middle-Range Planning is paid as a lump sum in the first year of the period covered by the Middle-Range Planning.

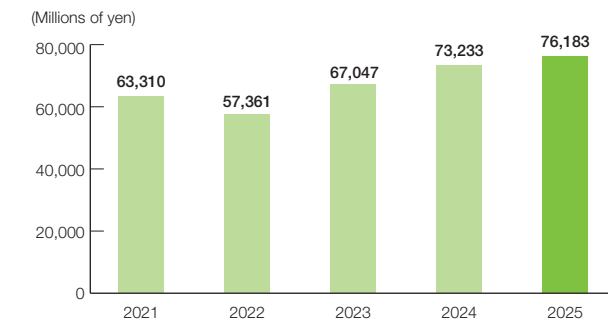
<sup>\*3</sup> The amount of monetary compensation for Audit & Supervisory Board members was resolved at the 88th Ordinary General Meeting of Shareholders held on June 24, 2005 to be no more than ¥70 million per year. As of the close of said General Meeting of Shareholders, the number of Audit & Supervisory Board members was four (including two external Audit & Supervisory Board members).

<sup>\*4</sup> The breakdown of the total amount of non-monetary compensation for Directors (excluding External Directors) is ¥31 million in Restricted Stock compensation.

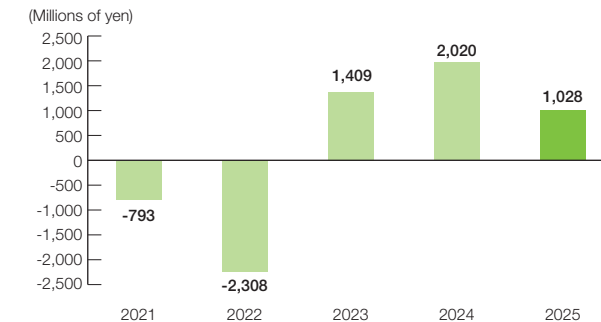
# Financial and Non-financial Highlights

## Financial Highlights

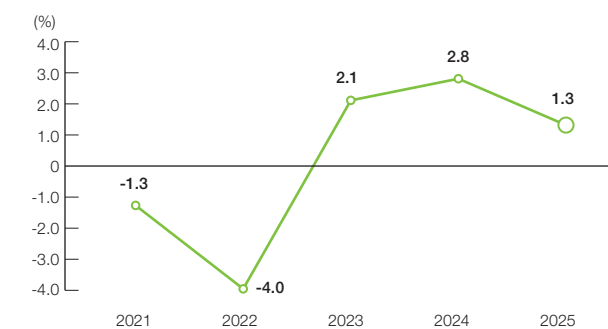
Consolidated net sales



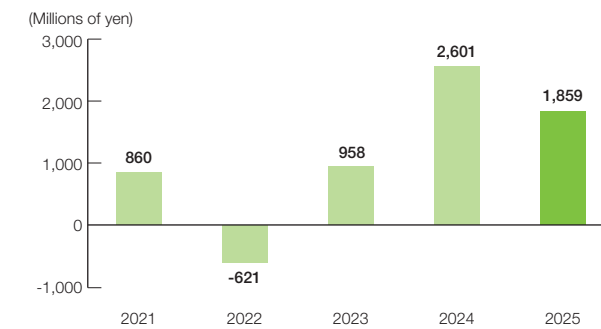
Consolidated Operating Margin or Operating Loss



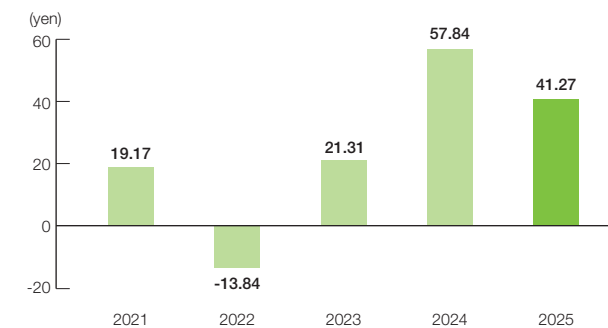
Operating margin



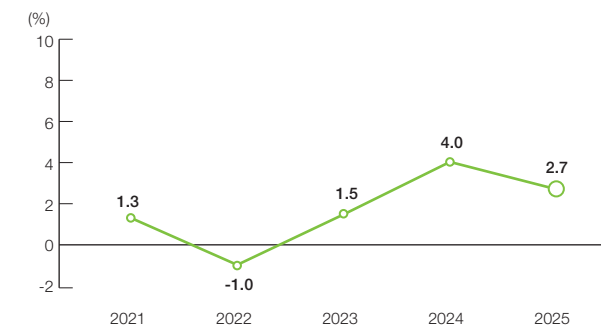
Net income or loss attributable to owners of parent



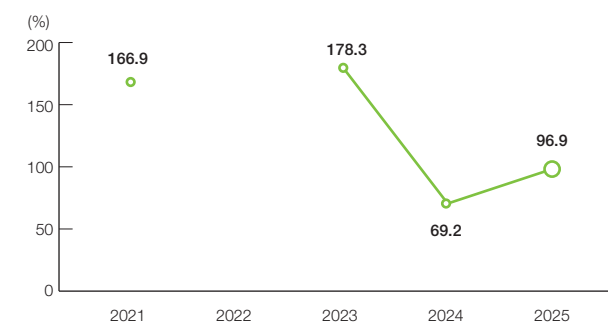
Net income (loss) per share [EPS]



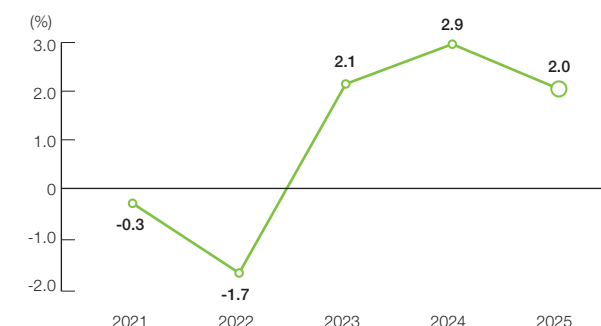
ROE



Payout ratio

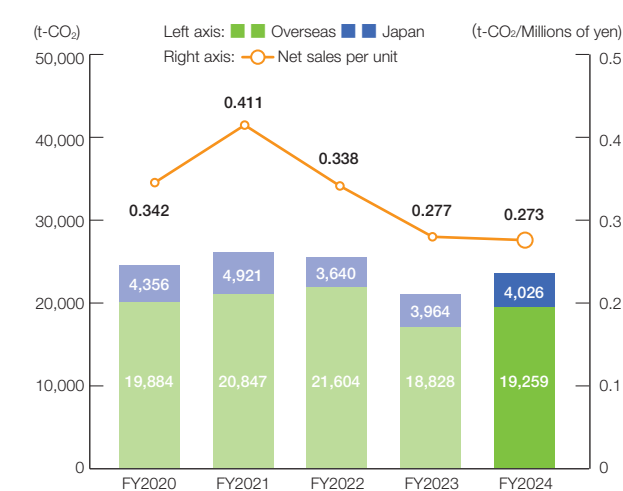


ROIC

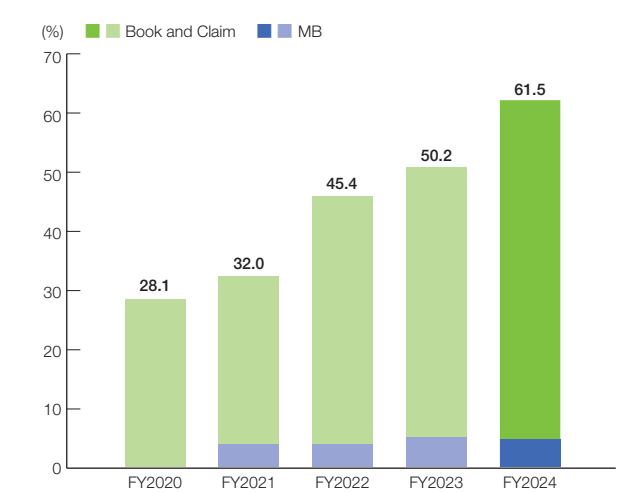


\* From the fiscal year ended March 31, 2022, the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) has been applied in the Japan segment. Accordingly, certain items previously recorded as expenses are deducted from net sales.

## Non-financial Highlights

CO<sub>2</sub> emissions (Japan + overseas Scope 1+2)

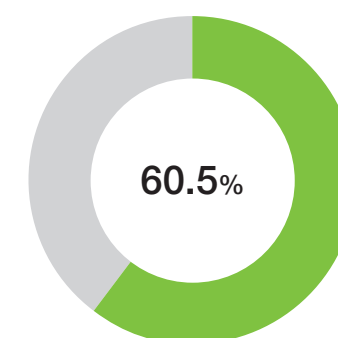
Ratio of RSPO-certified palm oil in Japan (ingredient ratio)



\* The calculation method has been revised since FY2021

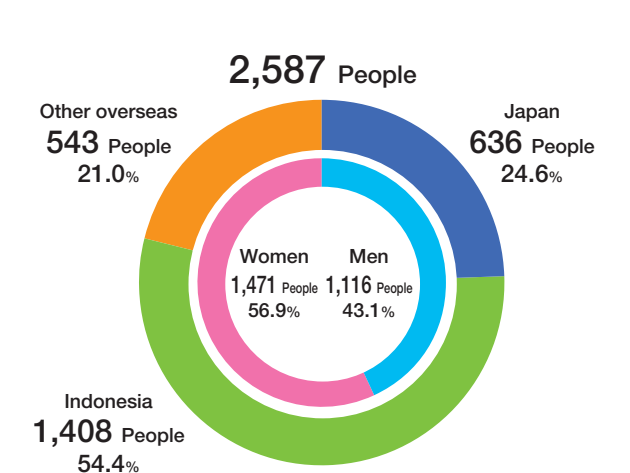
Environmental consideration for products in Japan (self-standard<sup>clear</sup>)

(as of end of March 2025)

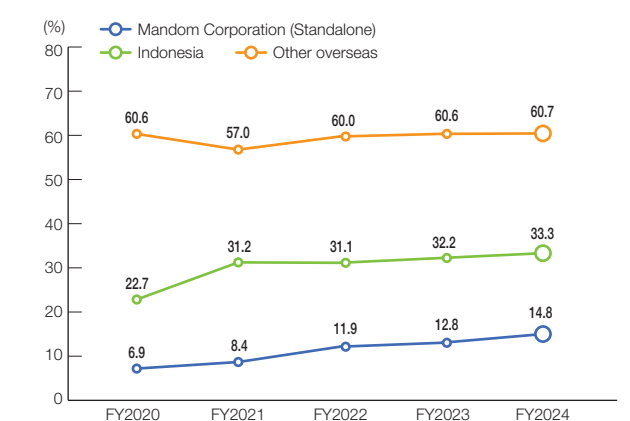


\* Voluntary Standards: Environmental Consideration Standards for Products ([https://www.mandom.co.jp/sustainability/environmental\\_consideration1.html](https://www.mandom.co.jp/sustainability/environmental_consideration1.html))

Consolidated number of employees (as of March 2025)

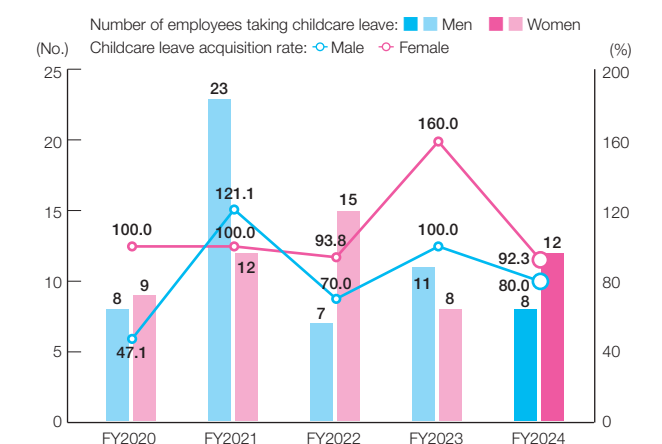


Ratio of women in managerial posts\* (As of March 31 of each fiscal year)



\* Management positions are calculated based on the number of section managers and above. Officers are not included. Mandom Corporation (standalone) calculates based on the definition of the Act on Promotion of Women's Participation and Advancement in the Workplace.

Childcare leave acquisition rate\*



\* Mandom Corporation (non-consolidated) \* Calculated based on the provisions of the "Act on Welfare of Workers Engaged in Childcare or Family Care Leave, etc." (Act No. 76 of 1991).



# Analyses of Management and Finances

## Analysis of Operating Results

In the current consolidated fiscal year, the Japanese economy showed signs of recovery, with income improving due to better employment conditions. However, personal consumption stagnated due to factors such as rising prices. In the Asian economy, which is the business area of our overseas group, while some regions showed stagnation in

recovery, it remained steady overall. Under such economic conditions, our group is promoting measures based on the basic management policies of the Middle-Range Planning positioned as the “Growth Foundation Building Period” for realizing the ideal vision “VISION2027” by 2027.

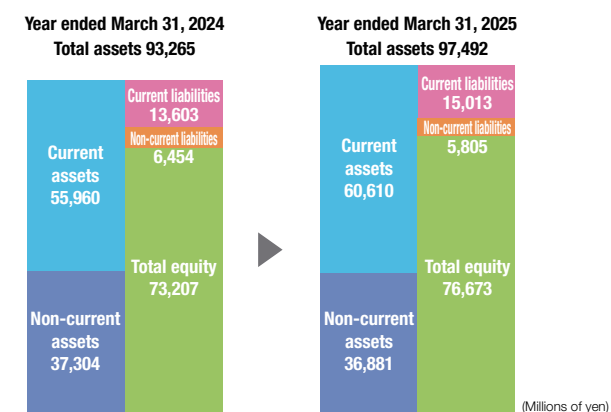
Item	2024 (Year ended March 31) (Millions of yen)	2025 (Year ended March 31) (Millions of yen)	Increase/decrease (million yen)	YoY change (%)
Net sales	73,233	76,183	2,949	+4.0
Cost of sales	41,703	43,284	1,581	+3.8
Selling, general and administrative expenses	29,509	31,870	2,360	+8.0
Operating income (loss)	2,020	1,028	(991)	(49.1)
Non-operating income (loss)	961	1,152	191	+19.9
Ordinary income (loss)	2,981	2,180	(800)	(26.8)
Extraordinary income (loss )	891	116	(775)	(87.0)
Income (loss) before income taxes	3,872	2,296	(1,575)	(40.7)
Income taxes	1,108	780	(328)	(29.6)
Net income (loss) attributable to non-controlling interests	162	(343)	(505)	(310.7)
Net income (loss) attributable to owners of parent	2,601	1,859	(741)	(28.5)

## Analysis of Financial Position and Cash Flows

### 1. Assets, Liabilities and Total Equity

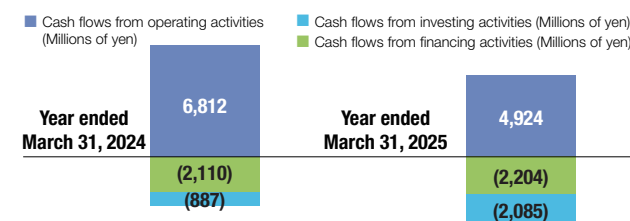
Total current assets were ¥60,610 million as of March 31, 2024, up ¥4,649 million from a year earlier. This was mainly due to increases of ¥2,138 million cash and deposits. Non-current assets were ¥36,881 million as of March 31, 2024, down ¥423 million from a year earlier. This was mainly due to a decrease of ¥1,219 million in property, plant, and equipment due to depreciation. As a result, total assets amounted to ¥97,492 million, an increase of ¥4,226 million compared to the end of the previous consolidated fiscal year. Total current liabilities as of the end of the current consolidated fiscal year amounted to ¥15,013 million, an increase of ¥1,409 million compared to the end of the previous consolidated fiscal year. This was mainly due to an increase of ¥760 million in notes payable and accounts payable. Total non-current liabilities amounted to ¥5,805 million, a decrease of ¥649 million compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of ¥633 million in retirement benefit liabilities. As a result, total liabilities amounted to ¥20,818 million, an

increase of ¥760 million compared to the end of the previous consolidated fiscal year. Total net assets as of the end of the current consolidated fiscal year amounted to ¥76,673 million, an increase of ¥3,466 million compared to the previous consolidated fiscal year. This was mainly due to an increase of ¥2,813 million in foreign currency translation adjustment.



### 2. Status of Cash Flows

Cash and cash equivalents as of March 31, 2025 came to ¥23,810 million, up ¥1,804 million from the end of the previous fiscal year.



#### ►Cash flows from operating activities

Net cash provided by operating activities was ¥4,924 million (compared to ¥6,812 million from a year earlier). It mainly consisted of increases resulting from income before income taxes of ¥2,296 million and depreciation of ¥3,982 million, and a decrease resulting from an increase in inventory assets of ¥1,382 million.

#### ►Cash flows from investing activities

Net cash used in investing activities was ¥2,085 million (compared to ¥887 million from a year earlier). It mainly consisted of decreases resulting from expenditures of ¥1,535 million for acquiring property, plant, and equipment and ¥451 million for acquiring investment securities.

#### ►Cash Flows from Financing Activities

Net cash used in financing activities was ¥2,204 million (compared to ¥2,110 million used from a year earlier). It mainly consisted of a decrease resulting from dividends paid of ¥1,801 million.

## Capital Policy

The Group has two main funding requirements: operation funding requirements and capital investment funding. The main requirements for operation funding are the supply of raw materials for manufacturing the Group’s products, as well as operating expenses such as manufacturing expenses, and selling, general and administrative expenses. For capital investment funding, the main requirements are the purchase of non-current assets such as buildings and machinery associated with the acquisition of production facilities.

### 1. Financial policy

Our group maintains a basic policy of preserving a solid balance sheet and ensuring appropriate liquidity. Capital is used primarily to fund operations, business investments, and shareholder returns, prioritizing the use of internal reserves sourced from cash flows from sales activities, with any shortfalls funded by loans from financial institutions. If a domestic subsidiary lacks necessary funds, the shortfall is covered by a loan from the parent company. Funds in hand are regarded as reserves mainly for funding, ensuring liquidity and security in their operation. We have also set commitment lines with financial institutions, and built a system that can constantly secure funds of over three months’ worth of monthly sales in order to prepare for unforeseen funding.

### 2. Facilities

#### 1) Overview of capital investments

The Group maintains a basic policy of making capital investments in facilities to manufacture products that sustain a competitive advantage. Total capital investments were ¥1,726 million as of March 31, 2025, up ¥133 million (8.4%) from a year earlier.

Segment name	2025 (Year ended March 31) (Millions of yen)	Year-on-year comparison (%)
Japan	637	+31.7
Indonesia	733	(14.9)
Other overseas	354	+43.7
Total	1,726	+8.4

### 2) New important facilities

The Group determines its plans for capital investments while comprehensively taking into consideration investment efficiency and other factors. In principle, each consolidated company separately determines its capital investment plan. However, the group makes adjustments mainly to the reporting companies when determining the plan. As of the end of the current consolidated fiscal year, there are no plans for new important facilities.

### 3. Dividend policy

The Company regards the return of profits to shareholders as an important management issue. We have a basic policy of implementing stable and continuous returns through dividends (numerical target: consolidated payout ratio of 40% or more excluding special factors). While always keeping the improvement of capital efficiency in mind, we will comprehensively consider a number of factors, including FCF, investment plans, securing liquidity and economic conditions. Internal reserves are allocated to strategic investments such as capital investments for expanding existing businesses, overseas investments, and research and development investments, contributing to enhancing corporate value. Additionally, the acquisition of treasury stock is comprehensively judged, considering strategic investments. The dividends of surplus for the fiscal year under review were as follows.

Resolution date	Total amount of dividends (Millions of yen)	Dividends per share (yen)
Resolution of the Board of Directors on November 6, 2024	902	20.00
Resolution of the General Shareholders' Meeting on June 24, 2025	902	20.00

11-Year Consolidated Financial and Non-financial Highlights

	2015 March 2015	2016 March 2016	2017 March 2017	2018 March 2018	2019 March 2019	2020 March 2020	2021 March 2021	2022 March 2022	2023 March 2023	2024 March 2024	2025 March 2025
Operating Results (Millions of yen)											
● Net sales	70,925	75,078	77,351	81,386	78,997	81,774	63,310	57,361	67,047	73,233	76,183
Overseas ratio (%)	41.3	41.3	40.6	41.3	38.7	43.5	38.6	43.2	46.7	48.1	47.0%
Japan	41,637	44,104	45,945	47,739	48,442	46,175	38,847	32,595	35,769	38,010	40,354
Indonesia	17,172	18,164	18,323	19,616	17,044	17,791	12,102	11,751	14,178	14,708	13,430
Other overseas	12,115	12,809	13,081	14,030	13,510	17,806	12,360	13,015	17,098	20,513	22,398
● Operating income (loss)	6,996	6,594	7,617	8,457	7,135	5,970	(793)	(2,308)	1,409	2,020	1,028
Japan	4,485	4,704	5,077	5,525	4,248	3,014	(255)	(1,473)	282	79	1,606
Indonesia	1,028	880	925	1,181	681	645	(899)	(1,204)	(676)	(770)	(1,810)
Other overseas	1,482	1,008	1,614	1,750	2,205	2,310	361	369	1,802	2,710	1,324
● Ordinary income (loss)	7,595	7,415	8,183	9,264	8,161	6,706	(273)	(1,856)	2,207	2,981	2,180
● Net income (loss) attributable to owners of parent	4,425	6,383	5,566	6,086	5,087	4,445	860	(621)	958	2,601	1,859
Capital investment	3,443	3,725	3,309	2,855	3,559	9,193	7,980	1,970	1,433	1,593	1,971
Depreciation and amortization	2,599	2,919	3,165	3,315	3,583	4,369	4,818	5,337	4,988	4,415	3,982
Promotion expenses	8,228	8,581	8,077	8,673	6,006	6,471	4,836	2,021	2,281	2,721	2,693
Advertising expenses	4,243	4,998	5,331	5,207	5,156	4,725	3,416	3,204	3,279	4,464	4,969
Research and development expenses	1,731	1,558	1,717	1,813	1,826	1,855	1,480	1,399	1,402	1,536	1,515
Financial Position (Millions of yen)											
Total assets	75,980	79,821	83,835	93,195	93,402	91,660	87,911	85,767	91,005	93,265	97,492
Liabilities	15,000	13,965	14,245	17,445	17,592	18,208	18,198	16,716	19,820	20,058	20,818
Shareholders' equity	55,974	59,707	63,253	69,412	70,000	67,117	64,222	63,321	65,125	66,517	69,886
Cash Flows (Millions of yen)											
Cash flows from operating activities	5,488	7,232	9,045	10,246	6,587	6,937	6,208	7,693	4,065	6,812	4,924
Cash flows from investing activities	(5,141)	(2,383)	(5,920)	(6,776)	6,921	(9,836)	(5,680)	(185)	(1,257)	(887)	(2,085)
Free cash flows	346	4,849	3,124	3,469	13,509	(2,899)	528	7,508	2,808	5,924	2,838
Cash flows from financing activities	(341)	(3,534)	(2,215)	(2,669)	(4,020)	(8,307)	1,125	(5,385)	(2,072)	(2,110)	(2,204)
Per Share Data (Yen)											
Book value per share (BPS)	1,197.11	1,277.01	1,352.88	1,484.67	1,496.20	1,495.40	1,431.42	1,407.65	1,448.35	1,479.21	1,548.31
Earnings (loss) per share (EPS)	94.64	136.52	119.05	130.19	108.76	97.68	19.17	(13.84)	21.31	57.84	41.27
Cash dividends per share	38.00	40.00	48.00	59.00	60.00	62.00	32.00	36.00	38.00	40.00	40.00
Financial Index (%)											
Operating margin	9.9	8.8	9.8	10.4	9.0	7.3	(1.3)	(4.0)	2.1	2.8	1.3%
Shareholders' equity ratio	73.7	74.8	75.4	74.5	74.9	73.2	73.1	73.8	71.6	71.3	71.7%
Return on invested capital (ROIC)							(0.3)	(1.7)	2.1	2.9	2.0%
Return on equity (ROE)	8.3	11.0	9.1	9.2	7.3	6.5	1.3	(1.0)	1.5	4.0	2.7%
Return on assets (ROA)	10.6	9.5	10.0	10.5	8.8	7.2	(0.3)	(2.1)	2.5	3.2	2.3%
Payout ratio	40.2	29.3	40.3	45.3	55.2	63.5	166.9	—	178.3	69.2	96.9%
Non-financial Data											
Number of employees by region	2,400	2,663	2,662	2,694	2,914	2,954	2,914	2,765	2,732	2,672	2,587
Japan	557	562	581	595	605	629	667	665	670	644	636
Indonesia	1,421	1,689	1,670	1,671	1,693	1,701	1,652	1,561	1,512	1,465	1,408
Other overseas	422	412	411	428	616	624	595	539	550	563	543
Market Performance											
Domestic brand share of men's cosmetics market* (%)	Due to a change in the calculation method in April 2021, data that can be calculated under the same conditions will be available from the 101st fiscal year (ended March 31, 2018) onward.			27.9	27.6	26.8	24.5	22.8	23.5	24.4	25.7%
Domestic brand share of men's cosmetics market* (ranking)				No. 1	No. 1	No. 1	No. 1	No. 2	No. 2	No. 1	No. 1

Notes: 1. We executed a 2-for-1 stock split of common stock on October 1, 2017. EPS and Cash dividends per share above are all figures taking into consideration the impact of stock split.  
2. Beginning from the fiscal year ended March 31, 2019, some items that had been treated as expenses have been deducted from net sales at overseas consolidated subsidiaries included in financial statements conforming to IFRS.  
3. The "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) have been applied from the beginning of the first quarter of the fiscal year ended March 31, 2019.  
4. From the fiscal year ended March 31, 2022, some items that had been treated as expenses have been deducted from net sales of the Japan segment in order to apply the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc.  
5. From FY2025, the calculation method for segment profit has been changed to exclude adjustments such as internal profit, in line with the review of performance evaluation indicators.  
\* INTAGE SRI+ (amount) All business types, period: April of each year to March of the following year



Mandom Group’s Detailed History

►Overall Management  
►Research, Product Development, and Marketing

1927-1969

- 1927.12 ▶ Established Kintsuru Perfume Corporation
- 1932.11 ▶ Mr. Shinpachiro Nishimura appointed president of Kintsuru Perfume Corporation
- 1933. 4 ▶ Launched Tancho Tique a hit product which laid the foundation for future success
- 1958. 4 ▶ Formed a technical tie-up with Tancho Corporation in Manila, the Philippines, and began operations; this marked the first step in overseas expansion
- 1959. 4 ▶ Company name changed to Tancho Corporation
- 1961. 5 ▶ Mr. Hikoji Nishimura appointed president of Tancho Corporation
- 1966.11 ▶ Chairman Shinpachiro Nishimura passed away on November 3
- 1969.11 ▶ Established a local corporation P.T. Tancho Indonesia in Jakarta through a joint venture (Currently consolidated subsidiary PT Mandom Indonesia Tbk)



1970-

- 1970. 6 ▶ Received a commendation from the Minister of International Trade and Industry (now Minister of Economy, Trade and Industry) for its economic contributions as an export company (also received this commendation again in 1971 and 1972)
- 7 ▶ Held a presentation for “the Mandom Series” Announced the launch of 9 varieties and 10 items Became the first company in Japan to feature a Hollywood star (Charles Bronson) as a character (Charles Bronson)
- 1971. 4 ▶ Company name changed to Mandom Corporation
- 1972.10 ▶ Established Japan Doctor Renaud Cosmetics Company (Currently consolidated subsidiary Piaselabo Corporation)
- 1976. 3 ▶ Construction of Fukusaki Factory completed; commenced operations
- 1978. 5 ▶ Switched from distributors to direct sales
- 7 ▶ Launched the new GATSBY and Spalding product lines, the first time in Japan’s cosmetics industry that two major lines were introduced simultaneously



1980-

- 1980. 4 ▶ Switched from direct sales to distributors
- 8 ▶ Mr. Ikuro Nishimura appointed president of Mandom Corporation
- 1982. 4 ▶ Commenced Mandom Corporation’s 1st 5-year Middle-Range Planning (MP Project)
- 9 ▶ Proposed a new hair care system through beauty salon routes Launched the “Pagliacci” line
- 10 ▶ Launched PIXY women’s cosmetics in Indonesia
- 1983. 4 ▶ Introduced new CI system and changed company logo
- 1984. 4 ▶ Adopted information card system
- 7 ▶ Launched PUCELLE My Lip, the Company’s first product geared to the women’s cosmetics market
- 1985. 2 ▶ Entered the women’s cosmetics market via door-to-door sales
- 3 ▶ Commenced the first over-the-counter sales of GATSBY hair foam for men
- 1986. 1 ▶ Established external Audit & Supervisory Board members
- 9 ▶ Completed construction of a factory specializing in aerosol products at the Fukusaki Factory
- 1987. 4 ▶ Commenced 2nd 3-year Middle-Range Planning
- 11 ▶ Launched women’s cosmetic item PIXY Moisture Lipstick in Indonesia
- 1988. 2 ▶ Started a local joint venture in Singapore (Currently consolidated subsidiary Mandom Corporation (Singapore) Pte. Ltd.)
- 11 ▶ Mandom Corporation shares traded on the over-the-counter market
- ▶ Issued 500,000 shares, increasing capital through public offering
- 1989. 3 ▶ Received ECO Mark certification for foam products from the Japan Environment Association for the first time in the industry
- 8 ▶ Changed the company name of Japan Dr. Renaud Cosmetics Co., Ltd. to Piaselabo Co., Ltd.



- 1989. 9 ▶ Launched LÚCIDO, a lineup of fragrance-free men’s cosmetics products, unprecedented in the industry
- 12 ▶ Started a local joint venture in Taiwan (Currently consolidated subsidiary Mandom Taiwan Corporation)



1990-

- 1990. 4 ▶ Commenced 3rd 3-year Middle-Range Planning
- ▶ Started a local joint venture in Thailand (Currently consolidated subsidiary Mandom Corporation (Thailand) Ltd.)
- 7 ▶ Prices revised due to abolishment of sales subsidies
- 1991. 4 ▶ Completed construction of Mandom Tokyo Building
- 1992. 2 ▶ Started a local joint venture in the Philippines (Currently consolidated subsidiary Mandom Philippines Corporation)
- 1993. 2 ▶ Construction completed on the first stage of new Head Office building; commenced operations in the new building
- 4 ▶ Commenced 4th 3-year Middle-Range Planning
- 7 ▶ Started a local joint venture in Hong Kong (Currently equity-method affiliate Sunwa Marketing Co., Ltd.)
- 9 ▶ Launched LÚCIDO-L, a lineup of fragrance-free products for women
- ▶ P.T. Tancho Indonesia listed on the Jakarta Stock Exchange (Currently Indonesia Stock Exchange)
- 1994. 6 ▶ New Head Office building completed upon finishing second phase construction
- 1995. 6 ▶ Mr. Motonobu Nishimura appointed president of Mandom Corporation
- ▶ Established External Director
- 1996. 4 ▶ Commenced 5th 3-year Middle-Range Planning
- ▶ Launched “Mandom World,” the Group’s website on the Internet
- 12 ▶ Started a local joint venture in China (Currently consolidated subsidiary Zhongshan City Rida Cosmetics Co., Ltd.)
- 1997. 1 ▶ Started a local joint venture in Malaysia (Currently consolidated subsidiary Mandom (Malaysia) Sdn. Bhd.)
- 4 ▶ Established Konan Service Corporation (now mbs Corporation)
- 1998. 8 ▶ Repurchased 1.7 million shares of Mandom common stock on the open market
- 1999. 3 ▶ Achieved ¥10 billion sales of GATSBY products, a first in the Japanese cosmetics industry for men’s products
- 4 ▶ Commenced 6th 3-year Middle-Range Planning
- 8 ▶ Started a local joint venture in Korea (Currently consolidated subsidiary Mandom Korea Corporation)



2000-

- 2000. 5 ▶ Mr. Ikuro Nishimura, Director and Senior Advisor of Mandom Corporation, passed away on May 23
- 8 ▶ Mandom Corporation’s share trading unit lowered from 1,000 shares to 100 shares
- 11 ▶ Fukusaki Factory and Logistics Center certified to ISO14001, the international standard for environmental management systems
- 2001. 3 ▶ Commenced operations at PT Mandom Indonesia Tbk’s Cibitung Factory
- ▶ Launched GATSBY Hair Color series, developing a market for men’s hair color products
- 6 ▶ Adopted Executive Officer system
- 8 ▶ Repurchased 2.33 million shares of Mandom common stock on the open market
- 2002. 1 ▶ Listed on the Second Section of the Tokyo Stock Exchange
- 3 ▶ Completed construction of the Mandom Group’s Tokyo Nihonbashi Building
- ▶ GATSBY Hair Color commercial voted best overall in a survey carried out by CM Databank in the Tokyo metropolitan area (CM Databank: Survey on by commercial rankings in the Tokyo metropolitan area)
- 4 ▶ Commenced 7th 3-year Middle-Range Planning
- 5 ▶ Started marketing GATSBY and LÚCIDO-L simultaneously in Asia



- 2003. 1 ▶ Honorary Advisor Hikoji Nishimura passed away on January 25
- 3 ▶ Designated for listing on the First Section of the Tokyo Stock Exchange
- ▶ Issued 1.65 million shares, increasing capital through public offering
- 2003.10 ▶ Achieved “zero emission” status at the Fukusaki Factory
- ▶ PT Mandom Indonesia Tbk Received the “Indonesia Economic Value Added (EVA) Award” (Also received in ’04, ’05, ’06)
- 2004. 2 ▶ Recalled GATSBY Ex Hi-Bleach, a Mandom product, due to a burn injury accident (the first product recall in the Company’s history)
- 3 ▶ Acquired Occupational Health and Safety Management System (OHSAS 18001) certification at the Fukusaki Factory, Logistics Center, and Production Engineering Division
- 10 ▶ Entrusted 3PL (Third-Party Logistics) operations to Nippon Express Co., Ltd. Reorganized metropolitan sales bases
- 2005. 4 ▶ Commenced 8th 3-year Middle-Range Planning
- 6 ▶ Terminated retirement benefits for directors and corporate auditors
- 11 ▶ Developed a preservative-free product incorporating “alkanediol”
- ▶ Launched Perfect Assist 24, Mandom’s first proprietary cosmetic product for women
- 2006. 8 ▶ Launched GATSBY Moving Rubber
- ▶ Acquired 330,000 shares of treasury shares
- 11 ▶ R&D building completed on Mandom headquarters site
- 2007. 1 ▶ Revised work rules in response to the introduction of the citizen judge system scheduled to start from 2009
- 2 ▶ Received a 12th (FY2006) Best Disclosure Award from the Tokyo Stock Exchange
- 12 ▶ PT Mandom Indonesia Tbk achieved annual sales of 1 trillion rupiah
- 2008. 4 ▶ Commenced 9th 3-year Middle-Range Planning
- 5 ▶ Established Mandom China Corporation (consolidated subsidiary) in China
- 2009. 3 ▶ Reorganization of Tokyo metropolitan area sales bases (Sold Mandom Tokyo Branch Building, Mandom Group Tokyo Nihonbashi Building, and Mandom Nihonbashi Bakurocho Building)
- 4 ▶ Executed absorption mergers of Beaucons Corporation and mbs Corporation
- 7 ▶ Acquired 88,800 shares of treasury shares



2010-

- 2011. 2 ▶ Commenced full-scale renewal of LÚCIDO as an aging care brand
- 4 ▶ Commenced 10th 3-year Middle-Range Planning
- 8 ▶ Launched Bifesta, a cosmetics brand for women
- 2012. 3 ▶ Established Mandom Corporation (India) Pvt. Ltd. in India Consolidated
- 2014. 2 ▶ Launched the LÚCIDO Deodorant series aimed at combating body odors that develop during middle age
- 3 ▶ Extended Fukusaki Factory’s production building
- 4 ▶ Commenced 11th 3-year Middle-Range Planning
- 2015. 1 ▶ Established Mandom Vietnam Co., Ltd. (consolidated subsidiary) in Vietnam
- 6 ▶ Relocated head office and factory of PT Mandom Indonesia Tbk from Jakarta to Bekasi
- 7 ▶ Established the Laboratory of Advanced Cosmetic Science at Osaka University
- ▶ Fire accident at a PT Mandom Indonesia Tbk plant, resulting in loss of life



- 2016.10 ▶ At the Laboratory of Advanced Cosmetic Science, discovered human sweat gland stem cells and succeeded in regenerating a sweat gland-like structure in vitro
- 2017. 4 ▶ Revised the Mission, and formulated “VISION2027” which outlines where the Company aspires to be in 2027, the 100th anniversary
- ▶ Commenced 12th Middle-Range Planning
- ▶ Introduced a work-from-home system as one part of its workstyle reform initiative
- 10 ▶ Executed stock split (split each common stock into two)
- 2018. 5 ▶ Concentrated the Group’s marketing functions to the Tokyo office located in Aoyama
- 6 ▶ Introduced restricted stock compensation plan
- ▶ Eliminated roles of senior advisor, honorary advisor, and advisor to further increase effectiveness and transparency
- 8 ▶ Established Mandom Will corp., (non-consolidated subsidiary) to expand utilization and hiring of diverse human resources
- 2019. 1 ▶ Acquired all shares of ACG International Sdn. Bhd. (making it a subsidiary), which is primarily engaged in young women’s makeup brand operations in Malaysia
- 11 ▶ Acquired 1,903,500 shares of treasury shares

2020-

- 2021. 4 ▶ Mr. Ken Nishimura appointed as President Executive Officer & Director Mr. Motonobu Nishimura appointed as Representative Director & Chairman
- ▶ Commenced 13th Middle-Range Planning
- ▶ Established “Skin Science Joint Research Program” at Kitasato University, School of Pharmacy
- 9 ▶ Renewed VI (visual identity) and introduced corporate slogan of “BE ANYTHING, BE EVERYTHING.”
- ▶ Completed a new factory building at Fukusaki Factory
- 11 ▶ Implemented recall of five products containing lysozyme hydrochloride due to health damage including anaphylactic symptoms
- 2022. 4 ▶ Transferred from the First Section to the Prime Market of the Tokyo Stock Exchange due to its market restructuring
- 6 ▶ Recognized as a “Three-Star Certified Company” (highest rank) in the “Osaka City Leading Company in Women’s Participation” ranking
- ▶ Expressed support for Task Force on Climate-related Financial Disclosures (TCFD) recommendations and joined the TCFD Consortium
- 10 ▶ “GATSBY Space Shower Wipes” to be carried on the International Space Station (ISS) left for space
- 2023. 4 ▶ Started new personnel affair system for career development as part of “MHRX (Mandom HR Transformation)”
- 9 ▶ Won award for best poster presentation at the “33rd International Federation of Societies of Cosmetic Chemists (IFSCC) Congress 2023 Barcelona”
- 2024. 4 ▶ Commenced 14th Middle-Range Planning
- 2025. 3 ▶ Entered into a capital and business alliance with SQUIZ Corporation



Data

Group Companies/Company Outline/Stock and Shareholder Information (as of March 31, 2025)

Japan

Company Name	Location	Main Businesses	Main Products	Established	Accounting Method on Consolidated Financial Statements	Percentage of Voting Rights Held
Mandom Corporation	Japan	Manufactures and sells products for mass distribution via distributors, primarily to drug stores and convenience stores	Cosmetries and skin care products	1927	—	—
Piacelabo Corporation	Japan	Provides professional-use products and technologies to hair salons via distributors	Cosmetics for hair salons	1972	Consolidated	100.0%
mbs Corporation	Japan	Insurance agency services, travel services, general services	—	1997	Non-consolidated	100.0%
Mandom Will corp.	Japan	Contractor to Mandom Group	—	2018	Non-consolidated	100.0%

Overseas

Company Name	Location	Main Businesses	Main Products	Established	Accounting Method on Consolidated Financial Statements	Percentage of Voting Rights Held
Mandom Philippines Corporation	The Philippines	Sale of cosmetics and other products	Cosmetries and skin care products	1992	Consolidated	100.0%
Mandom Corporation (Singapore) Pte. Ltd.	Singapore	Sale of cosmetics and other products	Cosmetics, toiletries and skin care products	1988	Consolidated	100.0%
Mandom Taiwan Corporation	Taiwan	Sale of cosmetics and other products	Cosmetries and skin care products	1989	Consolidated	100.0%
Mandom Korea Corporation	South Korea	Sale of cosmetics and other products	Cosmetics, toiletries and skin care products	1999	Consolidated	100.0%
Mandom Corporation (Thailand) Ltd.	Thailand	Sale of cosmetics and other products	Cosmetics, toiletries and skin care products	1990	Consolidated	100.0%
Mandom China Corporation	China (Shanghai)	Sale of cosmetics and other products	Cosmetries and skin care products	2008	Consolidated	100.0%
Mandom Corporation (India) Pvt. Ltd.	India	Sale of cosmetics and other products	Cosmetries and skin care products	2012	Consolidated	100.0%
Mandom Vietnam Co., Ltd.	Vietnam	Sale of cosmetics and other products	Cosmetries and skin care products	2015	Consolidated	100.0%
ACG International Sdn. Bhd.	Malaysia	Other	—	2009	Consolidated	100.0%
Mandom (Malaysia) Sdn. Bhd.	Malaysia	Sale of cosmetics and other products	Cosmetics, toiletries and skin care products	1997	Consolidated	99.5%
Zhongshan City Rida Cosmetics Co., Ltd.	China (Zhongshan)	Manufacture and sale of cosmetics and other products	Cosmetries and skin care products	1996	Consolidated	66.7%
PT Mandom Indonesia Tbk	Indonesia	Manufacture and sale of cosmetics and other products	Cosmetries, makeup and skin care products	1969	Consolidated	65.2%
Sunwa Marketing Co., Ltd.	China (Hong Kong)	Sale of cosmetics and other products	Cosmetics, toiletries and skin care products	1993	Equity-method affiliate	44.0%

Notes: 1. Mandom Corporation (India) Pvt. Ltd. is not currently operating its businesses.  
2. Purchase of ACG International Sdn. Bhd. shares (making it a subsidiary) was completed in 2019.  
3. Alliance Cosmetics Sdn. Bhd. and Alliance Cosmetics Pte. Ltd. are subsidiaries of ACG International Sdn. Bhd.  
4. PT Alliance Cosmetics, an Indonesian subsidiary of ACG International Sdn. Bhd. transitioned to a subsidiary of PT Mandom Indonesia Tbk in 2021.  
5. Percentages of voting rights held are rounded down to one decimal place.

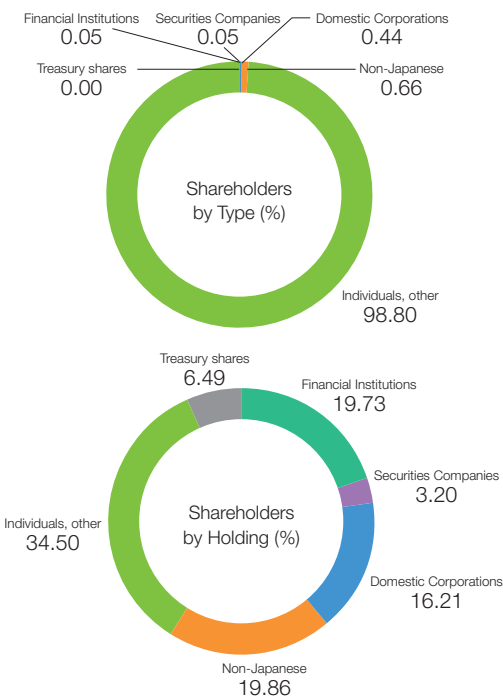
Company Outline

Company Name:	Mandom Corporation	Businesses:	Manufacture and sale of cosmetics and perfumes, manufacture and sale of quasi-drugs
Head Office:	5-12, Juniken-cho, Chuo-ku, Osaka 540-8530, Japan	Fiscal Year-End:	March 31
Established:	Friday, December 23, 1927	General Meeting of Shareholders	Ordinary general meeting of shareholders every June
Share capital	11,394 million yen	Independent Auditor	Deloitte Touche Tohmatsu LLC
Number of Employees:	2,587 (Consolidated) / 613 (Non-consolidated)		

Stock Information

Number of Shares Authorized for Issue:	81,969,700
Shares of Common Stock Issued and Outstanding:	48,269,212
Number of Shareholders:	56,394
Stock Listing:	Prime Market of the Tokyo Stock Exchange
Securities Code:	4917
Transfer Agent:	The Mitsui Sumitomo Trust and Banking Co., Ltd.

Common Stock Holdings



Notes: Does not total 100 due to rounding

Shareholder Information

Major shareholders (Shareholder name or title)	No. of shares owned (Thousands)	Ratio of share ownership (%)
The Master Trust Bank of Japan, Ltd. (trust account)	6,506	14.42
Nishimura International Scholarship Foundation Custody	3,600	7.98
Bank of Japan, Ltd. (trust account)	2,309	5.12
Mandom Employee Shareholding Association	1,470	3.26
MN Holdings Co., Ltd.	1,070	2.37
Motonobu Nishimura	933	2.07
KIA FUND F149	749	1.66
BNP PARIBAS LUXEMBOURG/2S/JASDEC/JANUS HENDERSON HORIZON FUND	685	1.52
JP MORGAN CHASE BANK 385781	514	1.14
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	501	1.11

Notes: 1. Figures less than 1,000 shares have been rounded down.  
2. Ratios of share ownership are rounded to one decimal place.  
3. We hold 3,131,990 shares of treasury stock which are not listed above.  
4. Ratios of share ownership are calculated excluding treasury shares.

Stock Price and Transaction Volume



Introduction to Our IR (-related) Site

The Company is working to use its website for IR activities, in the aim of providing information fairly and in a timely manner to shareholders and investors.

Shareholder Information  
<https://www.mandom.co.jp/en/ir/>

Sustainability Information  
<https://www.mandom.co.jp/en/sustainability/>



Shareholder Information



Sustainability Information

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