News Release

September 16, 2021



Mandom's new production building completed in Fukusaki Factory

- Fully integrated factory with greater productivity: Brand new production facility, kinder to people and our environment -

Mandom Corporation (Head Office: Osaka City, Japan; President Executive Officer & Director: Ken Nishimura; hereafter called "Mandom") announces the completion of a new production building within the premises of its Fukusaki Factory, located in Kanzaki-gun, Hyogo Prefecture. The new building was completed on September 16, 2021 and the fully integrated production plant in Fukusaki is now up and running.

Automation and robotization have been enhanced to further reduce human operatives, promoting greater safety, assurance and productivity as well as reducing environmental impact. The building offers additional appeal as a manufacturing site of cosmetic products and its design caters for flexible production planning to satisfy the changing demands of our customers. This new production setup will boost Fukusaki Factory's existing role as Mandom Group's flagship production facility, the innovation center that allows us to meet the changes and challenges we face.



■The Need for a New Production Plant

Mandom Group has three factories in Japan, Indonesia, and China. Among them, the Fukusaki Factory is the only production site in Japan. As well as manufacturing products for the Japanese and overseas markets, it has been providing support as Group leader to other production sites overseas, promoting technological innovation and human resource development and serving as an innovation center.

Mandom is heading strongly towards achieving VISION2027, *1 our ideal of what we want to be in 2027, the 100th anniversary of our company's foundation. In order to improve our corporate infrastructure, we adopted the concept of a manufacturing plant that is friendly to people and the environment, a facility that creates a bright new future. The construction of the new building started in 2019.

URL: https://www.mandom.co.jp/en/





The Advantages of the New Plant

1. A self-contained plant to manufacture high-quality products with great efficiency

The new design has transformed production from the conventional style of area separation by product type or formulation to a new style of intensive production covering all product types. The result is that largescale automation and use of IoT have become a reality. Safety and productivity enhancements have boosted efficiency and ensured a solid high-quality manufacturing system.

To illustrate, an automated transfer robot is now used, moving inprocess goods to the next process without human intervention. This has reduced heavy labor for operatives and created a workplace where humans and robots collaborate to create products. The new building is linked to the existing factory with a passageway. This means that operatives and goods need not have external exposure, starting with the delivery of raw materials to the end of the manufacturing process. The operatives' lines of flow are reduced and a clean environment can be maintained, thereby adding to better quality control.



Automated transfer robot

2. Less environmental impact, thanks to solar panel power generation and gravityassisted content transfer

1,728 solar panels are installed on the rooftop of the new building, with a maximum of 500kW of in-house electricity output in sunny conditions. The structure of the new plant's production area was designed in an energy efficient way making goods and contents in the manufacturing process move by gravity from higher levels to lower levels of the building. A further design initiative was to minimize the transfer distance in order to avoid content loss and to reduce rinse water usage and power consumption. All these ideas we adopted are effective in lowering environmental impact.



Rooftop solar panels

3. Factory space as a visitor attraction as well as a better environment where staff can work safely and comfortably with reassurance

Safety facilities have been reinforced. Rest areas for relaxation and a stylish cafeteria were created, improving the workplace environment allowing staff to work calmly and happily. A bonus feature is a special space we designed and provided for visitors. They can now enjoy a close birds-eye view of how our products are manufactured by standing in a designated observation area above the production line. The external appearance and the non-production spaces have transformed the factory into a highly appealing facility, not just a functional structure. The elevations of the building are glazed, with large panels of glass that make the exterior look clean and see-through. The entrance foyer is very open, light and spacious in design, and a presentation room has also been added.



Visitors gallery for sharing the manufacturing experience



Open and airy space of the entrance atrium

■ New Fukusaki Factory Building: Key Information

Name of Building	Plant No. 5
Address	290-28, Takahashi, Fukusaki-cho, Kanzaki-gun, Hyogo Prefecture (in the premises of the existing Fukusaki Factory)
Building Area	8,753m ² (New Production Building & Entrance)
Total Floor Area	24,293m ² (New Production Building & Entrance)
Number of Floors	Five stories above ground (partly floorless atrium structure)
Products Manufactured	Wax items, tube goods, liquid products
Investment	14.6 billion JPY
Construction Start	February 2019
Operational Startup	September 2020 (Successively as and when facilities are relocated)

■ Fukusaki Factory: Key Information on Integrated Plant

Completion (Original date)	March 1976
Site Area	71,058m ²
Building Area	31,517m ²
Total Floor Area	57,731m ²
Production Capacity	Approximately 230 million pieces per year (roughly 1.6 times of 2017 output)

*1 For more details on VISION2027, follow this link: <u>https://www.mandom.co.jp/en/company/strategy.html</u>