# **Food Product Quality Management**

Thorough quality assurance and

product traceability from the raw materials stage to the final consumer

At Kao our human health care-related research tracks the health effects of our products. We are therefore able to expand our health care and food product business to offer healthy products that can be enjoyed with peace of mind as part of a regular diet. Our food products are sold after successive quality assurance assessments pertaining to product effectiveness and safety beginning at the product development stage. These assessments take place within the company, and also include nutritional and medical research conducted with experts from outside the company. In addition, we implement thorough quality control procedures at all stages of manufacturing and processing, and track products from the raw materials stage until final consumption to assure product quality.

### **Product traceability**

Kao has established a traceability system that can track all raw materials used in products, enabling us to trace, by product lot number, not only specific countries of origin, but also compliance with laws and regulations, and base raw materials. After we have verified tracking information from our raw material suppliers, we conclude agreements with them in the form of certifications of material quality. Furthermore, we verify the suitability of the content stipulated in agreements and of management systems through regular audits and meetings with our raw material suppliers.

#### Standards of food product quality assurance

Kao establishes independent quality assurance standards to ensure raw material and food product safety, including:

- Control standards for product quality hazards
- Control standards for agricultural chemical residues

- Control standards for food allergens
- Standards for establishing food ingredient microorganism specifications
- Standards for establishing expiration labels for food products and food additives

### Control of freshness and management of "best-before" dates

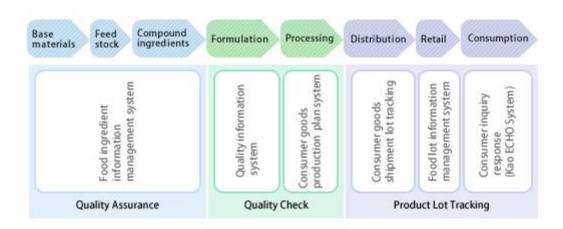
Kao determines the "best-before" dates of its food products after building in an adequate safety margin based on the results of various types of storage tests, thereby setting clear periods within which consumers can enjoy our products without experiencing problems in quality or taste.

To ensure these periods are adequate, we manage product freshness in our production and distribution phases, including the management of "best-before" dates of raw materials. Specifically, we make it a rule to deliver products to retailers no later than one-third of the way between the production and "best-before" dates and have built management and traceability systems based on production lot numbers.

### Food product traceability

We have established a food product traceability system that, through product lot numbers, can provide information on raw materials, specific manufacturing conditions, and can track the retail destination and delivery status of our products. Kao's system of product consistency benefits production planning and inventory control and is applied in the form of thorough controls in place to ensure product freshness.

### Food Product Traceability



# **Response to Radioactive Contamination - Securing the Safety of Products**

In manufacturing "*Healthya*" products, Kao checks the monitoring data from government authorities, as well as the information on production areas for ingredients including water and tea leaves. In addition, we conduct voluntary inspections before production and of final products to secure the safety of products.

Inspections of radioactive materials are performed using germanium semiconductor detector, and we have confirmed that the products comply with the New Standard limits for Radionuclides in Foods implemented on April 1, 2012. (MHLW website)

MHLW website

• The New Standard limits for Radionuclides in Foods[PDF]



Putting the sample in a Germanium semiconductor detector



Measurement of radioactive materials including cesium