Standards of Product Safety Management

From the product development phase to after sales, top priority always placed on safety assurance

Safety assessment standards at the product development stage

We perform numerous safety evaluations and scientific assessments to ascertain human safety issues of products and the impact of our products on the environment, and to ensure the safety of our food products. Accordingly, we have established our Kao Safety Assessment Standards for Products and Materials to outline evaluation procedures that assess product safety in line with our own stringent standards and product characteristics. Also, all of our Safety Science Research Laboratories, working independently of Product Development Research, evaluate the safety of all Kao raw materials and products.

Moreover, to ensure product safety, we repeatedly look into product safetyrelated matters in terms of how consumers actually use our products. These efforts include scientific safety assessments and investigations of product claims, of labels that detail intended users, usage instructions and usage precautions, and of packaging. Moreover, our Product Quality Management Division and other divisions including consumer communication and fundamental research laboratories hold Product Safety Study Meetings in which, from the perspective of consumers, a full range of product use scenarios are anticipated from product selection and purchase, to product use, storage and disposal.

These efforts to assess product safety scientifically and from the consumer's perspective ensure that each and every product we sell is safe.

Kao's basic concept of safety assessment

Kao's basic concept of safety assessment requires that we:

1. Assess and ensure the safety of raw materials, material composites, and

finished products.

- 2. Assure safety to people and the environment in relation to product use under normal conditions and foreseeable misuse scenarios.
- Use the most innovative technologies and expertise available at the time of product assessment.
- 4. Thoroughly discuss and verify legal compliance and product safety from a social science perspective.

Kao Good Vigilance Practice (Kao GVP) outlining standards for post-launch safety management

To oversee product safety post-launch, our safety management divisions manage information with other company divisions on a daily basis. This involves compiling a wide range of information beginning with consumer feedback, academic information and other documents, information from government and industry organizations, news releases and other safety-related information. Once compiled, we investigate the accuracy and details of all such information, and consider whether or not any issues or aspects for improvement need to be addressed.

Kao has established a response system for urgent and serious issues so that, in the event that a major problem or threat of such problem should occur, consumer notifications, product recalls, and other necessary priority measures to ensure safety can be swiftly implemented. Our response system involves divisions within Kao, as well as links with government and related entities, and with our distribution network to ensure the accurate and prompt performance of Kao's obligations to our customers, and of our social responsibilities, and our responsibility to disclose information.