Global Sharp Top Strategy

Toru Nishiguchi
Director, Senior Managing Executive Officer
Responsible for Consumer Products, Global
Forward-looking statements such as earnings forecasts and other projections contained in this release are based on information available at this time and assumptions that management believes to be reasonable, and do not constitute guarantees of future performance. Actual results may differ materially from those expectations due to various factors.

These presentation materials are available on our website in PDF format:

Contents

01 Global Sharp Top Strategy
   Toru Nishiguchi
   Director, Senior Managing Executive Officer
   Responsible for Consumer Products, Global

02 Cosmetics Business Global Strategy
   Yosuke Maezawa
   Senior Executive Officer
   President, Consumer Products - Cosmetics Business, Global
   Mark Johnson
   Executive Officer
   President, Consumer Products - Cosmetics Business, Americas and EMEA

03 Skin Protection Business Growth Strategy
   Kotaro Nuriya
   Senior Executive Officer
   President, Consumer Products - Health & Beauty Care Business, Global
   Karen B. Frank
   Executive Officer
   President, Consumer Products - Consumer Care Business, Americas and EMEA
Direction of the Kao Group

- Determine a specific growth trajectory without changing the management policy set in K25.

Kao Group Mid-term Plan 2027 “K27”

Vision
Saving future lives

【K27 Basic Policy】
1. Become an essential company in a sustainable world
2. Transform to build robust business through investment
3. Maximize the power and potential of employees

Introduce ROIC company-wide, decisively implement structural reforms and aim to be a company that sustains “Global Sharp Top*” businesses.

*Global Sharp Top: Contribute as global No.1 with leading-edge brands and solutions that address the critical needs of customers.
### K27 Roadmap

<table>
<thead>
<tr>
<th>Year</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
</tr>
</thead>
</table>

#### STEP 3
**Growth strategy 2: A new co-creation businesses with partner companies**

1. Conduct co-creation with the No. 1 companies in the target segments
2. Build new playing fields in new business areas

#### STEP 2
**Growth strategy 1: Global expansion of growth driver areas**

1. **Skin Care Business:** Make skin protection* a Global Sharp Top business
2. **Cosmetics Business:** Ramp up global rollouts of Curél, SENSAI and MOLTON BROWN
3. **Chemical Business:** Expand the business by helping to resolve social issues

#### STEP 1
**Structural reforms (Stronger competitiveness for mainstay businesses)**

1. Conduct a drastic strategic review and reorganization of inefficient businesses
2. Promote structural reform of human capital
3. Reform of earning power

* Skin protection: Technologies that protect the skin from environment-related risks, fall into three categories: UV care, self-tanning and protection from environment-related risks.
Global Expansion in Growth Driver Areas - Cosmetics Business -

- Ramp up global rollouts of Curél, SENSAI and MOLTON BROWN

Foundation Building
- Establish operations of an organization that can compete globally
- Global rollout of Curél, SENSAI and MOLTON BROWN (1st Runners)
- Establish structure of G11 and R8 brand lineups

Global Business Expansion
- Establish regional portfolio strategies (Japan, Europe, Asia)
- Make strategic investments in key brands
- Strengthen G11 brand portfolio

Toward the Global Sharp Top
- Achieve No. 1 brand and category positions
- Ramp up global rollout of 2nd Runners
- Build infrastructure to support global business

FY23 FY25 FY27
Global Expansion in Growth Driver Areas -Skin care business-

• Aim to be the Global Sharp Top in skin protection*

Establish Business Foundation in Japan

UV care business foundation
• Establish the foundation to be No. 1 in Japan
• Prepare for global rollout of technology platform
  ✓ Even, long-lasting coating with feels good on the skin
  ✓ Diverse formulations to meet customer needs
  ✓ Response to laws and regulations in each region
  ✓ Acquisition of global intellectual property rights

Establish Business Foundation in the Americas and Europe

UV care and self-tanning
• Expand brand portfolio through M&A
• Expand business portfolio
  Global rollout of self-tanning business
• Create business foundation in the Americas and Europe

Toward the Global Sharp Top

Total skin protection
• Establish three skin protection businesses
  1. Tangible UV care
  2. Self-tanning full variation
  3. Protection from environment-related risks
     (Infrared radiation, infections, allergens)

FY21 FY24 FY27

* Skin protection: Technologies that protect the skin from environment-related risks, fall into three categories: UV care, self-tanning and protection from environment-related risks.
As is
International marketing
Perspective: Activities that branch outwards from Japan in the center
Put Japan first while bringing businesses and services to the world.

To be
Global marketing
Perspective: Activities that position the whole globe as a market
Look at all markets worldwide, define priority customers, and act to suit each location.