

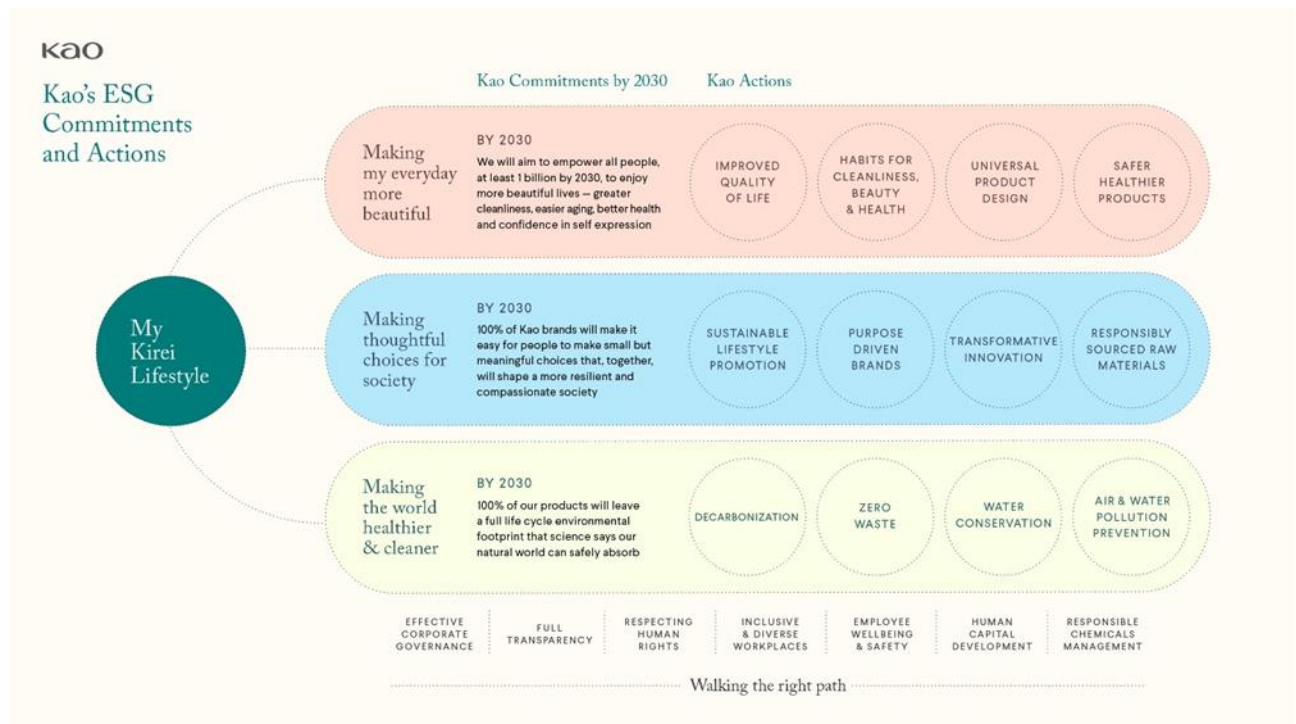
FOR IMMEDIATE RELEASE

June 13, 2025

Kao Releases Kao Sustainability Report 2025

Kao significantly expands skin protection business, helping to improve consumers' quality of life

- As part of its Mid-term Plan K27 and *Global Sharp Top* strategy, Kao aims to use unique leading-edge technologies to address pressing social and environmental challenges and grow its businesses while working to become an essential company for a sustainable world.
- By aligning ESG initiatives with the *Global Sharp Top* business strategy, Kao is not only expanding business opportunities and reducing risks, but also contributing to society and enriching the lives of all people and the planet in line with its Kirei Lifestyle Plan.
- The skin protection business, the leading initiative of Kao's *Global Sharp Top* strategy, improves consumers' quality of life. Kao was able to significantly grow this business, with a 29% increase in sales year-on-year.



Kao's ESG Strategy Kirei Lifestyle Plan

Tokyo, June 13, 2025—Kao Corporation, a leading manufacturer of personal care and household products, cosmetics and specialty chemicals, has released the Kao Sustainability Report 2025 on its company website, providing a progress report on its ESG strategy, the Kirei Lifestyle Plan.

[**Kao Sustainability Report 2025**](#)

Junko Ohtani, Executive Officer in charge of Kao's ESG Division, comments, "We are committed to solving social and environmental issues through innovation, anticipating the needs of our consumers and customers. Ensuring our products offer not only superior functional and emotional value but also social value is the key to being chosen by our consumers, helping them achieve more comfortable and sustainable lifestyles simply by using Kao products."

Main ESG Initiatives in 2024 That Balanced Business Growth with Addressing Key Social and Environmental Challenges

As part of its Mid-term Plan K27 and *Global Sharp Top* strategy, Kao aims to use unique leading-edge technologies to address pressing social and environmental challenges and grow its businesses while working to become an essential company for a sustainable world. By aligning its ESG initiatives with the *Global Sharp Top* business strategy, Kao is not only expanding business opportunities and reducing risks, but also contributing to society and enriching the lives of all people and the planet in line with its Kirei Lifestyle Plan.

In 2024, Kao made great strides in advancing its *Global Sharp Top* strategy by leveraging its ESG strategy, the Kirei Lifestyle Plan.

Kao Sustainability Report 2025: Executive summary

● Improved quality of life: 29% increase in sales (year-on-year) in the skin protection business

The skin protection business is the leading initiative within the *Global Sharp Top* strategy, helping to improve consumers' quality of life by combatting rising ultraviolet (UV) rays, air pollution and other environmental factors that can cause skin damage. There has been an increase in global demand in this area and sales have grown significantly. The product range includes UV care products to protect the skin from UV rays, self-tanning (safe color) products to produce a tanned look without UV exposure, and environmental skin protection such as mosquito repellents. These products harness Kao's unique technologies to address market requirements—not just in Japan, but also Asia, Europe, and the Americas.

● Making the world healthier & cleaner: 24% increase in sales (year-on-year) of products with excellent environmental performance

Part of the ESG strategy is a commitment to "making the world healthier and cleaner." Sales of products meeting Kao's strict environmental conformity requirements are increasing. Just like last year, this rise is attributed to an increase in conforming products in the *Attack* laundry detergent and *CuCute* dishwashing detergent brands, which make up a high percentage of total sales and boast excellent environmental performance. Increased sales and market share for these brands also contributed to sales figures for the Fabric and Home Care Business.

● Responsibly sourced raw materials: 88% traceability to oil palm farms

Kao is committed to sustainably sourcing palm oil, its most important natural resource. Traceability is essential

to minimize environmental and human rights risks in the supply chain and to ensure a stable supply of raw materials. Achieving a traceability rate of 88% demonstrates steady progress towards building a sustainable palm oil supply chain.

● **Decarbonization: 15% reduction in lifecycle CO₂ emissions (Base year: 2017)**

Accelerating its efforts to reach carbon zero by 2040 and become carbon negative by 2050, Kao is helping to achieve a decarbonized society by introducing low-carbon facilities, expanding the use of renewable energy and reducing CO₂ emissions throughout the entire product lifecycle.

● **Making the world healthier & cleaner: One of just eight companies worldwide to receive a CDP Triple-A rating**

Kao has been selected as an A-List company, the highest rating awardable, in all three surveys of Climate Change, Forests and Water Security, carried out by the international non-governmental organization CDP on more than 24,800 companies worldwide. Kao was one of eight companies to achieve the Triple-A rating in 2024, and is the only company in Japan to be selected for five consecutive years.

● **Effective corporate governance: One of the World's Most Ethical Companies® for 19 consecutive years**

In recognition of the ethical culture that the company has always fostered, Kao has been selected by Ethisphere, a global leader in defining and advancing the standards of ethical business practices, as one of the World's Most Ethical Companies 2025®. Kao is one of only six companies worldwide and the only Asian company to have received this award for 19 consecutive years since it was established in 2007.

Reporting on progress toward decarbonization, the Kao Sustainability Report 2025 includes the results of a quantitative scenario analysis conducted in line with the TCFD* framework for the first time. The analysis identifies opportunities related to climate risk mitigation, including products designed to save water and products made with less resources in the Consumer Products Business, as well as products helping to address climate change issues for customers and industry in the Chemical Business. In terms of opportunities related to climate risk adaptation, the analysis identifies new business opportunities such as the skin protection business.

* The Task Force on Climate-Related Financial Disclosures, launched in 2015, provides a framework enabling companies to more effectively disclose climate-related risks and opportunities through their existing reporting processes.

Related Information

News Release from April 2019

[Kao launches new ESG Strategy “Kirei Lifestyle Plan” to support consumer lifestyle changes](#)

[Kao sustainability website](#)

[Kao Integrated Report 2025](#)

About the Kirei Lifestyle Plan

Over the past 130 years, Kao has worked to improve people's lives and help them realize more sustainable lifestyles—a Kirei Lifestyle. The Japanese word “kirei” describes something that is clean, well-ordered, and beautiful all at once. For Kao, this concept of “kirei” not only describes appearance but also attitude—a desire to create beauty for oneself, for other people, and for the natural world around us. Aiming to realize a more sustainable way of living, in April 2019, the Kao Group established its ESG strategy known as the Kirei Lifestyle Plan. By 2030, Kao aims to empower at least 1 billion people, to enjoy more beautiful lives. Kao also strives to have 100% of its products leave a full lifecycle environmental footprint that science says our natural world can safely absorb.

Please visit [the Kao sustainability website](#) for more information.

About Kao

Kao, a Japan-based manufacturer of personal care and household products, cosmetics, and specialty chemicals creates high-value-added products and services that provide care and enrichment for the life of all people and the planet. Through its brands such as *Attack* laundry detergent, *Bioré* and *Jergens* skin care products, *Laurier* sanitary products, *Curél*, *SENSAI*, and *MOLTON BROWN* cosmetics, and *Oribe* hair care products, Kao is part of the everyday lives of people across Asia, the Americas, Europe, the Middle East, and Africa. Combined with its chemical business, which contributes to a wide range of industries, Kao generates about 1,630 billion yen in annual sales. Kao employs about 32,600 people worldwide and has more than 130 years of history in innovation. As an enterprise that provides products people use on a daily basis, the Kao Group takes responsibility to actively reduce the environmental footprint of its products throughout the product lifecycle. This is laid out in Kao's ESG strategy, the Kirei Lifestyle Plan, which launched in 2019.

Please visit [the Kao Group website](#) for additional information.

Media inquiries should be directed to:

Public Relations

Kao Corporation

corporate_pr@kao.com

Key Leadership Action Themes: 2024 Activity Results

Decarbonization

To help achieve a decarbonized society and sustainable business, Kao aims to reach carbon zero by 2040 and become carbon negative by 2050. Working toward these goals, Kao is developing innovative technologies and working with stakeholders to reduce CO₂ emissions throughout the value chain.

Indicator	Mid-to long-term targets Target value	Mid-to long-term targets Year	2024 Results (2023 Results)
% reduction in absolute full lifecycle CO ₂ emissions (Base year: 2017)	22%	2030	15% (12% ^{*1})
% reduction in absolute scope 1+2 CO ₂ emissions (Base year: 2017)	55%	2030	42% (35%)
% of renewable energy in electricity consumption	100%	2030	69% (57%)

^{*1} 2023 result has been adjusted in line with revisions to Scope 3 Category 11 in Japan. This means the % reduction in full lifecycle CO₂ emissions is 3% higher than the value published last year.

Zero Waste

Working toward creating a resource-circulating society, Kao is aiming to achieve net zero waste for plastic packaging (recycling plastic equal to the amount of plastic packaging used) by 2040, and negative waste (recycling more than the amount of plastic packaging used) by 2050.

Indicator	Mid-to long-term targets Target value	Mid-to long-term targets Year	2024 Results (2023 Results)
Quantity of fossil-based plastics used in packaging	Will peak and begin to decline	2030	79,000 tons (79,000 tons ^{*2})
Quantity of innovative packaging penetration for Kao and others per annum ^{*3}	300 million	2030	100 million items (46 million items ^{*4})
% recycling rate of plastics involving Kao	50%	2030	8% (6%)
% of recycled plastic used in PET containers (Japan)	100%	2025	90% (81%)
% of the waste generated from Kao sites [*] , ratio of waste that cannot be	Zero (less than 1%)	2030	4.6% (4.3%)

recycled * Beginning with production sites			
% reduction of discarded products and discarded promotional materials (Base year: 2020)	95%	2030	35% (43%)

*2 Result adjusted (recounted due to some omissions)

*3 Changed from “Quantity of innovative film-based packaging penetration for Kao and others per annum” reported in previous years

*4 Result adjusted (added the amount of innovative packaging diffusion other than film based-packagin)

Responsibly Sourced Raw Materials

Kao aims to source raw materials responsibly and sustainably throughout the supply chain, focusing on environmental conservation, protecting natural resources, and human rights.

Indicator	Mid-to long-term targets Target value	Mid-to long-term targets Year	2024 Results (2023 Results)
% of certified paper products and pulp for consumer products	100%	2025	99.6% (98%)
Confirm traceability to oil palm smallholders	Finish	2025	Completed up to traceability checks to farms: 88% (Completed up to traceability checks to farms: 87%)

Note: Details of Kao’s initiatives for sustainable palm oil procurement can be found here:

[Palm Oil Dashboard](#)