

# Kao Environmental Statement

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In June 2009, we announced the Kao Environmental Statement, which stipulates we will promote "eco together," working with society such as local communities, NGOs and government, business partners such as suppliers and outsourcing partners, consumers and other stakeholders across the lifecycle of Kao products - from materials procurement and manufacturing, to distribution, sales, usage and final disposal.

This Statement expresses our basic policy, based on awareness of the need for ecologically-responsible management as humankind faces increasingly serious issues such as global warming, resource shortages and loss of biodiversity. Our medium- to long-term business strategy will focus on manufacturing that reduces environmental impact and on ecology-centered management as we continue meeting our responsibilities as a user of chemicals.

Kao products are designed for everyday use, in homes around the world. With "eco together" as the theme for our activities with various stakeholders, we must work together with customers, business partners and all of society to reduce CO<sub>2</sub> emissions and water consumption across the lifecycle of Kao products.

To achieve substantial reductions in CO<sub>2</sub> emissions and water consumption, we need to move forward in eco-innovation and develop new environmental technologies. Our Eco-Technology Research Center (ETRC), opened in June 2011, is an all-round research and development center in the environmental field. To achieve ecology-centered management, we will also actively work to develop next-generation environmental technologies.

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## Kao Environmental Statement “eco together”

Kao products are designed for everyday use, in homes around the world.

That's why we utilize original Kao-developed technologies to minimize the impact they have on the environment, not just in the manufacturing process, but in the daily life of the customers who use them.

From materials procurement and manufacturing, to distribution, sales, usage and final disposal, we want to engage in "eco together" with stakeholders including consumers worldwide.

Enriching lives, in harmony with nature.



# Environmental Statement: “eco together” in Action

We promote "eco together" with consumers/customers, business partners and society.

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## With consumers/customers

Developing eco-friendly, resource-conserving products that make it easy for customers to live environmentally responsible lifestyles.

- Development of water- and energy-conserving products
- Development of refillable and reusable resource-conserving packaging and products
- Development of compact and concentrated resource-conserving packaging and products



## With business partners

Engaging in environmentally responsible materials procurement, manufacturing, distribution, and sales with our business partners.

- Use of recycled PET resins in packaging and products
- Improved distribution efficiency (reductions in delivery frequency and packaging material)
- Accelerated conversion to plant-based and other renewable raw material sources



## With society

Becoming proactively involved in society-wide environmental activities.

- Support for environmental conservation activities (greening activities)
- Participation in environmental activities conducted by government, industry, and other groups



# Environmental Statement: Medium-term Targets

We have set the following 2020 Medium-term Targets.

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## 2020 Medium-term Targets

CO <sub>2</sub>	Consumer products: 35% reduction (across product lifecycle, per unit sales in Japan, relative to FY2005)
Water	Water consumption during product use: 30% reduction (per unit sales in Japan, relative to FY2005)
Chemical substances	Active implementation of the Strategic Approach to International Chemicals Management (SAICM) to promote sound chemical management
Biodiversity	Implementation of measures to protect biodiversity through responsible raw materials procurement and other measures

\*With regard to commercial/industrial products, CO<sub>2</sub> reduction and resource conservation measures will be undertaken jointly with customers.

\*These medium-term targets represent a first step in ongoing environmental activities that will continue to be expanded in the future.