

Kirei Lifestyle Plan

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Create products made with carefully selected ingredients that people everywhere can use with peace of mind.

Kao's creating value to address social issues

Social issues we are aware of

In recent years, with the development of different kinds of social media like SNS (social networking systems) and blogs, a wide range of information is now easily available. In light of this, more consumers are expressing an increasing interest in the ingredients used in daily products as well as their effects on human health and the natural world.

Kao's creating value

With so much information available, in order for consumers to feel peace of mind using Kao products, we believe that it is necessary to disclose our approach to the ingredients we use along with correct information based on scientific evidence.

Contributions to the SDGs



Policies

With regards to ingredients that may cause consumers concern, we disclose our approach and usage policy. We continuously work to develop products that consumers and customers can feel peace of mind in using, as well as we provide adequate information.

Collaboration and engagement with stakeholders

We collect the latest information regarding human health and environmental safety to utilize raw materials and products safety evaluation. Additionally, through active participation and cooperation with each country and region's industry association activities, we contribute to sharing correct information to industry, governments, consumers and customers.

Framework

Under our ESG Committee and ESG Promotion Meeting, we organized a cross-divisional working group that exchanges opinions based on social conditions and scientific information from their respective specialized viewpoints and considers what needs to be shared with the public.

Mid- to long-term targets and performance

Targets for 2020

Regarding ingredients of concern, we collect information on what exactly causes concern in society and scientific data on ingredient safety, and examine the appropriateness and validity of this information. We then establish individual policies for specific ingredients based on this process and release the policies in turn when they are ready to be shared publicly.

Anticipated benefits from achieving mid- to long-term targets **Social impacts**

Disclosing information helps consumers and customers to choose our products with peace of mind.

Performance in 2019

As described under the Framework section, we have a system in place to regulate information disclosure.



Our initiatives

Safe and reliable ingredient use and information disclosure

We activity share our approach and response toward ingredients that have raised social concerns. So far, we've disclosed our approach and policy regarding the following two ingredients.

Plastic Microbeads

Some of our products, such as rinse-off cosmetics and toothpastes, contain scrubbing ingredients such as exfoliants and cleansing agents. Plastic microbeads^{*} were included among these, but in recent years environmental concerns have been raised about them.

In light of these concerns, we completed the replacement of plastic microbeads with other ingredients by the end of 2016. Currently, all rinse-off cosmetics and toothpastes we produce and ship use naturally derived ingredients (cellulose and corn starch), and do not use ingredients which fall under the definition of plastic microbeads.

As part of our commitment to sustainability, we are always looking for ways to improve our products to protect the environment.

* Plastic microbeads

Any solid plastic particle that is less than five millimeters in size and is intended to be used to exfoliate or cleanse the human body or any part thereof (as defined by U.S. federal law).

Triclosan

Bioré u Foaming Hand Soap contained triclosan until August 2015, but it is no longer used in our current product line.

There are no problems in terms of safety regarding use of our older products containing triclosan.

Industry association activities/ communication

In response to the issue of microplastics, including plastic microbeads, whose use in products has raised environmental concerns, the Japan Cosmetic Industry Association collects scientific information, gains an understanding of usage in Japan and provides information to the government. The association also cooperates with industry associations around the world. We play a central role in these activities and lead cosmetics industry activities in Japan.

Furthermore, we actively participate in industry activities related to our business, such as those of the Japan Soap and Detergent Association and the Japan Chemical Industry Association. We also participate in the industry association activities in other major regions of the world, collect local information, and in particular in the ASEAN and other Asian regions, contribute to the information exchanges to the governments.

Moreover, we strive for adequate communication with consumers and customers. For example, when we receive questions regarding about our use of ingredients or their safety, we work to quickly provide adequate information. Contents

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