

Mid- to long-term targets

Individual mid- to long-term targets are set for each of the 19 Kao Actions.

Based on the mid- to long-term targets, divisions set sub-targets aligned with their business activities and conduct activities based on their plan.

To make more contributions to society through our activities, in 2020 we reviewed these targets through the ESG Committee and ESG Promotion Meeting. As a result of this, we have added new targets and revised some of our mid- to long-term targets. The applicable targets are noted in the table.

We were not able to present some of the 2020 results due to delays in establishing the evaluation methods or framework for collecting results.

For these targets, our anticipated timing for releasing the information is noted in the table.



→ For more information, please see p.232 Explanation of Kirei Lifestyle Plan Mid- to Long-term Targets.

Mid- to long-term targets for the 19 Kao Actions

Kao Actions	Indicator	Results		Mid- to long-term targets		SDGs
		2019	2020	Value	Year	
Making my everyday more beautiful						
Commitment	The number of people empowered to enjoy more beautiful lives—greater cleanliness, easier aging, better health and confidence in self-expression	—	Plan to disclose in 2022*5	1 billion	2030	3,5,6,10,12,14,17
Improved quality of life	The number of products which contribute to a comfortable, beautiful, healthy life and touch the heart of people*2	—	4.7 billion	7 billion*2	2030	3,5,12,17
Habits for cleanliness, beauty & health	Cumulative number of people reached by awareness-raising activities for acquiring habits for cleanliness, beauty & health using Kao products and services (cumulative since 2016)*2	30 million	34 million	0.1 billion*2	2030	3,6,17
Universal product design	% of new or improved products that meet Kao's Universal Design Guidelines	44%	53%	100%	2030	10,12,17
Safer healthier products	% of targeted ingredients of concern on which views are disclosed	—	31%	100%	2030	3,12,14,17
Making thoughtful choices for society						
Commitment	% of Kao brands that make it easy for people to make small but meaningful choices that, together, shape a more resilient and compassionate society	—	Plan to disclose in 2022*5	100%	2030	4,8,9,10,11,12,13,15,17
Sustainable lifestyle promotion	Cumulative number of people reached by awareness-raising activities for promoting environmentally friendly lifestyles and realizing a sustainable world (cumulative since 2016)*2	2.61 million	3.07 million	0.1 billion*2	2030	4,11,12,17
Purpose driven brands	% of Kao brands that make a contribution to solving social issues and that make people feel and sympathize with the brand's social usefulness	—	Plan to disclose in 2022*5	100%	2030	12,17
Transformative innovation	Cumulative number of proposed or realized products with big positive impact on lifestyles (cumulative since 2019)*3	2	3	10 or more	2030	9,12,13,17
	Cumulative number of proposed or realized businesses and systems with big positive impact on lifestyles (cumulative since 2019)*2	—	1	10 or more*2	2030	
Responsibly sourced raw materials	% of certified paper products and pulp for consumer products	91%	94%	100%	2025	8,10,12,15,17
	Confirm traceability to small oil palm farm	Completed for large plantations	Completed up to own farm managed by oil and fat supplier	Finish	2025	

*1 New target

*2 Change of indicator and target value

*3 Change due to enlarging scope

*4 Revised the *Find* employee survey to the employee engagement survey

*5 Reviewed detailed 2020 requirements

*6 Built 2020 data collection system

*7 See p. 65 and p. 115 for detailed information

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Kao Actions	Indicator	Results		Mid-to long-term targets		SDGs
		2019	2020	Value	Year	
Making the world healthier & cleaner						
Commitment	% of Kao products that leave a full lifecycle environmental footprint that science says our natural world can safely absorb	—	Plan to disclose in 2022*5	100%	2030	3,6,7,12, 13,14,15,17
	Kao recognition or achievement level by external ratings firms	CDP Climate Change A, Water A, Forest (Timber) A-, Forest (Palm Oil) A-	CDP Climate Change A, Water A, Forest (Timber) A-, Forest (Palm Oil) A	Highest evaluation level	Every year	3,6,7,12, 13,14,15,17
Decarbonization	% reduction in absolute full lifecycle CO ₂ emissions (Base year: 2017)	4%	4%	22%	2030	7,12,13,17
	% reduction in absolute scope 1 + 2 CO ₂ emissions (Base year: 2017)	9%	15%	14%*1 55%*2	2025*1 2030	
	% of renewable energy in electricity consumption*1	21%	28%	100%*1	2030	
Zero waste	Quantity of innovative film-based packaging penetration for Kao and others per annum	—	1 million	300 million	2030	12,14,15,17
	Practical use of innovative film-based packaging made from collected pouches*1	—	Continued development	Products launch*1	2025*1	
	Use of PCR (recycled plastic) for PET containers*1	—	Plan to disclose in 2022*5	Plan to disclose in 2022*5	Plan to disclose in 2022*5	
	Quantity of waste not for recycling from factories and offices	—	Plan to disclose in 2022*5	Zero	2030	
	Reduction from discarded products and discarded sales promotion materials*1	—	Plan to disclose in 2022*1	Plan to disclose in 2022*1	Plan to disclose in 2022*1	
Water conservation	% of products which have eliminated eye-catching plastic stickers*7*1	—	73%	100%*1	2021*1	6,12,15,17
	% reduction in full lifecycle water use per unit of sales (Base year: 2017)	6%	-5%	10%	2030	
Air & water pollution prevention	% reduction in full lifecycle water use per unit of sales in regions with water scarcity (Base year: 2017)	—	Plan to disclose in 2022*6	40%	2030	3,6,12,14,17
	% of factories which disclose VOC and COD emissions	VOC 0%, COD 100%	VOC 0%, COD 100%	100%	2025	
Walking the right path						
Effective corporate governance	Kao recognition or achievement level by external ratings firms	Highest evaluation level (World's Most Ethical Companies® selection)	Highest evaluation level (World's Most Ethical Companies® selection)	Highest evaluation level	Every year	8,16
	Number of serious compliance violations* per annum * Compliance violations that have a significant impact on management and significantly damage corporate value	Zero	Zero	Zero	Every year	
Full transparency	% of consumer product brands for which people can easily access complete ingredients information	—	8%	100%	2030	8,12,16,17
Respecting human rights	% response rate to human rights due diligence (risk assessment across internal, suppliers, and contractors respectively)	Internal: 100%, suppliers: 20%, contractors: 0%	Internal: 100%, suppliers: 55%, contractors: 0%	100%	2030	5,8,10,17
Inclusive & diverse workplaces	Affirmative answer rate to a question on "Inclusion and Diversity" on our employee engagement survey*4	—	Did not conduct	75%	2030	5,8,10
	% of female managers	29.4% (% of female employees: 49.6%)	28.8% (% of female employees: 49.7%)	Same as % of female employees	2030	
Employee wellbeing & safety	Lost time accident frequency rate (per million hours worked)	0.78	0.53	0.1	2030	3,8
	Average number of lost long-term work days (days/people) * Starting from Japan	129	146	105	2030	
	Ratio of employees who have lost long-term work days per one thousand employees * Starting from Japan	0.198	0.185	0.12	2030	
Human capital development	Affirmative answer rate to a question on "Development Opportunities & Climate" on our employee engagement survey*4	—	Did not conduct	75%	2030	3,4,5,8,10
	Affirmative answer rate to a question on "Engagement/Employer of Choice" on our employee engagement survey*4	—	Did not conduct	75%	2030	
Responsible chemicals management	% of chemical products and raw materials with disclosed information of benefit and safety to ensure safe usage for our customers	—	Plan to disclose in 2022*6	100%	2030	3,6,12,14,17
	% of areas where impacts on health, environment and safety from chemicals are managed responsibly and sustainably considering their stages from raw materials procurements to disposal	—	Plan to disclose in 2022*6	100%	2030	

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