

Inspire and enable people to develop better habits for cleanliness, beauty and health through our products, services and communications.

ESG Keyword

Establishment of habits for cleanliness and hygiene

Awareness-raising activities for the next generation (hand-washing lessons, the Foaming Hand Washing Song and housecleaning lessons) Working to prevent the spread of COVID-19

Kao's creating value to address social issues

Social issues we are aware of

The ongoing process of globalization has led to rapid improvements in people's lives. However, there are still significant differences between individual countries and regions in terms of the hygiene environment, for example with respect to the quality of the water supply.

In 2020, the spread of the COVID-19 pandemic throughout the world brought home to people once again just how important it is to maintain good hygiene.

Kao's creating value

Through our business activities, we develop products that support clean, beautiful, healthy lifestyles, and provide these products to consumers.

Rather than just providing products, we also undertake the proactive provision of information, and we consider awareness-raising activities that seek to instill habits for cleanliness, beauty & health to constitute very important initiatives.

Contributions to the SDGs



Policies

We support activities that help to establish a wide range of cleanliness habits, thereby enabling consumers to realize the Kirei Lifestyle they seek.

In the future, we will be adopting a more proactive approach to implementing activities that aim to promote adoption of good hygiene habits in the countries of Europe and the Americas, where people tend to be lax about hand-washing and maskwearing, and also in the Asia region.

Education and promotion

As part of our efforts to encourage all Kao employees to participate in economic, ESG activities, we provide support for the implementation of visiting classes at schools, including hand-washing lessons.

Rather than selecting a fixed group of employees to act as instructors for the visiting classes, we recruit as widely as possible within the company using the company intranet. Employees who wish to participate in visiting classes as instructors undergo training in advance, and then act as instructors at least twice over a two-year period.

Kao Group Customer Marketing Co., Ltd. has also put in place a framework that enables its company employees, and the employees of individual production plants, to participate in activities within their own area, to provide a means of fostering contact with the local community. New employees are informed about this system during their initial training, and Kao Group Customer Marketing is playing a leading role in creating workplaces where employee participation is facilitated.

After employees have participated in a visiting class, the participants' views and impressions are compiled in a report, which is then presented.

Collaboration and engagement with stakeholders

Our awareness-raising activities for the next generation have been developed as an educational program that can be utilized in schools. We aim to work together with government agencies, local government authorities, schools, etc. to further expand the content of these programs. Contents

_

Editorial Policy

_

CEO Message

Kirei Lifestyle Plan KPI definitions

Independent assurance report

Kao Kirei Lifestyle Plan Progress Report 2021

Habits for cleanliness, beauty & health 103-2, 103-3



Contents

Editorial Policy

_

CEO Message

Kirei Lifestyle Plan KPI definitions

_

Independent assurance report

Framework

Of the 19 actions included in our Kirei Lifestyle Plan, improved quality of life, habits for cleanliness, beauty & health, universal product design, sustainable lifestyle promotion and purpose driven brands are being promoted as a common framework.



➡ p. 18 ESG promotion structure

Mid- to long-term targets and performance

2025 mid-term targets

 Cumulative number of people reached by awareness-raising activities for acquiring habits for cleanliness, beauty & health using Kao products and services
 Target for 2030: 0.1 billion people

Within Japan, we will be using remote technology to support even more schools, with the aim of establishing good hygiene habits in all children.

We will also be working to disseminate accurate information and expand the scope of hygiene awareness-raising activities in the Asia region, and in Europe and the Americas.

Anticipated benefits from achieving mid- to long-term targets

Business impacts

Awareness-raising activities that make use of Kao products can be expected to facilitate the launch of hygiene-related products in more countries, and to create greater opportunities for consumers to use these products.

Social impacts

It can be anticipated that the adoption of habits for cleanliness, beauty & health will help to improve people's quality of life, improve public hygiene, and reduce the risk of infectious diseases.

Performance in 2020

 Cumulative number of people reached by awareness-raising activities for acquiring habits for cleanliness, beauty & health using Kao products and services
 Performance in 2020: 34 million people

During the COVID-19 pandemic, we have worked actively to disseminate accurate information that is useful in preventing infection and fostering clean lifestyles.

In a period in which there was a severe shortage of masks, the information that we posted on our website about "How to wash cloth masks" was accessed around 15 million times.

We also provided translations of the Foaming Hand Washing Song, which makes correct hand-washing fun, into six different languages, so that it can be used all over the world.



→ Hygiene Information Useful in Daily Life www.kao.com/jp/corporate/eisei/ (Japanese)

Habits for cleanliness, beauty & health 102-43

Our initiatives

Educational program to cultivate habits for cleanliness, beauty & health

Education for the next generation through providing education in the classroom and educational materials

As part of our education activities for the next generation, since 2009 we have been providing handwashing lessons and housecleaning lessons as visiting classes for the lower grades at elementary schools. Over the ten-year period up until 2019, a total of around 90,000 children received either or both of these two types of visiting classes.

In 2020, the visiting classes had to be suspended because of the COVID-19 pandemic, but we made the teaching materials available free of charge so that teachers could teach the classes themselves. Besides providing Hand-washing Posters for approximately 20,000 elementary schools throughout Japan, we also uploaded materials for online teaching to our website. In 2020, around 60,000 children benefited from classes taught using hand-washing lesson materials provided by Kao.

➡ Foaming Hand Washing Song www.kao.co.jp/bioreu/family/hand/song/en/

Yoki-Monozukuri manufacturing to make acquiring the habit of washing your hands fun

In order for children to be able to grow up healthily, it is important for them to acquire hygienic habits from a young age. In particular, the habit of washing your hands is vitally important for having a hygienic, healthy life.

So as to help children—who represent the future—to learn proper hand-washing technique, we implement hand-washing lesson visiting classes that aim to get children washing their hands regularly.

In order that children will be proactive about putting into practice at home the correct handwashing technique that they have learned in the hand-washing lessons, in 2019 we launched *Bioré u Whip Stamp Handwash*, a fun-to-use new product. Conventional hand soap products require the use of two hands to get the foam out, but with our new product the user can easily use just one hand to extract foam that comes out in a cute flower shape that can be carried in the palm of the hand. The soap comes out easily as dense foam in just the right amount, making this product a fun and enjoyable way to wash your hands.

- Promoting Healthy and Inclusive Lifestyle: Cleanliness and hygiene
- Kao Hygiene Development Program in Vietnam www.kao.com/content/dam/sites/kao/www-kaocom/global/en/sustainability/pdf/sus-db-2021-e-all. pdf#page=93
- Contributions to improving menstrual education and menstrual hygiene conditions
 www.kao.com/content/dam/sites/kao/www-kaocom/global/en/sustainability/pdf/sus-db-2021-e-all.
 pdf#page=95
- Promoting Healthy and Inclusive Lifestyle:
 Considerations for women and children (the next generation)
- Support for school education through the provision of educational materials

www.kao.com/content/dam/sites/kao/www-kaocom/global/en/sustainability/pdf/sus-db-2021-e-all. pdf#page=99



Contents

Editorial Policy

_

CEO Message

_

Kirei Lifestyle Plan KPI definitions

_

Independent assurance report

Kirei Lifestyle

Plan

Walking the right

: path