

Employee wellbeing & safety 102-15, 103-1, 403-6 (Occupational health and safety 2018)

Optimistic, energetic employees (what we refer to as “GENKI employees”) are the foundation of Kao’s business activities. We as a company are only as strong as the health of our employees. In order for our GENKI employees to dedicate themselves to meaningful societal activities, we are striving to put in place an environment which, as far as possible, mitigates or allays the concerns of employees who are suffering from illness or injury or who are restricted in the types of work that they can perform. By caring for our employees in this way, we allow our talent to fulfill their potential.

Employee wellbeing



Kao’s creating value to address social issues

Social issues we are aware of

With the global trend toward the aging of the population, there has been an increase in the percentage of people affected by chronic diseases. Many senior citizens require support or care because of disease or deterioration of joints or muscles. Within Japan, there has been a steady rise in medical expenses because of this situation, and the financial health of companies’ health insurance societies has rapidly worsened*1.

In addition, the lockdown restrictions that have been adopted in response to the global spread of the COVID-19 pandemic have led to a deterioration in lifestyle habits, an increase in the number of people who are obese, and a reluctance to visit hospitals and clinics for medical treatment, which increases the risk that serious medical conditions may go unnoticed.

A further issue is that, with people tending to work to a more advanced age and with the increase in the number of working women, it has been reported that around 30% of cancer patients are people of working age*2. It can be anticipated that, in the future, the

number of cases of people continuing to work while dealing with serious illness will increase still further.

We believe that it is important for us to provide support to help people improve their lifestyle habits in response to the New Normal, and to further enhance the support that we provide for disease prevention and early diagnosis and treatment of medical issues, as well as support for people who have to work while dealing with medical conditions.

*1 National Federation of Health Insurance Societies press release dated November 5, 2020

*2 Cancer Incidence of Japan 2016, a report based on data compiled by the Cancer and Disease Control Division, Ministry of Health, Labour and Welfare

Kao’s creating value

At Kao, we implement initiatives to support the health of employees and their families in cooperation with the Kao Health Insurance Society. We aim to improve our corporate activities by helping to increase the number of healthy employees and family members, and by creating lively and spirited workplaces.

We continue to endeavor to limit excessive increases in medical expenses through preventive initiatives including the promotion of lifestyle improvements and active implementation of various health guidance measures. We are focusing our efforts on the control of long working hours through promotion of modulated work styles and mental health training for managers from the perspective of promoting pleasant workplaces.

With respect to employees suffering from chronic disease, or from cancer or other diseases, in order to help these employees maintain the right balance between managing their health issues and their work responsibilities, we offer support which, rather than being “one size fits all,” is carefully tailored to the actual circumstances of each individual employee.

Furthermore, we actively promote initiatives that make use of our internal healthcare-related research findings. In the case of particularly useful findings, we provide related healthcare services outside the company through our GENKI Project.

What Kao Aims to Be by 2030

Realizing a society in which a variety of lifestyle habit improvement activities can be implemented cheerfully and enthusiastically, to help each individual recognize the health issues that are relevant to them personally and work to maintain the best possible health status, as we move toward an era in which it will be normal for people to continue working until the age of 70.

Risks related to realization of What Kao Aims to Be by 2030

The increase in the average age of employees brings with it a heightened risk of a rise in the number of employees affected by lifestyle diseases and also by diseases such as cancer and musculoskeletal disorders. The increase in the number of employees who are restricted in the type of work they can perform has the potential to negatively impact productivity. Furthermore, because the aging process tends to be accompanied by a deterioration in the immune system, there are concerns about the potential impact on the health of employees and their family members of unknown infectious diseases similar to COVID-19.

Opportunities related to realization of What Kao Aims to Be by 2030

Our vision is for the company to provide support to help employees who possess health literacy to improve their health through self-directed, self-disciplined efforts.

Programs originally designed to help Kao employees maintain and improve their health are also made available for external use, and are being deployed for health maintenance and promotion activities in local communities and in workplaces. We hope that the initiatives at Kao will have a positive influence on local communities and society as a whole, and contribute to increased lifespans and a healthier society.

Contributions to the SDGs



Policies

The Kao Health Declaration

To spend every day in lively good health

We aim to become a company which inspires engagement with the promotion of healthy bodies and minds alongside our customers while helping to realize healthy and enriched lives through the creation of lively and spirited workplaces

Cultivation of employees with high health literacy

We are working to make our health promotion activities more visible, engaging in health and productivity management using the PDCA cycle to improve employee health, with the aim of increasing the number of employees with high health literacy.

We consider employees with high health literacy as employees who do the following:

1. Reviews and improves lifestyle independently, based on health check-up results
2. Consults with private physicians in regard to health check-up results as needed rather than just consulting occupational physicians
3. Maintains awareness of their mental health, and confers with appropriate professionals as needed

Five health promotion initiatives

Rather than merely fulfilling the minimum requirements for health management that we are required to meet as a company, we implement health

promotion in line with the five core themes below. Health promotion refers to the independent maintenance and improvement of the employee's own health.

1. Lifestyle diseases
2. Mental health care
3. Smoking cessation
4. Cancer
5. Women's health

Education and promotion

Within Japan, the Kao Health Declaration is distributed to all employees, and we strive to ensure full penetration of the Kao Health Declaration message by including reference to it in messages from senior management.

During the COVID-19 pandemic, messages from the President and Chief Executive Officer have on several occasions noted that ensuring the health and safety of Kao Group employees and their family members is a first priority for the company, and that if Kao fails to safeguard the health and safety of its employees, this will prevent the company from being able to successfully carry out its business activities.

Various on-site campaigns, seminars and health promotion activities are deployed in line with the five core initiatives.

As a result of the implementation of these types of initiatives, the percentage of employees who have taken steps to improve their lifestyle habits now stands at 27.3% in the case of male employees and 18.6% for female employees.

Note: Based on the results obtained in the 2019 periodic health check-up questionnaire

Collaboration and engagement with stakeholders

We outsource the implementation of health check-ups to the Association for Preventive Medicine of Japan, with the aim of ensuring that health check-ups are conducted efficiently while also maintaining high quality and precision.

For mental health care, we collaborate with an external Employee Assistance Program to provide consultation services for employees and their family members.

With regard to health-related systems and the compilation of health-related white papers, we collaborate with INTAGE TECHNOSPHERE Inc., which undertakes system construction and data analysis on our behalf.

We also make effective services that we have developed available outside the company, based on the needs reported by external experts in occupational health promotion and local government officials in the local community. For example, we have made a useful contribution toward the prevention of societal health issues such as metabolic syndrome and locomotive syndrome.

To create new health value, we also promote collaborative research with external organizations.



→ p. 210 Examples of collaboration with stakeholders

Framework

Systematization of the health promotion framework

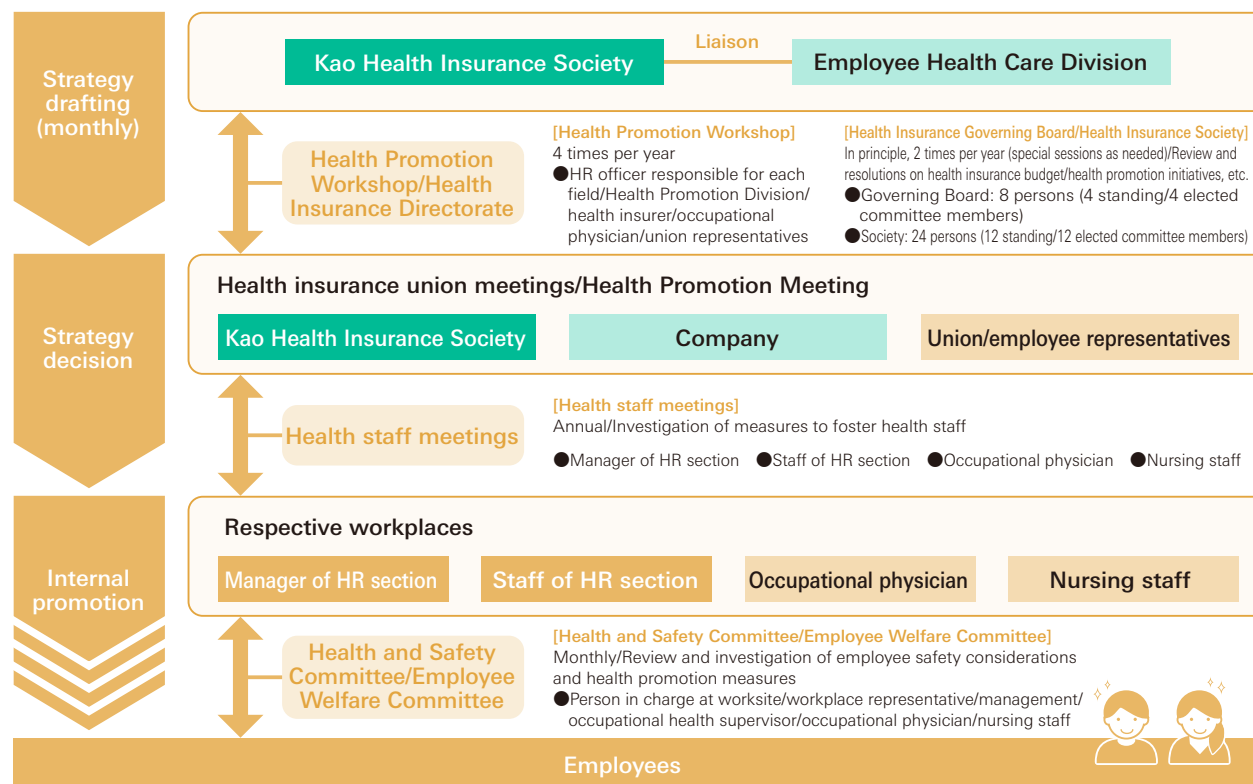
Our health promotion strategy embodies collabohealth (i.e., close collaboration between health insurance providers and companies to safeguard employees' health), with the company and the Kao Health Insurance Society working closely together to formulate plans for strategy implementation, which are discussed at regular, monthly meetings.

Major strategies are finalized at a company-wide Health Promotion Committee meeting after consideration by

working groups and the committee members of the Kao Health Insurance Society with employee representatives. We have an appropriate number of health staff who possess specialist expertise permanently available, and these health staff are actively involved in the implementation of health promotion strategies of various kinds. At every individual worksite or branch, the manager and staff of the HR section work together with occupational physicians and nursing staff.

Information on the state of progress in Japan is shared with group companies outside Japan, and the specifics of health management are implemented in line with government policy in each country or region.

Health promotion framework (Japan)



Kirei Lifestyle Plan

Making my everyday more beautiful

Making thoughtful choices for society

Making the world healthier & cleaner

Walking the right path

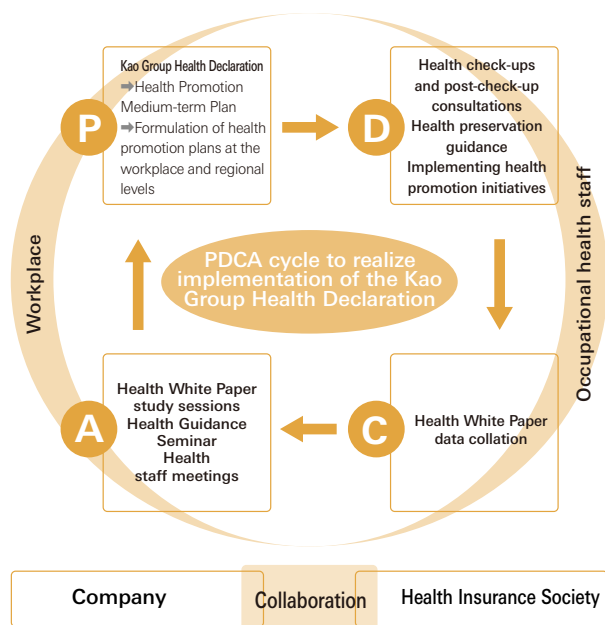
Increasing the visibility of the Health Promotion Management System

Since 2009, we have compiled a statistical summary of the previous year's health data in an anonymized format (including medical interviews, check-ups, occupations, diseases, etc.), and made this information available to the 19 health consultation rooms throughout Japan.

Each health consultation room then drafts and implements a health services plan based on the health data for their respective regions.

Since 2009, we have held annual White Paper on Health Seminars so that employees in charge of human resource and general affairs and occupational health nurses can together learn methods of analyzing the various types of health data and of formulating measures.

Health Promotion Management System



→ p. 18 ESG promotion structure

Cultivation of health staff and internal information sharing

Extraordinary health staff meetings were held twice in 2020, in April and July respectively, mainly to discuss the measures being adopted in response to COVID-19. Rather than just deciding on internal rules and responses, the kind of response that was needed for employees was decided on in detail, including the dissemination of information based around the theme of “standing together with employees,” and the sending out of e-mail messages of support for employees from each health consultation room, etc.

In addition, the annual health staff meeting, which brings together managers and staff of HR sections, occupational physicians and nursing staff, was held online in August 2020, with the aim of building consensus regarding the company-wide strategy and exchanging information. We also shared case studies of successful initiatives within the company, and aimed to realize horizontal diffusion to other worksites and branches. The Tochigi Plant's “Advice for Specific Health Guidance Recipients and for Those Who Are on the Borderline Using the Food Selection Survey and Questionnaire Survey” and the Kashima Plant's “Implementation of the Kashima Plant Cafeteria Smart Meal Certification Campaign/Smart WASHOKU® Campaign” were selected as examples of best practice. “Workstyle Reform and Provision of Information on Cessation of Smoking Using Video Content” by the Chugoku and Shikoku Branch of Kao Group Customer Marketing Co., Ltd. was selected as an example of good practice.

In addition, in January we implemented a Health Guidance Seminar with the aim of enhancing the health guidance capabilities of nursing staff. At the health staff meetings and Health Guidance Seminar, besides discussing strategies, we also hold study sessions regarding perspectives on health data and occupational health plan formulation methods.

Kirei Lifestyle Plan

Making my everyday more beautiful

Making thoughtful choices for society

Making the world healthier & cleaner

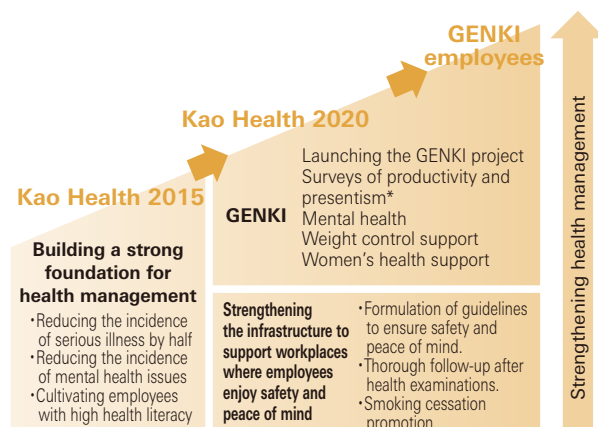
Walking the right path

Mid- to long-term targets and performance

Mid- to long-term targets (Kao Health 2020)

In 2017, we formulated the Kao Health 2020 mid-term health-related plan. This plan aims to cultivate GENKI employees by further enhancing health and productivity management.

Kao Health 2020



Aiming to achieve a further enhancement of health management by cultivating healthy employees who are capable of leading change, and strengthening the infrastructure to support workplaces where employees enjoy safety and peace of mind

* Presentism
Coming to work while sick or ill, and having reduced working competency and productivity as a result.

Anticipated benefits from achieving mid- to long-term targets

Business impacts

- Prevention of manpower loss due to decreases in long-term absenteeism
- Reduction in costs of specific health guidance due to decrease in numbers of employees receiving specific health guidance
- Enhanced productivity from increase in highly motivated employees

Social impacts

- Enhanced productivity and provision of improved products and services to society
- Provision of exemplary case studies in promotion of health and productivity management to society
- Reduction of the social welfare burden on the country as a whole and on individual communities through the health of the families of Kao employees

Performance in 2019*

Performance

Key health indicators for Kao Group employees in Japan

Item	2017	2018	2019
Percentage of employees undergoing periodic health check-ups	100%	100%	100%
Percentage of employees who underwent follow-up examinations	91.3%	93.9%	94.9%
Percentage of employees who eat breakfast at least three times a week	Male 77.2% Female 74.3%	Male 77.6% Female 75.5%	Male 77.1% Female 76.1%
Percentage of employees who exercise at least once a week	Male 55.9% Female 31.8%	Male 56.4% Female 35.0%	Male 57.5% Female 36.5%
Percentage of employees who walk for at least 60 minutes a day	Male 57.1% Female 63.5%	Male 53.9% Female 60.7%	Male 56.0% Female 61.7%
Percentage of employees who get adequate sleep	Male 68.4% Female 63.7%	Male 64.0% Female 62.2%	Male 63.0% Female 61.9%
Percentage of employees who do not smoke	Male 70.5% Female 80.0%	Male 72.3% Female 80.8%	Male 72.6% Female 81.6%
Percentage of employees with a BMI of 25 or higher	Male 24.9% Female 12.3%	Male 25.5% Female 13.4%	Male 26.7% Female 14.0%
Percentage of employees who are at risk of developing metabolic syndrome (employees aged 35 or over)	Male 30.8% Female 6.4%	Male 30.6% Female 6.6%	Male 32.3% Female 7.4%
Percentage of employees receiving specific health guidance (employees aged 40 or over)	Male 18.4% Female 7.3%	Male 18.3% Female 7.8%	Male 19.0% Female 7.9%
Specific health guidance implementation rate (employees aged 40 or over)	73.5%	72.2%	71.6%

* Health check-up and interview results for 2020 will be published in the following fiscal year.

Reviews of performance

The follow-up examination rate for employees who had an issue diagnosed during a health check-up has risen, which will facilitate early discovery and early treatment of problems. As a result of awareness-raising activities and the provision of various programs, there has been an increase in the percentage of employees who exercise at least once a week and in the percentage of employees who do not smoke.

However, the percentage of employees who do not eat breakfast has remained more or less unchanged, and the percentage of employees who get adequate sleep has fallen slightly, so we feel that in the future we will need to provide support to help individual employees develop a living rhythm that matches their lifestyle. Furthermore, as the percentage of employees who are obese has continued to increase, we will continue to provide support to help people lose weight, utilizing both the popularized approach and the individual approach.

Our initiatives

COVID-19 measures (Japan)

Improvement of systems and rules

As one of our strategies adopted in response to the COVID-19 pandemic, in January 2020 we established an Infection Countermeasures Team. Besides starting work on the formulation of pandemic response measures, the team also began collecting data on employees who had been feeling unwell. In February, we notified employees as to how they should respond if they feel unwell. Starting from late March, we began implementing a health status survey every week on Mondays using the company's safety verification system. Under this routine, if an employee reports feeling unwell, nursing staff will implement a follow-up examination.

We also formulated the Guidelines for Handling Personnel Who Have Tested Positive for COVID-19, which specifies how to deal with and care for employees who are not feeling well, those undergoing testing, those who have been infected and those who have been exposed to close-contact settings, as well as specifying required disinfecting measures, etc.

Dissemination of health information

With the increase in the number of people working from home, we have been periodically posting information online about key points to note in relation to staying healthy, stretching exercises that people

can perform at home, mental health care, etc.

In March 2020, we distributed COVID-19 Prevention Self-checks That You Can Perform Yourself to all employees, and we have implemented awareness-raising activities so that employees can take preventive action together with their family members.

In June 2020, New Work Style Incorporating Infection Prevention was distributed to human resources and occupational health staff, which outlined preventive measures to be implemented in the workplace in relation to commuting and coming into work.

In July 2020, we began encouraging employees to use the COCOA contact tracing app developed by Japan's Ministry of Health, Labour and Welfare (MHLW). For employees who were notified by COCOA that they had been in contact with an infected person but who were unable to receive government-provided testing, we put in place a system whereby those who wished to be tested could receive testing from one of our occupational physicians.

We are currently implementing infection prevention activities in collaboration with our internal Infectious Disease Risk Assessment Project.

Health management for Japanese personnel on overseas assignment

With regard to employees who are posted to work outside Japan, we implement health status grading in accordance with the health management guidelines for personnel working overseas, and make a determination as to whether it is appropriate for each employee to be working overseas. Furthermore, personnel are not sent overseas until they have had all of the inoculations required by the FORTH criteria established by the Quarantine Information Office, MHLW.

Regarding health management for employees working outside Japan, those employees requiring follow-up receive frequent health follow-up sessions from the health consultation room, and on the basis of the results of these sessions they may have an appointment made to see an occupational physician. In principle, employees stationed outside Japan are entitled to return to Japan for a health check-up once a year. However, in 2020, in cases where it was possible to have a health check-up at a local health check-up service provider, employees were notified to do this instead.

In the case of regions affected by Avian influenza, every year employees visiting or stationed in such regions were encouraged to get vaccinated against influenza. In 2020, as it was possible to subsidize the full cost of vaccination for all employees who wished to be vaccinated against influenza, employees were encouraged to receive the vaccination within this framework.

Lifestyle habit improvement initiatives

Events and activities

Smart WASHOKU®

Smart WASHOKU® is a dietary method developed by us for eating well without increasing visceral fat levels. Rather than focusing on the overall quantity of food consumed, the Smart WASHOKU® approach emphasizes three key points—(1) the ratio of protein to fat, (2) the ratio of dietary fiber to sugar, (3) the ratio of Omega 3 to fat—to provide a diet that enables people to consume plenty of food while still keeping their visceral fat level down.

- During the period in 2020 when the state of emergency was in effect in response to COVID-19, “Try It at Home! Smart WASHOKU®” (three sessions) and “What You Need to Know About the Food Your Immune System Needs” were disseminated online, and utilized to provide nutritional education to employees working from home. These materials have been viewed by around 5,000 employees.
- The eighth day of every month has been designated as Smart WASHOKU® Day. Video content is disseminated online introducing the Smart WASHOKU® approach and how to put it into practice. Also, starting from September, we have also been disseminating recipe videos as well, with the aim of not only deepening people’s understanding of Smart WASHOKU®, but also getting them to realize it in their daily lives. These videos were accessed by around 4,400 employees a month.
- Smart WASHOKU® online seminars were implemented for six worksites and branches. A total of 1,272 employees participated. (As a textbook to accompany the seminars, copies of the book *Onakayase no Ogonhi Reshipi* [Golden Ratio Recipes for Slimming], written in Japanese and published by Bungeishunju Ltd. were distributed to participants)
- As a gift to the participants in a contest held at the event commemorating the 130th anniversary of the launch of

Kao Sekken (Kao Soap), copies of the book *Onakayase no Ogonhi Reshipi* (Golden Ratio Recipes for Slimming), published by Bungeishunju, were distributed to approximately 500 employees. Recipe videos were also distributed to employees and their family members. These videos have been viewed by around 760 employees in total.



Recipe video distributed to employees

HocoTouch Pedometer Gait Measurement

We hold Gait Measurement at which analysis of how employees walk makes it possible to gauge their “walking age” and their future living functions risk. We also rent out HocoTouch pedometer device, a unique device developed by Kao, which can stimulate improvements in daily living habits.

- HocoTouch devices were rented out for use at 98 spot locations by 10,962 personnel.
- 23.9% continued to use the devices, of which 39.4% achieved Rank A walking steps and speeds over one day or more.

Health-related events using *Healthya*

We are working to encourage wider participation in sports- and health-related events at worksites in Japan. In 2020,

the Monitoring Health, a *Healthya* LINE app, was used to measure employees’ visceral fat, with the aim of reducing the body fat percentage by 1.0% and weight by 1.5kg within one month.

- Event participants

Monitoring Health with *Healthya* program: 267 people (of which 106 achieved their goal)

Weight measurement program: 577 people (of which 171 achieved their goal)

Dissemination of information and campaign activities

We have been implementing company-wide campaigns and awareness-raising activities so that employees can take steps to improve their health even while working from home.

Survey of lifestyle habits during the period in which employees have been working from home

Using the company’s intranet, we implemented a questionnaire survey on changes in attitudes and living habits during the period when employees have been working from home, with the aim of helping to maintain and improve employees’ health during this period. The data obtained through the survey has been used as the basis for providing health-related information.



Results obtained in the survey of lifestyle habits during the period in which employees have been working from home

Examples of information dissemination based on internal survey results

In the survey, we obtained responses from approximately 2,600 people. The results showed that there had been an increase in the number of employees who ate more snacks between meals, who felt that they were not getting enough exercise, and who reported problems with eyestrain, stiff shoulders, lower back pain, etc. In addition, while there was an increase in the number of employees who reported feeling lonely because they lived alone and had no-one to talk to, other employees reported benefits of working from home, such as having more time to spend with their families, being able to eat the evening meal earlier, getting more sleep at night, etc. These results were reported on the company intranet, to notify employees of the overall trends seen in the survey respondents as a whole.

Regarding the problems affecting employees that were revealed in the survey, we are putting forward proposals to enhance employees' health using our company's own products.

The survey was implemented twice for the same subjects, in March and May 2020, making it possible to identify changes in attitudes and lifestyle over an extended period of working from home. The content of the survey results has been shared with health staff throughout Japan.

GENKI Mori Mori Bulletin

The 25th day of every month is designated as GENKI Mori Mori Day, on which we disseminate health-related information using the company's intranet. We present the types of information that employees want to know (regarding how to strengthen your immune system, infection prevention, effective time management when working from home, etc.) in an

easy-to-understand format and in a timely manner through collaboration between relevant units and research institutes. We have also established a GENKI Mori Mori Community to serve as a venue for the exchange of information relating to employees' health.

Weight-loss Challenge

This campaign encouraged employees to try to lose 2kg in weight over the 42-day period between February 1 and March 13 (except employees with a BMI of less than 19).

In 2020, participants were able to make use of the online community to obtain useful tips on how to lose weight, and to share their experiences of losing weight, providing each other with mutual encouragement.

- A total of 2,407 employees took part (representing a participation rate of 11%), of which 784 (32.6% of participants) succeeded in losing at least 2kg.
- The combined total of visceral fat lost by all participants was 2.4 tons.

Pre-examination Weight-loss Challenge (for employees who received specific health guidance in 2019, and those on a waiting list for specific health guidance)

This campaign encouraged employees to try to lose weight over a 42-day period 2 months prior to their annual health examination. The participants in the 2020 campaign had Smart WASHOKU® video content disseminated to them, along with copies of the book *Onakayase no Ogonhi Reshipi* (Golden Ratio Recipes for Slimming), so that they could learn cooking methods and lifestyle habits that help to avoid the accumulation of visceral fat, thereby making it possible to lose weight without a great deal of effort.

- This has been implemented 4 times, with 664 participants, of which 187 (28.2%) lost at least 2kg in weight.

Walking Challenge

This campaign is to encourage walking over the 61-day period between October 1 and November 30. In 2020, an online community was used to facilitate sharing of information such as images of participants and the scenery through which they have been walking, as well as their reflections on the activity, etc.

- A total of 2,715 people took part (representing a participation rate of 10.2%).



Online Radio Calisthenics Journey

This activity was implemented over the two-week period between August 20 and September 2, 2020, using GENKI-WEB. Every day, video footage of people performing calisthenics enthusiastically while listening to the instructions given on the radio was distributed to participants. During the activity period, online radio calisthenics club meetings were held twice a day, with large numbers of people taking part every day. Participants were able to post video footage and photographs of them doing radio calisthenics to the online community, and Like and Super Like awards were presented.

- GENKI-WEB participants: 1,657 people
- Radio calisthenics club meeting participants: 3,244 people



Mental health care

By 2020, our system for implementing stress checks for employees in Japan had been in use for five years. We made effective use of stress check results to proactively implement mental health care. Occupational physicians and nursing staff promptly follow up on employees who are assessed as requiring emergency treatment in light of their responses to these stress tests, and individual follow-up e-mails are sent to employees who are judged to display slightly high stress levels.

As an organization, we also hold briefings based on stress check group analysis at company, department, worksite and branch levels, and we identify workplaces needing priority attention and implement measures to improve the working environment at these sites. For example, in the case of workplaces where a rapid increase in business volume has been accompanied by increased stress, we have performed in-depth analysis to gauge the reasons for the increase in stress besides supporting individual employees, and we have begun to implement activities to improve the organizational structure and the communication methods.

We also aim to enhance the ability of each individual employee to treat their own mental health through training and provision of information. We are continuing to foster a corporate culture in which everyone at Kao, including the colleagues at our individual worksites, acquires the ability to pay attention to small but significant changes that have occurred in their own lives, address problems at an early stage, and help each other out in times of difficulty.

In addition, we are making effective use of our guidelines for helping to ensure a smooth return to work after long periods of leave. By implementing activities to help people avoid mental health problems and to address them at an early stage if they do experience them, at the

level of both individual employees and the organization as a whole, we are creating workplaces filled with vitality and higher productivity.

In 2020, taking into account the spread of COVID-19, we have been promoting mental health care that is tailored to the circumstances, for example by distributing notifications to all employees to perform stress self-checks, and by providing training to managers regarding supervision of their team members and communication under circumstances where employees are working from home and being encouraged to stay at home.

As an external activity, we presented a corporate case study in the Online Mental Health Seminar (Mental Health Initiatives in Response to COVID-19), and participated actively in the exchange of views with experts.

Mental health care projects implemented in 2020

Item	Performance in 2020
Invigorated workplace ratio	60.5%
Stress checks participation ratio	98.4%
High stress rate	1.9% improvement
Training for managers	11 sessions with 1,591 participants
Self-care training	18 sessions with 1,041 participants
External EAP usage rate (number of usage/number of target employees)	198 telephone consultations + 1,510 e-mail consultations / 710 employees = 6.5%
Consultations with internal counselors (focused on career interviews)	12,340 people

Support for dental health

As a support initiative for dental health in Japan during the COVID-19 pandemic, we distributed “Video Messages from Dentists” on a monthly basis between August and December 2020. The content of these videos was not limited to general oral hygiene lectures. It also included advice tailored to employees’ living circumstances during the COVID-19 pandemic (covering the tendency for people to eat more between meals, infection prevention

strategies, etc.). Evidence-based data linked to the video content, along with easy-to-understand comments from personal healthcare researchers, was also disseminated to employees, to help deepen their understanding.

Smoking cessation initiatives

Promoting smoking cessation (Japan)

Since January 2018, we have been promoting prohibition of smoking during work hours.

Starting from April 2020, having built consensus with management, we have been using the company’s intranet to clearly enunciate both the prohibition on indoor smoking and the need for consideration for smokers to employees, and we have been strengthening measures to prevent passive smoking and encourage people to stop smoking.

For smokers, we have been providing guidance in relation to activities that encourage people to stop smoking, including the provision of individual consultations to support efforts to quit smoking, the holding of smoking cessation seminars, etc.

- We are helping employees to quit smoking through implementation of the Kao Group Smoking-Cessation Campaign.

In January: A total of 79 employees participated (of which 29 succeeded in stopping smoking)

In April: A total of 68 employees participated (of which 34 succeeded in stopping smoking)

In May: A total of 98 employees participated (of which 56 succeeded in stopping smoking)

- Kao Health Insurance Society-subsidized smoking cessation treatment was provided for 8 people.
- Online smoking cessation program led by Kao Health Insurance Society implemented.

Online smoking cessation program in spring: 45 employees participated

Online smoking cessation program in autumn: 47 employees participated

Women's health

Within Japan, we have established a Women's Health Consultation Service (for e-mail consultations), which arranges for occupational physicians to respond to employees' concerns about health issues.

Women's News, a women's health information newsletter, is distributed regularly (once every three months) using the company's intranet, to help deepen understanding of women's health issues.

We also hold women's health seminars, providing support for female employees to implement self-care appropriate to their current life stage, and helping them to develop the physical capacity they need to work energetically.

Expansion of health checks for employees working long hours

While we are promoting reductions in long working hours at Kao, some employees still find themselves working long hours during busy periods. To address the fatigue and stress experienced by employees with long working hours, we have undertaken to implement more detailed health checks as outlined below. These will facilitate early detection of symptoms and identification of potential distress signals from such individuals.

Performance of health checks for employees working long hours in 2020

Content	Performance in 2020 (up until August)
Meetings with occupational physicians	Scope: Employees logging over 80 hours work outside normal working hours per month No. of eligible employees: 89 No. of employees attending consultations: 88 (Implementation rate: 99%)
Online health checks (simple diagnostics)	Scope: (1) Employees logging an average of over 80 hours of work outside normal working hours per month over a period of 2 to 6 months No. of eligible employees: 6 No. of employees attending consultations: 6 (Implementation rate: 100%) (2) Employees logging an average of over 60 hours of work outside normal working hours per month over a period of 2 to 6 months No. of employees responding to online medical interviews: 855 Of whom, all of 229 employees who had been deemed eligible for consultations by occupational physicians have actually received consultations.

Support for specified fertility treatment

Since 2009, we have been providing support for specified fertility treatment within Japan.

Initially, the Kao Health Insurance Society subsidized treatment, but in 2013 responsibility was transferred to the Kao Family Association (a mutual aid association). Subsequently, the program was revised several times. In 2017, financial assistance for male fertility treatment was added, and in 2020 the scope of application was expanded to cover additional companies, so that all Kao Group companies within Japan are now covered.

With the increase in the scope of application, in 2020 the annual total of instances of subsidy usage rose to 175 (none of which involved male fertility treatment), representing a year-on-year growth rate of 148%.

We have also put in place an environment in which employees can seek to maintain an appropriate balance between work responsibilities and treatment, by making effective use of the various flexible working arrangements that we offer (including a flextime system, a working-from-home system, and the ability to take leave in hourly increments).

Content of support for specified fertility treatment (Japan)

Item	Details
Scope	Employees and their spouses/partners (If both partners are Kao employees, financial support will be provided for only one person)
Subsidy	60% of the co-payment for one round of treatment (up to 120,000 yen). Up to 1 million yen per couple (for the co-payment, from which all assistance including public support etc. has been deducted).

Company-wide deployment of health promotion activities

Deployment of company-wide health promotion activities (Japan)

Content	Performance in 2020
42-day Weight-loss Challenge	2,407 participants
Pre-examination Weight-loss Challenge	664 participants
Challenge <i>Healthya</i>	835 participants
Online Radio Calisthenics	1,657 participants
Smoking-Cessation Campaign:	245 participants
<i>Healthya</i> Walking Challenge:	2,715 participants
Women's Health News	4 issues published
Dissemination of information over the company intranet during the period of home working (March-June)	13 times (no. of times accessed: 69,891)
GENKI Mori Mori Bulletin (July onwards)	6 issues published (average no. of times accessed: 4,423)
Smart WASHOKU® Bulletin	6 issues published (average no. of times accessed: 4,400)

Deployment of health promotion activities at individual worksites (Japan) (planning of events / seminars / campaigns)

Content	Performance in 2020
Lifestyle disease-related: exercise and nutrition seminars, strength tests, health fairs, lectures by occupational health practitioners, etc.	Held 70 times, with a total of 17,051 participants
Smoking cessation	Held 7 times, with a total of 727 participants
Female: Women's health seminars, change-of-life seminars, etc.	Held 5 times, with a total of 1,397 participants
Mental: Mental health courses, mental health training seminars for beauty advisors, new employees and newly promoted employees	Held 36 times, with a total of 3,043 participants
Health lectures, etc	Held 9 times, with a total of 456 participants
Rest and sound sleep seminars	Held 6 times, with a total of 610 participants

Promoting the GENKI Project (Japan)

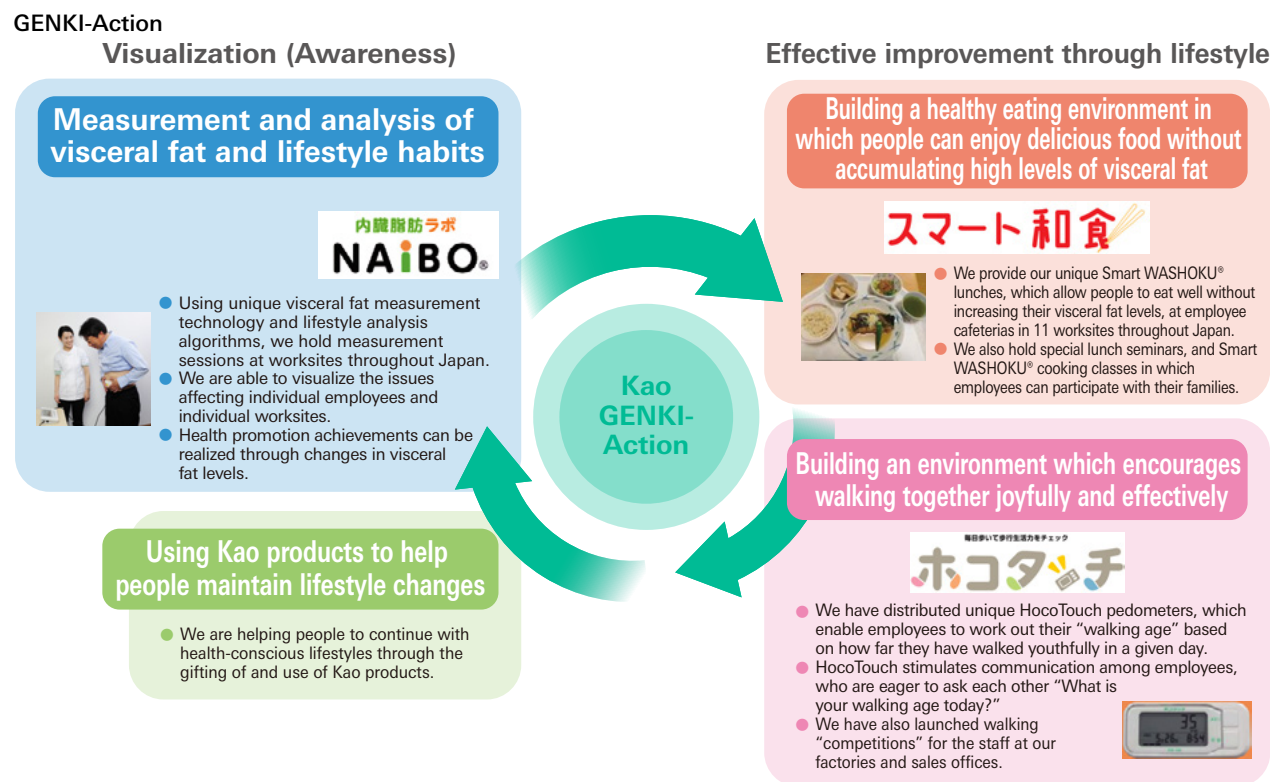
The Project for Maintaining the Health of Employees and Their Family Members (GENKI Project) was formally initiated in January 2020 as one of the projects promoted under Kao's Mid-term Plan 2020 (K20).

GENKI Project involves the provision of health management solutions that make effective use of the group's healthcare know-how, technologies and products to our employees and their families.

GENKI-Action

In our Human health care, we have for many years now been undertaking research on areas such as the relationship between visceral fat and lifestyle and the relationship between walking and health. The knowledge obtained from this research is utilized not only in the development of new products, but also to improve the health of our employees and their families through our health promotion programs. We call this unique approach to health promotion Kao GENKI-Action. What makes Kao GENKI-Action special is the way it realizes visualization of health status and lifestyle habits, which helps to boost health awareness and encourages people to make effective improvements through lifestyle changes. In order for people to achieve a health-conducive lifestyle without it being too stressful, and so that they can keep it up over the long term and enjoy doing it, we provide support for building a healthy environment, and offer assistance through our company's products.

We also make effective use of GENKI-WEB, a health community website for Kao employees, as a platform for Kao GENKI-Action, with recording of daily living activities, implementation of special health events, etc.



* NaiBO®, Smart WASHOKU® and HocoTouch are registered trademarks of Kao Corporation.

Kao GENKI Project for Everyone

Besides working actively to promote the health of employees and their family members, the Kao Group also shares this knowhow externally with local government authorities, corporations, senior care facilities, etc., thereby providing support for health promotion efforts.

The activity content is disseminated widely throughout society using the Kao GENKI Project for Everyone website.



→ Kao GENKI Project for Everyone
www.kao.co.jp/genki/ (Japanese)

Examples of collaboration with stakeholders

The health promotion measures and services that we promote within the company are also provided for external stakeholders including consumers.

The influence of Kao's health services on local communities and society as a whole

NAiBO visceral fat mini-lab®

As a new endeavor during the COVID-19 pandemic, we began providing a service to people outside the company that makes it possible to calculate an estimated value for your own visceral fat and notice aspects of your living habits that require improvement.

- No. of participating worksites: 12
- No. of participants: 17,340



Visceral Fat & Lifestyle Check-ups (lifestyle habit analysis and visceral fat measurement)

This service helps to enhance awareness of the need to improve lifestyle habits by digitalizing and displaying the results obtained through a questionnaire survey of lifestyle habits and measurement of visceral fat, which tends to be

affected by lifestyle habits.

- Held 9 times externally, with 563 participants (January–February 2020)

Awareness of Smart WASHOKU®

We have also been working to spread awareness of the Smart WASHOKU® dietary method for eating well without increasing visceral fat.

- Smart WASHOKU® master class e-learning seminar for public health nurses, nutritionists and other specialists: Held 3 times externally, with 212 participants
- Follow-up discussion meeting held online for people who had already participated in the master class, with 24 participants. Activity case studies and relevant topics were discussed during this meeting.
- Holding of Smart WASHOKU® online cooking classes at ABC Cooking Studio (administered by ABC Cooking Studio Co., Ltd.): Held twice externally (in Iwate Prefecture), with 16 participants
- Provision of Smart WASHOKU® boxed lunches (with a different menu every day) at municipality level: Toyohashi City in Aichi Prefecture

Get Walking Program

As part of a program to create an effective and enjoyable walking environment in workplaces and in local communities, we have been distributing our unique HocoTouch pedometer devices and holding Basic Walking Capabilities Testing Sessions to provide detailed analysis of walking “quality.”

- HocoTouch Pedometer Gait Measurement: Held externally at 64 corporate, foundation and local government facilities, with around 8,200 people participating
- Basic Walking Capabilities Testing Sessions: Held 7 times externally, with 444 participants
- Participation in the Washoku Day event organized by the

Employee wellbeing & safety 102-43, 403-6 (Occupational health and safety 2018)

Ministry of Agriculture, Forestry and Fisheries. Smart WASHOKU® online seminars were implemented as part of the health and beauty related seminars.

Comprehensive initiatives

Initiatives that integrate the health solutions noted above in a comprehensive manner have been provided in collaboration with local governments and universities.

Iwate Prefecture: Local Resident-Focused Health Enhancement Support Project

For three years starting in 2018, we have been providing visceral fat measurement, lifestyle habit analysis, walking support using HocoTouch, and diet improvement support using Smart WASHOKU®, in an integrated, comprehensive manner, for companies engaging in health and productivity management in Iwate Prefecture. In 2020, this support was provided for a total of 625 people at 16 different companies.

Fukushima Prefecture: Health Promotion in Collaboration with Private-sector Enterprises

We have been involved in Fukushima Prefecture's Health Promotion in Collaboration with Private-sector Enterprises project for three consecutive years.

We were commissioned by four municipalities to provide our walking improvement (promotion) program, and by one worksite to provide our dietary improvement program.

In 2020, in order to help prevent the spread of COVID-19, we strove to ensure participants' safety and peace of mind by switching over to presenting the results online, and by using the OriHime avatar robot at venues. Approximately 310 people participated in both the HocoTouch provision activity and the basic walking ability testing activity, respectively.

Information exchange with external organizations

We participate in the Association for Considering Health and Management. Besides presenting case studies of the initiatives that Kao has implemented, we are also able to learn from the health and productivity management initiatives that other companies have adopted. We also participate in the Forum for Building Healthy, Vigorous Workplaces, through which we obtain information about initiatives taken to build employee-friendly workplaces and about mental health issues. In addition, we are able to exchange views about occupational health projects implemented by human resources and health staff through our participation in the Sanpo-Kai association.

Developing consortium projects focused on senior citizens in collaboration with local government authorities

In March this year, the results achieved in the Health Project Linking Senior Citizen Health Promotion with Local Government consortium activity (managed by the Kao Health Insurance Society), which was implemented by five corporate health insurers belonging to the Japan Soap and Detergent Association, were presented on the MHLW data portal site. These results have been utilized and horizontally diffused as an example of an effective initiative for the reference of health promotion by labor union health insurers, the Japan Health Insurance Association and local governments, etc. throughout Japan.

Going forward, we will continue to implement activities aimed at joint development.

Joint research with COI, Hirosaki University

As part of our efforts to contribute toward the building of a sustainable, healthy society, we are undertaking collaborative research with the Center of Healthy Aging

Innovation (COI) at Hirosaki University, which is engaged in creating a "lifespan revolution." Focusing on Aomori Prefecture, which has the shortest average lifespan in Japan, we are conducting social implementation research that integrates basic research on visceral fat reduction with visceral fat measurement and attention to dietary and exercise habits, with the aim of preventing metabolic syndrome.

In 2020, we implemented big data analysis to show the importance of exercise during the COVID-19 pandemic, and also demonstrated that light exercise such as doing housework, and increasing the walking speed of people aged 50 or over, which reduce the amount of time that people spend being inactive, have an important role to play in preventing the accumulation of visceral fat. We have provided health promotion related feedback on these research results to residents of individual municipalities in Aomori Prefecture, and to employees of enterprises operating in the region.

Also in 2020, we conducted visceral fat testing at quality-of-life health check-ups, an awareness-raising type health check-up activity implemented at business enterprises and in municipalities in Aomori Prefecture. We also provided HocoTouch devices to 418 people as follow-up after the health check-ups.

Health insurer information exchange with other corporations

We implement information exchange at meetings and seminars hosted by the General Incorporated Payer's Association for Better Healthcare. This includes identifying and discussing issues relating to health insurance, and the presentation of case studies of improvement efforts.

Employees' safety

ESG Keyword

Eradication of occupational accidents

Creating a pleasant working environment

Death and serious lost-time accidents

Lost time accident frequency rate

Total accident frequency rate

Severity rate

Number of employees who experienced lost work days due to occupational illness

Risk assessment of chemical substances

Kao's creating value to address social issues

Social issues we are aware of

As we have several large-scale plants, process safety and disaster prevention needs are increasingly heightened in the context of accidents at chemical plants and the many natural disasters that have occurred recently.

Given this situation, providing a working environment in which employees can work safely is a vitally important issue for the enterprise.

Kao's creating value

Kao's Responsible Care (RC) Policy specifies occupational safety and health-related activity guidelines, and we strive to safeguard the safety and health of everyone working at Kao by implementing risk assessment of operations, machinery and chemical substances, ensuring thorough implementation of health check-ups and related follow-up, and implementing activities focused on mental health.

We will deliver workplaces which provide job satisfaction and peace of mind for employees and for their families, by creating safe, healthy and pleasant

working environments.

Risks related to realization of What Kao Aims to Be by 2030

- Risk of stoppages to operations due to occupational illness resulting from critical disasters or compromised operating environments
- Risk of loss of societal trust in the company due to the above

Opportunities related to realization of What Kao Aims to Be by 2030

We actively work, by means of thorough risk assessments, to eradicate the factors which threaten the occupational health and safety of all employees, thereby creating workplaces where they can work in safety, health and peace of mind.

Contributions to the SDGs



Policies

Activities to ensure occupational safety and health are clearly stipulated in the Kao RC Policy. This is a policy to "eradicate occupational accidents and reduce potential risks, as well as provide comfortable working environments and promoting employee health." Accordingly, when occupational accidents occur, we carefully investigate the accident or disaster, and identify and analyze the causes. The results of the analysis are shared throughout the group to help prevent similar accidents from occurring again in the future, thereby protecting our employees while maintaining safe and stable operations.



→ Kao Responsible Care Policy
www.kao.com/content/dam/sites/kao/www-kao-com/global/en/sustainability/pdf/responsible-care-policy.pdf

Education and promotion

To ensure that work can be carried out safely, we draft educational plans related to occupational safety and health for employees and temporary workers, and conduct training for new hires or reassigned personnel at the location of deployment. Furthermore, we identify operations that require special education, and ensure that this education is provided to all employees who need it.

By implementing education, we are able to share information relating to safety and health in the workplace, and are able to undertake activities aimed at achievement of safety and health targets.

We are also endeavoring to ensure that the efficacy of past drills is not weakened by the passage of time, by designating a Safety Day on days when accidents occurred in the past.

Collaboration and engagement with stakeholders

We strive to create workplaces where employees can work with safety and peace of mind every day.

Furthermore, in order to ensure the safety of employees of partner companies who work together with us at our worksites, we conduct events related to safety and disaster prevention in cooperation with partner companies. Every month, we share safety-related information—including case studies of occupational accidents within Kao and the steps taken in response—with partner companies, and we strive to become an enterprise characterized by safety and peace of mind through collaborative promotion of safety activities.

Framework

The Kao RC Policy and the promotion framework and activities can be found on the following page.



→ Responsible care activities
www.kao.com/content/dam/sites/kao/www-kao-com/global/en/sustainability/pdf/sus-db-2021-e-all.pdf#page=27



→ p. 18 ESG promotion structure

Mid- to long-term targets and performance

Mid- to long-term targets

We aim to become a company that meets top-level safety and health criteria on a global basis by 2030.

We have set ourselves the goals of reducing deaths and serious lost-time accidents to zero, reducing the lost-time accident frequency rate to 0.10 or less, and, with regard to work-related traffic accidents, reducing 100% negligence accidents causing bodily injury to zero, with respect to both Kao employees and employees of partner companies, by 2030.

We will be working steadily to realize these targets, with related backcasting goals and activities being adopted as annual RC targets.

Anticipated benefits from achieving mid- to long-term targets

Business impacts

By making it possible for all employees to work safely, we will ensure that business activities can be carried on normally, thereby controlling unnecessary expenditure and reducing overall costs, which in turn will lead to higher revenues.

Social impacts

Stable provision of products with sound implementation of business activities by having all employees working in good health. Moreover, this can facilitate the stabilization of product prices.

Performance in 2020

We implemented activities from the two perspectives of “Eradication of occupational accidents” and “Creating a pleasant working environment and improving employees’ health.” More specifically, with regard to the eradication of occupational accidents, we have focused on promoting risk assessment of operations and machinery in existing facilities, promoting improvement through reporting of near-miss incidents, implementing risk assessments and safety-

related acceptance inspections before new facilities begin operation, preventing equipment-related accidents by familiarizing employees with and requiring compliance with safety policies and rules, taking steps to prevent slipping and falling on stairs, etc., and working to prevent traffic accidents.

In the area of creating a pleasant working environment and improving employees’ health, we have strengthened management of the working

environment, ensuring effective implementation and follow-up of health check-ups, undertaking health promotion activities, stress checks and implementing risk assessment for chemical substances.

In addition, at the Health and Safety Committee meetings which are regularly held at each worksite, we report on activity plans as well as giving performance reports, and we disseminate this information to employees.

2020 targets and performance (Kao Group)

Item	Indicator	Scope	2018	2019	2020		
			Results	Results	Target	Results	
Occupational accidents	Death and serious lost time accidents*1 (persons)	Including both regular employees and temporary workers (Kao Group)	0	0	0	0	
		Breakdown	Japan	0	0	—	0
			Asia	0	0	—	0
			Americas	0	0	—	0
			Europe	0	0	—	0
		Subcontractors (Kao Group)		0	0	—	0
		Breakdown	Japan	0	0	—	0
			Asia	0	0	—	0
			Americas	0	0	—	0
			Europe	0	0	—	0
	Lost time accidents frequency rate*2	Including both regular employees and temporary workers (Kao Group) <input checked="" type="checkbox"/>		0.77	0.78	0.1 or less	0.53
		Breakdown	Japan	0.54	0.67	—	0.41
			Asia	0.19	0.25	—	0.07
			Americas	4.18	3.21	—	2.03
Europe			4.66	3.30	—	2.85	
Including both regular employees and temporary workers (Reference: Member companies of Japan Chemical Industry Association)		0.31	0.42	—	—		
Subcontractors (Kao Group) <input checked="" type="checkbox"/>		0.40	0.24	0.1 or less	0.66		
Breakdown		Japan	0.55	0.66	—	0.85	
	Asia	0.11	0.06	—	0.14		
	Americas	0.00	0.00	—	5.51		
	Europe	7.06	4.18	—	7.88		
Subcontractors (Reference: Member companies of Japan Chemical Industry Association)		0.52	0.57	—	—		

*1 Serious lost time accidents: Accidents in which there is a continued loss of physical function after treatment for the injury has been completed (with a loss of physical function of Level 5 or higher).

*2 Lost time accident frequency rate: Number of persons dead or seriously injured in occupational accidents per million hours worked (including only accidents involving at least one lost work day and also the loss of a part of the body or a bodily function).

2020 targets and performance (Kao Group)

Item	Indicator	Scope	2018	2019	2020		
			Results	Results	Target	Results	
Occupational accidents	Total accident frequency rate*3	Including both regular employees and temporary workers (Kao Group)	2.43	2.33	0.56 or less	1.90	
		Breakdown	Japan	2.20	2.47	—	2.00
			Asia	1.37	0.49	—	0.34
			Americas	8.36	6.02	—	4.05
			Europe	6.86	5.78	—	4.98
		Subcontractors (Kao Group)		1.21	0.75	0.56 or less	1.43
		Breakdown	Japan	2.11	1.87	—	2.18
			Asia	0.40	0.18	—	0.55
			Americas	0.00	0.00	—	5.51
			Europe	10.59	16.70	—	7.88
	Severity rate*4	Including both regular employees and temporary workers (Kao Group)		0.05	0.01	—	0.04
		Breakdown	Japan	0.03	0.01	—	0.05
			Asia	0.14	0.01	—	0.00
			Americas	0.06	0.02	—	0.03
Europe			0.07	0.05	—	0.08	
Including both regular employees and temporary workers (Reference: Member companies of Japan Chemical Industry Association)		0.03	0.01	—	—		
Subcontractors (Kao Group)		0.01	0.01	—	0.03		
Breakdown		Japan	0.01	0.04	—	0.06	
		Asia	0.01	0.01	—	0.01	
		Americas	0.00	0.00	—	0.17	
	Europe	0.19	0.03	—	0.06		
Subcontractors (Reference: Member companies of Japan Chemical Industry Association)		0.07	0.03	—	—		
Number of employees who experienced lost work days due to occupational diseases (persons)*5	Including both regular employees and temporary workers (Kao Group) <input checked="" type="checkbox"/>		0	0	0	0	
	Breakdown	Japan	0	0	—	0	
		Asia	0	0	—	0	
		Americas	0	0	—	0	
		Europe	0	0	—	0	
Traffic accidents	100% negligence accidents causing bodily injury (no. of accidents)	Sales and logistics (Japan)	16	5	0	1	
	Accidents other than 0% negligence accidents per 100 vehicles*6		6.43	6.48	3.8 or less	3.68	

*3 Total accident frequency rate: Number of persons injured in occupational accidents (including accidents without lost work days) per million hours worked.

*4 Severity rate: Number of lost days/total working hours × 1,000.

*5 There has been a global target for the number of employees who experienced lost work days due to occupational diseases since 2018.

*6 Accidents other than 0% negligence accidents per 100 vehicles: Number of traffic accidents other than 0% negligence / No. of vehicles in fleet × 100.

Reviews of performance

In 2020, performance in relation to some safety indicators was better than in the previous year. However, one reason for this improvement was that many employees were working from home because of the COVID-19 pandemic.

Employee wellbeing & safety 103-1, 103-2, 103-3

Targets for 2021

In order to become a company that meets top-level safety and health criteria on a global basis by 2030, we have set ourselves the target of striving to prevent accidents and disasters, and we are implementing activities based around backcasting of accident and disaster prevention targets for 2021.

Note that traffic accident targets are for Japan only.

Targets for 2021 (Kao Group)

Item	Scope	Indicator	2021 targets
Occupational accidents	Regular employees and temporary workers	Death and serious lost time accidents*1 (persons)	0
		Lost time accidents frequency rate*2	0.45 or less
		Total accident frequency rate*3	1.35 or less
	Subcontractor employees	Death and serious lost time accidents*1 (persons)	0
		Lost time accidents frequency rate*2	0.21 or less
		Total accident frequency rate*3	0.63 or less
Regular employees	Number of employees who experienced lost work days due to occupational diseases (persons)	0	
Traffic accidents	Sales and logistics	100% negligence accidents causing bodily injury (no. of accidents)	0
		Accidents other than 0% negligence accidents per 100 vehicles*4	8.8 or less

*1 Serious lost time accidents: Accidents in which there is a continued loss of physical function after treatment for the injury has been completed (with a loss of physical function of Level 5 or higher).

*2 Lost time accident frequency rate: Number of persons dead or seriously injured in occupational accidents per million hours worked (including only accidents involving at least one lost work day and also the loss of a part of the body or a bodily function).

*3 Total accident frequency rate: Number of persons injured in occupational accidents (including accidents without lost work days) per million hours worked.

*4 Accidents other than 0% negligence accidents per 100 vehicles: Number of traffic accidents other than 0% negligence / No. of vehicles in fleet × 100.

Our initiatives

Status of occupational accident occurrences

In 2020, a total of 144 regular employees and temporary workers were involved in occupational accidents, of which 40 persons lost work days as a result, with no occupational illnesses resulting in lost work days recorded. For occupational accidents involving subcontractors, the number of persons affected was 37, of which 17 suffered injuries resulting in lost work days.

The most common types of accidents among regular employees and temporary workers were slip and fall accidents due to carelessness and insufficient confirmation (42 employees), accidents involving reactional action (16 employees) and collisions (9 employees). As slip and fall accidents have been the most common type of accident in recent years, in implementing our activities we have focused mainly on strategies to prevent slip and fall accidents.

Risk assessment of chemical substances

As many kinds of chemical substances are handled at our manufacturing locations, the risk of damage to human health and of environmental pollution is not negligible. With this in mind, we evaluate the impacts on people and the environment and make provisions to reduce these risks.

In addition, when installing additional equipment

or making changes to existing equipment, and when changing the types of raw materials used, we assess the potential impact on human health and on the environment in advance.

These measures have been implemented in response to the UN's Strategic Approach to International Chemicals Management (SAICM) initiative.



p. 219 Walking the right path >
Responsible chemicals management

Expansion of the "no accidents with lost work days award system" improving safety awareness

Since 2016, the "no accidents with lost work days award system," which had previously been limited to plants in Japan, was expanded to include plants outside Japan, in order to further improve safety awareness.

In 2020, one plant in Japan and four plants outside Japan received awards.

In the future, we will expand the scope of application of the award system to include sales companies and logistics companies, with the aim of enhancing safety consciousness.

"No accidents with lost work days award" (2020)

Region	Company / Plant	Stage
Japan	Kawasaki Plant	Stage 1 (3 years)
China	Kao (Shanghai) Chemical Industries	Stage 2 (5 years)
	Kao Huludao	Stage 2 (5 years)
Indonesia	PT. Kao Indonesia	Stage 1 (3 years)
Thailand	Kao Industrial (Thailand)	Stage 1 (3 years)

Award criteria

Stage	Award criteria
1	3 years
2	5 years or 5.4 million hours
3	7 years or 8.1 million hours
4	10 years or 12.2 million hours
5	15 years or 18.3 million hours



Kao (Shanghai) Chemical Industries Co., Ltd. (China), which has achieved Stage 2



Kao Huludao Casting Materials Co., Ltd. (China), which has achieved Stage 2

Sharing safety messages globally

With the aim of enhancing safety awareness globally, since 2017 we have had the company's safety slogans translated into local languages at our worksites outside Japan, and the safety posters on which the President and Chief Executive Officer appears have been shared globally, being displayed at worksites both within and outside Japan.

Starting from 2018, the safety poster messages have been chosen in a global competition.

In 2020, the message proposed by Kao Specialties Americas LLC in the U.S. was chosen as the best entry. Safety posters using this message were created and distributed for display at Kao affiliates both within and outside Japan.

Going forward, we will continue to promote this activity, so as to strengthen safety consciousness on a global scale.



The award ceremony for the best entry (Kao Specialties Americas)

Creating a pleasant working environment for employees

Besides striving to create a pleasant working environment at all worksites, in order to ensure compliance with working environment standards and relevant laws in each country, we implement surveys of the working environment on a regular basis, and undertake improvement and maintenance management of the workplace environment.

Implementation of Safety Awareness Survey

We have independently implemented the Safety Awareness Survey since 2018 to survey employee awareness of safety and facilitate future safety activities. This survey was conducted in the SCM Division in Japan in 2018, and each workplace established and implemented an action plan based on the results of this survey, aiming to further improve safety awareness.

Since 2019, this survey has been expanded to include other divisions in Japan and group companies outside Japan. In 2020, the survey was implemented

at Kao Industrial (Thailand) Co., Ltd, and Kao Corporation S.A. (Spain). We will continue to implement this survey going forward, with the aim of realizing further improvements in safety awareness.

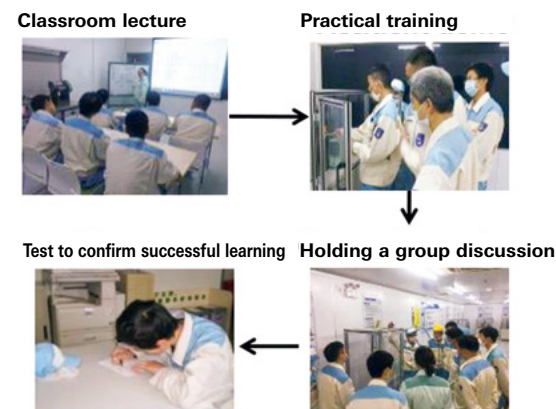
Expansion of hazard detection training facilities

In 2020, Kao Corporation Shanghai (China) adopted a new demonstration facility that helps employees to develop an awareness of hazards. The aim is to strengthen employees' understanding of the hazards that equipment poses, and to enhance their safety awareness. The company created 11 types of hazard detection equipment, including rotary machines, heavy objects, high-temperature objects, etc., and gave seminars that made use of them.

Factory operatives and personnel responsible for safety have undergone training at the hazard detection classroom, including classroom-style learning.



Hazard detection equipment



Hazard detection class flow



The safety poster featuring the company president was deployed in 11 different local languages (Clockwise from top left: Japanese, English, Chinese (simplified), Thai)