Kao Sustainability Data Book 2020

2019 Our initiatives

By engaging in-depth communication with consumers, we ensure that customers' feedback is utilized to enhance *Yoki-Monozukuri* and the services that we offer, while providing essential lifestyle information to consumers of all ages. In aging populations, with the steadily increasing levels of digitalization and continuing globalization, the question of how best to interact with consumers has become a vitally important issue when deciding consumer communication strategies. Kao adopts a forward-looking response to changes in our consumers' living environments and the accelerating digitalization of communication methods, and we will continue to proactively develop new measures in this area with the aim of being a trusted partner for consumers 24 hours a day, 365 days a year.

Kao's creating value to address social issues

Social issues we are aware of

The changes taking place in society are very much reflected in our communication with consumers. For example, we receive a large number of telephone inquiries about our products from senior citizens, who make up a higher proportion of these inquiries year after year. Meanwhile, digital natives, who are primarily the younger generations, increasingly use social media for general communication purposes, with a wide range of information now being exchanged via social media. There is a strong tendency for the digital native generation to search for their own solutions online, and they tend not to consult businesses' customer consultation desks

In this kind of society, consumers who have not been able to keep up with the digital age cannot obtain information from companies, disparity in information access widens among consumers, and it becomes increasingly difficult for consumers to make reasoned decisions based on their own knowledge. Much of the massive amount of information available online is also inaccurate, and consumers attempting to solve their issues based on erroneous information is a matter of concern. Another concern is information received from companies in telephone and email inquiries being combined and modified with other unintended information and then spread on social media, resulting in inaccurate communication.

Along with the expansion in inbound consumption seen in

recent years, a concern is that consumers with differing lifestyle habits and values may misunderstand products, with the risk that they do not fully enjoy the product's performance or that the misunderstanding results in a problem with their physical wellbeing or their belongings.

Kao's creating value

We believe that by endeavoring to provide consumers with fair, accurate and easily understood product information as well as information relating to consumer lifestyles such as their home and clothing, we can help consumers engage in ethical and safe consumption behavior that takes society and the environment into consideration.

At our consumer support desk inside our Consumer Communication Center, we take feedback from individual consumers seriously and strive to understand their feelings, solve their problems and understand the background to the problems to support *Yoki-Monozukuri* from a consumer-driven point of view.

We are taking various steps to serve the needs of different consumers. Based on the concept of universal design, we have set up a support desk with dedicated sign language support to serve people with hearing impairments. For people with visual impairments, we have added descriptive text to the images and tables in our product catalog on the Kao website that can be read by text-to-speech software. We have also set up telephone support desks able to handle inquiries in English, Chinese and Korean to serve tourists visiting Japan as well as foreign nationals living in Japan.

Another way we are engaging in proactive communication with consumers is by providing official support using the Q&A service Yahoo! Chiebukuro so that people attempting to solve problems on their own are able to do so with accurate information.

We are also adopting multi-lingual labeling of product information to ensure accurate understanding of our products by the increasing numbers of foreign visitors and residents in Japan. Two-dimensional codes are being applied to product information installed in stores so that consumers can immediately access product information in Chinese or English on the Kao website.

Risks related to realization of our vision by 2030

- Dissatisfaction with the lack of information in response to demands for disclosure of ingredients, safety information, and so on as a result of rising consumer awareness regarding safety and security.
- 2. Reputation risks in cases of delayed or inadequate responses to substances of concern (environmental and safety).
- 3. Dissatisfaction with products as a result of inadequate consideration of biodiversity.
- Expansion of damage caused by inadequate quality or defects
- 5. Outflow of products to foreign countries as a result of cross-border e-commerce.
- 6. Leaks of acquired personal information and tighter regulations relating to the protection of personal information.

Communication with consumers 102-12, 102-43, 103-2, 404-2

Opportunities related to realization of our vision by 2030

- 1. Provision of accurate product information relating to ingredients, safety, etc.
- 2. Disclosure of reliability information relating to security and safety.
- 3. Opportunities to call for improvements in product development and products sold.
- Development of new products and opportunities for improvement proposals through global information sharing.

Contributions to the SDGs



Education and promotion

To enhance our capability to respond to consumer inquiries, we implement periodic assessments of our consumer inquiry response ability. We also work actively to create training opportunities by, for example, arranging for external instructors to provide response quality improvement training for employees, and by encouraging employees to make use of external training providers.

In order to better understand our consumers' viewpoints, we hold training sessions (Real Voice Training) in each relevant division, in order to put them toward business use.

Policies

We take feedback from consumers seriously and ask for their opinions and requests for products and services based on our consumer-driven approach. We not only strive to resolve the problems that led consumers to contact us, but also to engage in communication to understand consumers' awareness, habits and other thoughts relevant to the problems. Then we consider what solutions we can offer as a company, proactively make suggestions internally and strive to deliver products, services and information that are beneficial to consumers.

Declaration of Consumer-orientation

In January 2017, we announced our Declaration of Consumer-orientation. Under our corporate philosophy, the Kao Way, we promote top management's commitments to all of our employees, ensuring corporate governance as well as achieving customer satisfaction. Moreover, we have declared our commitment to take consumer feedback seriously, utilize it to improve our products and services, provide information from the point of view of consumers and actively engage with consumers, with all employees taking part in *Yoki-Monozukuri* to provide products and brands useful to the sustainability of society.

Collaboration and engagement with stakeholders

Exchanging information with consumer groups and consumer affairs center

We strive to gain a better understanding of consumers from recent consumer trends and noteworthy inquiries, as well as have our approach better understood, by regularly exchanging information with public bodies and consumer groups, including consumer affairs centers led by regional government agencies.

Implementation of exchange activities involving consumer-oriented events

At events such as public lectures and consumer fairs, we offer a wide range of information concerning laundry, proper hand-washing techniques, housecleaning, oral health care, bathing, universal design and other topics. We position these events as opportunities to deliver detailed lifestyle information tailored to the target audience and to directly understand the various problems faced by consumers from a different avenue than the support desks.

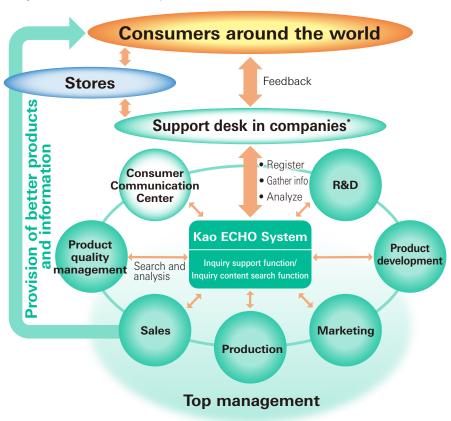
Evaluating communication with consumers

To verify whether consumers are satisfied with our communication and if there are areas where we need to improve, we implement regular consumer surveys regarding our consumer communication. We use the survey results to make further improvements in how we handle inquiries, and strive to improve satisfaction among consumers who reach out to us.

Framework

The Consumer Communication Center uses the Kao ECHO System for inquiries to share the necessary product information, FAQs and other supporting information, and handles inquiries with an appreciation for consumers' feelings with the motto of "accurate, quick and courteous." Feedback received by the consultation desks is collected in the Kao ECHO System, and the more than three million pieces of consumer feedback collected here is shared company-wide and fed into *Yoki-Monozukuri*. Divisions analyze the respective feedback to improve global product quality, develop sustainable products, develop information for consumers and so on.

Framework for reflecting consumer feedback in products



^{*} In Japan, this is the Consumer Communication Center

Mid- to long-term targets and performance

Mid- to long-term targets

While collaborating closely with our partner companies, we are striving to enhance the overall level of our advantageous consumer- and customer-driven approach and of the capabilities of frontline operations (*genba*) and our overall capabilities, which together constitute an integrated system, so as to accelerate the implementation of our business strategy. To this end, we are committed to the continuing exchange of information with consumers in our role as a trusted partner for consumers, and will provide consumers with optimal solutions for their problems, wherever and whenever they need our help.

Moreover, by engaging in communication with consumers, we can identify risks at an early stage and take appropriate, timely action to deal with them, while also collecting and analyzing consumer feedback to benefit *Yoki-Monozukuri*.

Main initiatives related to consumer communication

- 1. Answering consumer inquiries by means such as telephone or e-mail.
- 2. Providing practical information on our website.
- 3. Providing active support for questions posted on a Q&A board (Yahoo! Chiebukuro).
- 4. Exchanging information with consumer groups and consumer affairs centers.
- Implementation of exchange activities involving consumeroriented events.

Expectations from achieving our mid- to long-term targets Business impacts

 Higher efficiency of consumer communication by providing various means of communication

- Enhanced information disclosure leads to higher resolution of issues by consumers on their own, increasing consumer satisfaction and brand loyalty.
- Higher efficiency of handling consumer inquiries through virtual responses using AI.
- Multi-lingual support by consumer support desks increases brand loyalty among non-Japanese consumers.
- Increased loyalty to our brand through control of reputation diffusion.

Social impacts

 Contributions to better consumer lifestyles from the perspective of diversity as a result of enhanced information provision, multi-lingual support, and diversification of means of information acquisition.

Inquiries in 2019

1. Answering consumer inquiries by means such as telephone or e-mail (Inside Japan, overseas*)

Working together in 2019, Kao Corporation, Nivea-Kao Co., Ltd., and Kanebo Cosmetics Inc. answered around 214,000 consumer inquiries received via telephone and e-mail in Japan (equivalent to 99% of the previous year's total). In Japan, there has been an increase in inquiries from the elderly regarding product differences and usage, especially from elderly men, reflecting Japan's super aging society. People aged 60 or above now account for more than 40% of all inquiries received. In 2017, we developed a new system that allows sharing of global consumer feedback and have introduced the system in Kao companies in Asia. We received a total of 37,000 inquiries outside Japan in 2019 (97% year on year).

To help ensure appropriate, timely response to consumer inquiries based on the Kao Way, we carefully monitor consumer communication activities in group companies throughout Asia, using the daily exchange of information by means of e-mail and telephone

calls, as well as regular web conference meetings to ensure consultation responses in accordance with shared value criteria and action criteria. We hold a conference that brings together staff from Kao companies in Asia and Australia responsible for handling consumer inquiries to report on the results of activities in their countries and regions during the past year. This is an opportunity to learn from one another, leading to improvements in how we respond to consumer inquiries globally.

* Number of inquiries at Kao Group companies that handle mass products in Asia and Australia and Kanebo Cosmetics group companies outside Japan.

2. Providing practical information on our website (Japan)

Product information for our products can be viewed online using our online product catalog. Our product catalog website displays not only product images and details of product features for all our regular products, but also basic information displayed on product

packaging labels including product components, acidity/alkalinity, usage and other important notice.

3. Providing active support for questions posted to a Q&A board (Japan)

On Yahoo! Chiebukuro, under the user name "kao_official," Kao Official Support began providing answers to consumers' questions posted to the service beginning in 2015. In 2019, an estimated total 1,500 new questions were answered. One of the key features of social media is that answers to questions stay on the feed and can be read by many people with similar issues, thereby contributing to the wider communication of accurate information. In 2019, the approximately 8,400 responses provided to date were viewed around 4.3 million times. In addition to responding to inquiries, we also monitor questions concerning the Kao brand and focus on collecting information on how trending products are used and information about them spread through word of mouth communication.

Our initiatives

The Kao Plaza community site for loyal Kao users

We have operated the Kao Plaza community site for loyal customers since 2013 and mobilize it in our business activities.

Enhancing customer relationship management (CRM) activities

Background to launching Kao Plaza

We believe that ongoing dialogue with customers who loyally use our products is important in today's world, where identifying consumers' needs is becoming more difficult. We therefore launched activities on the Kao Plaza community site in full in 2013. General CRM is a marketing tool employed for the purpose of improving customer loyalty. In addition to this, by listening to valuable feedback primarily coming from loyal customers, we also aim to not miss small changes in consumer lifestyles and unconscious psychological factors so that we deepen our position as the "group of companies that is closest to the consumers and customers" stated in the Kao Way.



Diverse values seen from members that span a wide range of ages.

Brand campaigns provide opportunities for consumers who participate in them to become Kao Plaza members. Membership stands at approximately 1.5 million (as of 2020). As Kao Plaza members include both men and women from their teens to their 80s, reflecting the wide range of ages of users of Kao products, we are able to gain a bird's-eye view into the lifestyles of various kinds of customers and their values.



Kao Plaza

Consumer-driven two-way communication

New discoveries in communications of experiential information

While brands conduct their own marketing activities, Kao Plaza communicates information across various brands by changing the communication basis to consumer lifestyles and life events, for example families with small children and consumers who have just started living on their own. We often receive feedback from consumers along the lines of "I've always used this product without much thought and never realized it was from Kao!" and "I didn't know I could also use this product in this way!" By having consumers come into contact with many different Kao products while exchanging lifestyle information, Kao Plaza has become a platform for consumers to discover new insights that cannot be fully communicated through mass media.

Owned community where people exchange lifestyle tips and hacks

What is most important in the communication with members is keeping the conversation going. While communicating a range of content, the site configuration allows us to immediately pick up on strong reactions from

members. On the "Minna no Hoho" community corner just for members, lively conversations take place every day on topics related to daily life (monthly average of approximately 25,000 posts). For members, Kao Plaza is a place to get ideas and tips for daily living, but for Kao, it is a data asset able to dynamically collect information on how our products are used and signs of lifestyle changes among other trends gleaned from the large amount of unreserved feedback, which we analyze and put to use internally.



"Minna no Hoho" community corner

Brand value co-creation and value communication with Kao fans

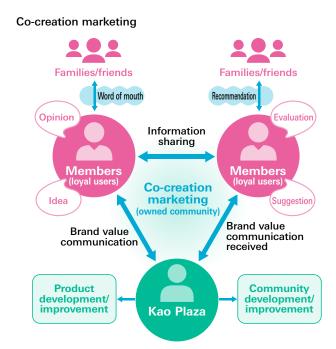
Engine to create brand value together

Loyal users of products have a deep understanding of the corporate philosophy and intrinsic brand benefits, so they are said to talk about products in ways that go beyond simply evaluating product performance (like it or not like it) with more in-depth mentions extending to lifestyle values and social values. And due to their loyal use, these users also sometimes critically point things out taking the position of the company. Focusing on this benefit, we use a market research online community (MROC) with Kao Plaza as part of our survey tools to assess how people like using new products and so forth, and deploy co-creation marketing to explore and refine our brands' true value together with loyal users, by reviewing strategy assumptions using a gap analysis, discovering creative hints and identifying points for improvement at an early stage among other insights.

Value context that consumers identify with and propagate

Global metric quantitatively measuring loyalty: We introduced the Net Promoter Score (NPS) at the time of the Kao Plaza launch and use it to observe members over time. People with higher NPS scores (promoters) for Kao and our brands tend to use precise word choices to recommend their favorite products to other people. These word choices form the value context that consumers experience first-hand and have the power to recreate feelings of identification in the people on the receiving end. Against the backdrop of word of mouth on social media exerting a significant impact on sales, we are deepening our analysis of what kinds of people have what

kinds of brand experiences and what word choices they use to communicate their experiences as the key to understanding the mechanisms by which brand value gets propagated, and then using this to develop better communication to more effectively deliver brand value.

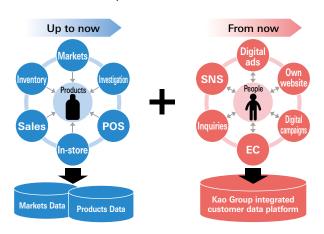


Future direction in the digital age

New platform blending people and digital

As digital technology becomes woven into the fabric of daily life and markets continue to diversify, digital transformation is considered a potent strategy to quickly and accurately understand the inner workings of customers' behavior and psychological changes. The Strategic Innovative Technology Team (SIT), established in April 2018, launched a new CRM platform in January 2020 and is working to integrate customer data at Kao, which currently resides in multiple locations. From 2020, we are expanding the scope of use of the insights collected by Kao Plaza and implementing measures to increase the precision of one-to-one marketing mobilizing our overall capabilities while continuing to focus on dialogue in our unique CRM activities.

Comprehensive understanding of customers' points of contact and brand experience



Customer support using AI chatbots

There are more and more cases of companies answering consumer inquiries through chat sessions. In addition, the use of AI to automatically supply answers makes it possible to offer 24-hour customer support and holds the promise of creating new points of contact with consumers.

Kao is also using Al chatbots for a number of brands, and in 2019 began offering online support for Relief adult diaper users using an Al chatbot in addition to the Relieffureai call service.



hours a day.



Consumer-oriented initiatives and their evaluation

Declaration of self-compliance with ISO 10002/JIS Q 10002

We announced in May 2019 that our initiatives to handle consumer inquiries in the Consumer Products Business Division* in Japan were in compliance with ISO 10002:2014 (JIS Q 10002:2015), "Quality management— Customer satisfaction—Guidelines for complaints handling in organizations." We are committed to listening to consumer feedback with a sincere and open attitude, making suggestions internally and offering products, services and information that are beneficial to consumers.

* Kao Corporation, Nivea-Kao, Kanebo Cosmetics Inc.

Received the 2019 Commissioner of the Consumer Affairs Agency Commendation in Selection of **Consumer-Oriented Companies for Best Practice**

We received this commendation in recognition of the ongoing activities we are conducting based on our voluntary declaration of consumer-orientation. The Commissioner of the Consumer Affairs Agency Commendation follows receiving the Minister of State Commendation the previous fiscal year.

This 2019 commendation recognized our progressive ESG-driven initiatives and efforts to realize a sustainable society. Specific activities cited include our major shift to ESG-driven management and increased activities to reduce our use of and recycle plastic.

Internal education for deeper understanding of consumers

Continuing in 2019, employees took trainings from outside instructors on improving customer service quality, and we evaluated our customer service quality. Our evaluation based on external criteria improved from last year's C rank (positive efforts but also issues, with aspects of customer service lacking) to B rank (generally good telephone customer service with tangible results from educational measures).

In order to better understand our consumers' viewpoints and utilize them in business, we hold training sessions (Real Voice Training) in each relevant division. In 2019, training was conducted for the Legal Division, R&D Division and Production Division.

We also marked the 85th anniversary of the Housework Science Laboratory, the predecessor to the Consumer Communication Center, in 2019, and held an exhibition to commemorate this milestone. We created an exhibition that allowed participants to experience and share real feedback received from consumers by our support desks to create the space for consumer-driven understanding and feelings and discoveries with a consumer focus connecting to *Yoki-Monozukuri*.

Exchanging information with consumer groups and consumer affairs centers

Since the Consumer Affairs Agency was established in the fall of 2009, we have been visiting and exchanging information with government agencies responsible for consumer affairs, primarily consumer affairs centers in the Kanto and Kansai regions. In 2019, we were able to expand these visits to consumer centers around Japan in Hokkaido, Miyagi, Aichi, Hiroshima and Fukuoka prefectures with the participation of area Consumer Communication Centers operated by branches, and made a total of 102 visits to prefectural consumer affairs centers, government ministries and agencies, consumer groups and other groups.

Implementation of exchange activities involving consumer-oriented events

In 2019, we continued to participate in Children's Day for Visiting Kasumigaseki and the Sumida Consumer Lifestyles Exhibition in response to requests from governmental agencies, and we offered a wide range of information concerning laundry, hand washing, housecleaning, oral health care, universal design and other topics.

Supporting working women using Pattern Language created with tips for working while raising children

Based on interviews with working women in their 20s and 30s, we created the publication "Ways of Everyday World-Making" about pattern language together with Iba Laboratory of Keio University to support women who want to work with confidence and authenticity. It consists of 34 short phrases about keys to balance work and raise children, and we have held workshops internally and externally using this pattern language since 2017.

Through our cooperation with seminars held for job seekers at the Ryugasaki Hello Work (employment service center), people including certified career consultants who participated in our workshops contacted us with the desire to hold their own workshops, which have now been held in many places in Japan including Tokyo, Kagawa, Shiga and Yamaguchi prefectures. In 2019, workshops were held by external cooperators for 23 times with a total of 455 participants and more than 1,000 people joined over the past three years.

We will continue to offer opportunities for people to find hints for working from tomorrow with a positive outlook while also listening to the voices of working people and considering with consumers how to build a brighter tomorrow for our working lives.

Track record of Workshops with pattern language

	Internal (number of workshops/ participants)	External (number of workshops/ participants)	Outside (number of workshops/ participants)	Total
2017	11/120	9/250	0	20/370
2018	0	9/213	6/51	15/264
2019	0	2/59	21/396	23/455
Total	11/120	20/522	27/447	58/1,089







→ "Ways of Everyday World-Making" pattern language * A PDF version is available for download (in Japanese) www.kao.co.jp/lifei/

Communication with consumers 102-43

Picking up the voices of community residents for making use of them in community development by local governments

We participated in the City Promotion Institute, which is organized by the Graduate School of Project Design with the objective of solving issues faced by local governments through public–private partnership, and conducted workshops on "Thinking about Our Future Life" as part of our consumer research. We shared the details of these activities with representatives from local governments around Japan at the City Promotion Institute Symposium held in February 2019.

In addition, the results of the workshop we held in Toyooka City, Hyogo Prefecture, which is promoting various measures aimed at closing the gender gap, were used to inform the Toyooka City Work Innovation Strategy established in January 2019. Through the workshops, we were able to learn about how residents of various communities wished to live their lives and share information with local governments seeking to engage in community development together with residents.

Workshops on community development

	Ikoma City, Nara Prefecture	Omura City, Nagasaki Prefecture	Toyooka City, Hyogo Prefecture
Issues faced on local governments	Want to increase the number of residents	Want to increase the number of young people	Want to increase the number of women excited about
0	involved in community development.	moving in.	working and close the gender gap in entire area.
Workshop participants/ number	20 women currently raising children	32 people living in Fukuoka Prefecture/Tokyo area	12 women working at local companies
Date of Workshops	Oct. 2018	Sept./Dec. 2018	Sept. 2018



→ Toyooka City Work Innovation Strategy (listed on p. 5) (Japanese)

www.city.toyooka.lg.jp/_res/projects/default_project/_page_/001/007/068/kakutei.pdf

Housekeeping workshops for senior men to live confidently

From November 2018 to July 2019, we conducted housework workshops for senior men in collaboration with the Future Nursing Care Project at the Citizen Activity Center in Urayasu City, Chiba Prefecture. Representative Shinya Oguro spoke about the need for older men to take the housework course to ensure their self-sufficiency as there are many cases of older widowers who are unable to take care of themselves after their wives died.

The support that we could give was planning and holding housekeeping courses for senior men. We targeted the participants from "Grandpa's Cooking" class, which is designed to create connections and support people's dietary habits, in Urayasu City.

The course consisted of three sections: the basics of

cleaning, laundry, and sanitation including hand washing. The Classroom Lecture were combined with practice at home to encourage the participants to actually do what they have learned.

Participants gave positive feedback after the course, including "It feels good to move my body with housework," "It's important to keep things neat and tidy even if I live alone," and "I now know that my own way of washing my hands was not enough," and gained a real sense of the importance of being self-sufficient at home. After completion of the course, we plan to hold a completion ceremony and present participants with a housework manual with helpful information about what to do in various unexpected situations.

Course contents

	Date	Nov. 2018	May 2019	Jul. 2019
Course Section		Cleaning	Laundry	Sanitation
No. of participants		12 people	9 people	10 people
Course		Cleaning basics	Washing care instructions	Bacterial contamination in the house
	Classroom Lecture	Autumn pollen	Basics of using a washing machine	Basics of preventing food poisoning
	Lecture	Quickle Wiper sheet design	See dirt on a micro level	Importance of kitchen sanitation and hand washing
	Practical training	Cleaning the classroom with Quickle Wiper	Hanging laundry to dry without wrinkling,	Comparison before and after the hand
			emergency treatment for stain removal,	washing class
	training		preventing smells when drying laundry indoors	



Senior men listening intently to the instructor.



Practice smoothing out wrinkles after the spin cycle using their own clothing

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Communication is the Key For parents and children in time of The 100-Year Life

In collaboration with the NPO Community-Care Policy Network, since 2018 we have been working on the creation of communication tools (booklets) for building a new relationship between elderly parents and their children. The completed booklets have been distributed to 1,758 local governments around Japan (local welfare sections at municipal and prefectural governments) and used in courses such as nursing care prevention courses and dementia supporter training courses.

There are two types of booklets. One is the handbook "Parent-Child Relationship in time of The 100-Year Life," which contains content to build understanding for the elderly and introduces support programs and other information. The other is practical guide "Guidebook that makes your life worth living through conversation," which describes specific ways to engage in conversation and interact with the elderly.

Using these booklets, we worked together with seven local governments to hold lectures and workshops in 2019. The workshops facilitated interactions between people of the parent and child generations and allowed them to share their inner feelings, which are often difficult for actual parents and their children to share with each other. Participants gave us feedback that demonstrated how the workshops were able to give them a more positive outlook, with comments such as "I was able to learn the true feelings (of parents and children)," and "I want to change my future parent–child relationship."



Communication tools to build new relationships between elderly parents and their children

Local governments holding lectures and workshops (2019)

Date	Location (rate of aging)	No. of participants
Feb. 2019	Yuzawa, Akita Prefecture (36%)	157 people
Mar. 2019	Haga-machi, Tochigi Prefecture (29%)	37 people
May 2019	Kyogoku-cho, Hokkaido Prefecture (36%)	105 people
May 2019	May 2019 Kitajima-cho, Tokushima Prefecture (24%)	
Jul. 2019	Tsunan-machi, Niigata Prefecture (39%)	30 people
Nov. 2019	Ikeda, Osaka Prefecture (26%) Toyonaka, Osaka Prefecture (25%)	51 people

Support for raising children by expanding diaper vending machines in the Welcome Baby Project

Comachiplus is a certified NPO organization working to create a society that welcomes the birth of children and prevent child-rearing from becoming isolating. In workshops it runs, parents of young children have brought up how it would be convenient to be able to buy a small amount of diapers when needed while out and away from home. Hearing this, Comachiplus partnered with Tokyo Kirin Beverage Service Co., Ltd. and Kao to install a Kirin vending machine that sells *Merries* baby diapers together with beverages in the diaper-changing space at a store in Totsuka-ku, Yokohama, in 2017.

News of the vending machine was picked up by media and on social media, and many corporate groups supporting this move inquired about installing diaper vending machines. The initial diaper vending machine installed in Totsuka-ku, Yokohama has expanded to 25 vending machines around Japan in 2019, including at

Ginza Hakuhinkan and Osaka International Airport.



Diaper vending machine installed at Osaka International Airport