

We conduct our corporate citizenship activities with the goal of enriching people's lives and creating a better, more sustainable world.

When it comes to issues that cannot be directly approached through business, we are working in tandem with local communities and NGOs/NPOs with a long-term perspective. We also set up employee participation activities aimed at creating connections to society and places where employees can learn, along with Support of the Arts activities in order to further the development of the culture, which is at the foundation of *Yoki-Monozukuri*. We also implement various activities through The Kao Foundation for Arts and Sciences.

## Kao's creating value to address social issues

### Social issues we are aware of

Cleanliness, hygiene and health are the foundation of people's lives, but there are many people who are not able to benefit from services made possible by modern progress due to inequity stemming from economic disparity as well as disparities based on gender and other attributes. While the issues faced by developed, emerging and developing countries are different, what people desire more than ever is to be able to lead fulfilling and beautiful lives inside and out each day in societies where their physical and mental needs are met. In addition, problems impacting the environment that supports our lives, including climate change and waste, have become pressing issues that require action by the international society as a whole.

Along with making contributions through business activities to help resolve these social issues, it is becoming increasingly important for companies to take action with a big picture perspective, through technological support leveraging their strengths, educational and awareness-raising activities, charitable donations and so on.

### Kao's creating value

In addition to contributing to the sustainability of society through our business activities, we also contribute to society in broader ways for social issues that we cannot directly address through our business activities (products) to make it possible for people everywhere to lead happy, fulfilling and more comfortable lives.

In the business fields of cleanliness, beauty and health where we have leveraged our own resources and strengths, and for global-scale environmental issues, we will provide various kinds of assistance, including educational and awareness-raising activities, technological support and charitable donations, so that people everywhere can lead happy, fulfilling and more comfortable lives.

Furthermore, we will make contributions aimed at solving social issues faced by diverse communities and revitalizing communities as well as provide support for cultural enrichment such as our Support of the Arts activities.

### Risks related to realization of our vision by 2030

Failure to give proper consideration to stakeholders and a lack of engagement may cause customers, employees and all other stakeholders to lose trust in us and could also potentially damage our brand value in the future.

### Opportunities related to realization of our vision by 2030

As a manufacturer of consumables, we have always stayed close to consumers in our business activities. These activities are not only to improve convenience and satisfaction for individual consumers, but also to meet people's desire to make the right choices for a better society and have the society they belong to do the same.

We tackle social issues that are intimately connected to everyday life, such as sanitation, water, health, improved quality of life and waste, and always consider what our activities mean from the standpoint of consumers and society from our desire to be an essential part of people's lives and realize sustainable and beautiful lives inside and out (the Kirei Lifestyle) for people the world over.

### Contributions to the SDGs



# Corporate citizenship activities 102-43, 103-2, 404-2

## Policies

In our business fields of cleanliness, beauty and health, and for global-scale environmental issues and social issues faced by diverse communities, we conduct corporate citizenship activities through initiatives that leverage our own resources and strengths, aiming to achieve a society where people everywhere in the world can lead sustainable and beautiful lives inside and out (the Kirei Lifestyle).

### Corporate Citizenship Activity Guidelines

- Conduct activities that play a role in nurturing the next generation.
- Conduct activities aimed at contributing to the development of regional communities and culture.
- Conduct activities that protect and nurture the environment to promote a sustainable society.
- Conduct activities that promote a barrier-free society as a form of social support.
- Conduct activities that make effective use of Kao's resources.
- Create an atmosphere in which every employee can participate in social activities as a good citizen.

## Education and promotion

We believe in the importance of gaining the support of consumers and encouraging them to change their behavior as a way to achieve the Kirei Lifestyle for people around the world.

With this goal in mind, we believe it is important that Kao employees, who are the ones conducting our activities from manufacturing to awareness-raising, have a broad understanding of society and consumer diversity, broaden their perspective and powers of creativity, and lead by example. We share information about our corporate citizenship activities and provide opportunities for employees to participate in volunteer and other activities in various settings.

## Collaboration and engagement with stakeholders

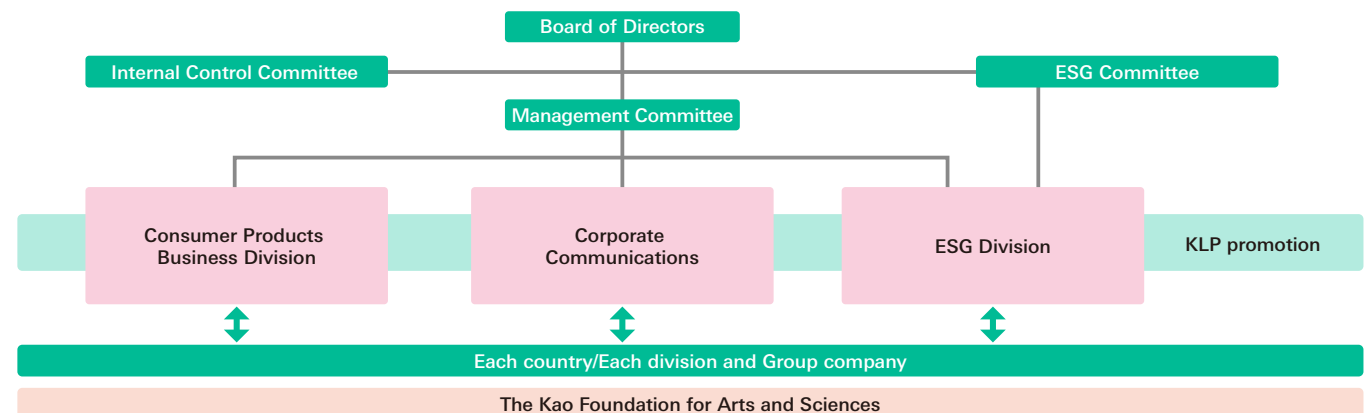
Dialogue and collaboration with various stakeholders are indispensable to understanding on a deeper level what is needed and expected by an increasingly complex society, and to empowering people around the world to live the Kirei Lifestyle. We believe that working together will have greater transformational impact on the social issues we are trying to solve. We conduct our corporate citizenship activities in collaboration with many different stakeholders, including NGOs and NPOs, United Nations organizations, and outside initiatives.

We are also working together with government organizations at all levels and with schools and other groups to effectively deliver the Kirei Lifestyle to as many consumers as possible.

## Framework

The ESG Division is leading efforts to achieve our ESG Vision of the Kirei Lifestyle, and working in cooperation with the Corporate Communications Division, the Consumer Products Business Division, and other related divisions and group companies within and outside Japan. The senior vice president of the Corporate Communications reports once a year to the Board of Directors, giving a summary of activities, expenses for activities and so forth.

### Implementation framework for corporate citizenship activities



\* As of December 2019.

# Corporate citizenship activities 103-2, 103-3, 203-1

## Mid- to long-term targets and performance

### Mid- to long-term targets

Focusing principally on our business domains of cleanliness, beauty and health and environment-related fields, our corporate citizenship activities contribute broadly to society so that people everywhere are able to enjoy happy, fulfilling and comfortable lives, even when we cannot directly address the issues through our business activities.

By having employees participate in our corporate citizenship activities, create connections with society and broaden their perspective, we also aim to benefit *Yoki-Monozukuri*.

### Establishment of habits for cleanliness and hygiene

1. Water and Sanitation Project for Schools in Vietnam:  
We aim to support 35,000 students at 60 schools over the five-year period from 2016 to 2020.
2. Improvements in infection control and hygiene at hospitals in Vietnam:  
We are conducting measures designed to improve infection control and hygiene at Hanoi Medical University Hospital. The activities are being extended to other hospitals over five years starting in 2018.
3. Scholarship for Hygiene Management:  
We provide a scholarship to one exchange student from Vietnam at a time to study food hygiene management in a master's degree program in Japan. We are providing assistance to three people over six years from 2018.
4. Menstrual hygiene education in Indonesia:  
We are providing education to 12,000 people, aiming to change behavior among 2,500 people over 3 years from 2018 to 2020.

### Improved quality of life

Breast cancer prevention awareness through the Pink Ribbon Campaign

- Support for a cancer education project for junior and senior high school students.

- Made donations based on product purchases and donations through an in-house program to the cancer education project.

### We are conducting environmental communication to promote sustainable lifestyles among consumers

### Nurturing people who will lead future science and technology development

JSEC (Japan Science & Engineering Challenge): We support a maximum of nine high school students at three schools every year.

### Community participation and problem-solving support

1. Kao Social Entrepreneurship Schools for young leaders:  
We support three organizations every year.
2. Promoting understanding for social inclusion: We are promoting the expansion of boccia competitions.

### Promoting the participation of Kao employees in social activities

1. Operation of the Heart Pocket Club, a club established for the purpose of providing community support by Kao Group employees.

2. Enhancing the communication of information on employee participation activities via the intranet, etc.

### Anticipated benefits from achieving mid- to long-term targets

#### Business impacts

Ethical consumption behavior is becoming more widespread today, and we can gain consumers' trust by steadily carrying out activities aimed toward our goals and continuing to communicate. In this way, we hope that these activities help us attract long-term loyal customers.

#### Social impacts

By instilling proper daily cleanliness and sanitation habits, we hope that we can improve sanitation in the communities we support and contribute to improving living standards over the medium to long term. We believe that offering support for developing human capital that will play leading roles in science and technology in the future and for nurturing young social entrepreneurs who can revitalize their communities, as well as communicating to consumers about the environment, will create a driving force in society that empowers people everywhere to lead happy, fulfilling, comfortable and sustainable lives.

At the same time, encouraging our employees to participate in corporate citizenship activities will help stimulate their creativity and translate into more innovative, higher-value *Yoki-Monozukuri*.

## Performance in 2019

### 1. Establishment of habits for cleanliness and hygiene

#### 1. Water and Sanitation Project for Schools in Vietnam

- Improved hygiene facilities at 22 schools in An Giang Province.
- Built new hygiene facilities at one school in Dien Bien Province.
- Installed two water supply stations serving four schools and one commune in Dien Bien Province.
- Held educational sessions led by community leaders at 38 villages.
- Gave 370 water purifiers with ceramic filters to 22 schools in Dien Bien Province.

#### 2. Improvements in infection control and hygiene at hospitals in Vietnam

- Hosted an observation visit from Hanoi Medical University and introduced infection control measures taken in Japan.
- Conducted staff training and monitoring on the status of hand hygiene at Hanoi Medical University Hospital.

#### 3. Scholarship for Hygiene Management

- Accepted a foreign exchange student in a Japanese master's degree program starting in October 2018.

#### 4. Menstrual hygiene education in Indonesia

- Published a menstrual hygiene education booklet for junior high school students.
- Conducted trainings (3 times) on the need for menstrual hygiene education at schools and how to use the booklet for 40 school principals, 80 school health teachers and a total of 17 regency administrators in Tangerang District, Banten Province.
- Conducted 2 trainings led by mentors (for a total of 200 participants who were teachers of 7th and 8th grade students, health teachers and school counselors).
- Participated in events promoting awareness for Menstrual Hygiene Day on May 28.
- Revised the menstrual hygiene education booklet for elementary school students for use in Islamic schools.

#### 5. Hand-washing awareness

- Japan
  - Hand washing class: Conducted educational activities for approximately 2,244 students at 33 schools throughout Japan (For all school visit lessons, there were 3,702 students receiving instruction at 54 schools).
  - A total of 189 Kao employees participated as instructors (338 employees for all school visit lessons).
  - We provided 156 educational kits (465 in total for all types of educational kits).
- Taiwan, Indonesia
  - We conducted hand-washing awareness sessions for 111 thousand children.

#### 6. First menstrual education

- Japan
  - Distributed first menstruation sets to approximately 745 thousand elementary school girls.
- Indonesia, Vietnam, Thailand, Malaysia, Taiwan, Hong Kong, China
  - Distributed first menstruation sets to approximately 388 thousand elementary and junior high school girls.

### 2. Improved quality of life

#### Pink Ribbon Campaign (Global)

- Support for a cancer education project for junior and senior high school students.
- Between October–November, awareness-raising activities were conducted by our beauty advisors at cosmetics counseling corners, etc. in nine different countries and regions.
- Information offered through a special website.
- Made donations matched according to the number of items purchased.
- Support for communicative events: Pink Ribbon Walk (Tokyo).
- Company employees wear Pink Ribbon badges, with information relayed through our intranet system.
- Employee involvement-based donation program: Photo donation.

### 3. Environmental communication to promote sustainable lifestyles among consumers

- Held the 10th Kao International Environment Painting Contest for Children (16,552 submissions), exhibited award-winning works (50+ locations), developed a new workshop.
- Conducted an experiential environmental education program and activities aimed at its expansion (lectures, participation in ESD network, etc.).
- Held a seminar on the Future of Washing Initiative (December).

### 4. Nurturing people who will lead future science and technology development

#### Supporting an independent research contest Japan Science & Engineering Challenge (JSEC) for high school students

- Invited the winning JSEC 2018 schools for a study tour (March).
- As special sponsors of JSEC 2019, we presented the Kao Award and the Kao Special Incentive Award to eight students from three high schools (December).

### 5. Community participation and problem-solving support

#### 1. Kao Social Entrepreneurship Schools for young leaders (Japan)

- Three organizations were chosen to receive support and providing opportunities for business growth.
- Held opinion exchanges with social entrepreneurs receiving support and Kao employees (November).

#### 2. Promoting understanding for social inclusion (Japan)

- Promoting the expansion of boccia competitions: Held in-house boccia games (2 times, with a total of 82 employees participating).
- Held exhibitions to build understanding about the sport of boccia at the two business locations of Kayabacho Head Office and Sumida Office.

### 6. Promoting the participation of Kao employees in social activities

#### 1. Kao Heart Pocket Club (Japan)

- 3,463 members (as of December 20, 2019).
- 47 donation projects / Donations of 7,248,400 JPY.
  - \* Including 500,000 JPY donated for Reiwa Year 1 East Japan Typhoon (Hagibis) as an emergency relief assistance measure
- Issued 4,000 copies of the activities report (activities report for internal use, issued once a year).

#### 2. Provision of information about activities and events with employee participation via the company intranet, etc.

- 90 items in FY2019.
- Planning events with employee participation: Volunteering in areas affected by the Great East Japan Earthquake of 2011, volunteering activities carried out through the Kao Heart Pocket Club (a donation organization composed of Kao employees), local contribution activities carried out by individual Kao worksites, etc.

### 7. Corporate citizenship activity expenses

To gain an understanding of our corporate citizenship activities, we conducted a survey on activities at affiliates, worksites and related divisions within and outside Japan. Corporate citizenship activity expenses in 2019 came to 1,056 millions JPY for Kao as a whole (255 millions JPY in donations, 801 millions in activity expenses).



→ Sustainability section of the Kao website >  
Corporate Citizenship Activities  
[www.kao.com/global/en/sustainability/society/](http://www.kao.com/global/en/sustainability/society/)

## Our initiatives

### Making my everyday more beautiful

## Support for cancer education through the Pink Ribbon Campaign Improved quality of life

Since 2007, we have implemented the Kao Pink Ribbon Campaign every year during the two months of October and November. During this time, we have been conducting a variety of activities to raise awareness for early screening and detection of breast cancer, with the slogan of “For you and your loved ones.”

One of our main activities in 2019 was providing support for the Project of Cancer Education by Pink Ribbon Advisors organized by the Japan Society of Breast Health, an NPO, which we continued to support from 2018. This project provides cancer education in junior and senior high schools, and in a world where one in two Japanese people will get cancer in their lifetime, is anticipated to raise students’ health awareness as well as create beneficial effects in their caregivers’ generation.

Other activities conducted in 2019 include launching a product that included a donation under the cosmetics brand *Kanebo*. We have been conducting the activity since 2013, where for each eligible product purchased during the campaign period, the brand donates 100 yen to the aforementioned cancer education project. The sanitary products brand *Laurier* launched limited-edition products with a special Pink Ribbon design and made donations through a click-to-donate platform. These

donations also went to support the cancer education project.

In addition, we are actively conducting other activities, such as awareness-raising activities in some stores carrying cosmetics and supporting Pink Ribbon walking events, to deliver the message to as many people as possible.



Talk given by a Pink Ribbon Advisor.



Laurier limited-edition mini-packs with a special Pink Ribbon design.



→ Making my everyday more beautiful > Improved quality of life: Support for women’s empowerment through the Pink Ribbon Campaign  
[www.kao.com/content/dam/sites/kao/www-kao-com/global/en/sustainability/pdf/klp-pr-2020-e-all.pdf#page=45](http://www.kao.com/content/dam/sites/kao/www-kao-com/global/en/sustainability/pdf/klp-pr-2020-e-all.pdf#page=45)



# Corporate citizenship activities 203-1

## Kao Hygiene Development Program in Vietnam

Improved quality of life

Habits for cleanliness, beauty & health

We are implementing the Hygiene Development Program in Vietnam with the aim of promoting the widespread adoption of cleanliness and hygiene practices in Vietnam. This program comprises four components: Leader Development for Infection Control, the Scholarship for Hygiene Management, Enhancing Hygiene in the Community and the Water and Sanitation Project for Schools.

### Leader Development for Infection Control

This program seeks to improve infection control and hygiene at hospitals. In 2019, we invited relevant parties from Hanoi Medical University, our partner in Vietnam, to Japan to familiarize them with infection control procedures in Japan. After this, staff monitoring to confirm the status of hand hygiene and trainings conducted for staff at Hanoi Medical University Hospital helped ensure hand hygiene among medical staff and created a successful outcome for infection control in the hospital.

In 2020, we plan to announce these results as well as share them with other hospitals to further develop the infection control program.

### The Scholarship for Hygiene Management

By cultivating food hygiene management experts who can play an active role in the health and hygiene field in Vietnam, we aim to contribute to healthy living for Vietnamese citizens. In cooperation with Kanagawa University of Human Services in Japan, we have set up the Kao Scholarship for Hygiene Management within the university and provide the scholarship to foreign exchange students.

A foreign exchange student in the first year of the scholarship came to Japan in October 2018 and took part in the master's degree program at Kanagawa University of Human Services. In October 2019, the student toured the kitchens of hospital and company cafeterias and continued deepening her studies, graduating in March 2020.

### Enhancing Hygiene in the Community

On September 27, 2019, we held an event to raise awareness for the importance of washing hands at Nhan Chinh Elementary School in the Thanh Xuan district of Hanoi. First and second graders at the elementary school participated in the event, where they listened to stories about the importance of washing hands and the right way to do it, and danced a hand washing dance to raise their awareness for hand washing. In cooperation with Hanoi Medical University, we will more broadly conduct educational activities at elementary schools starting in 2020, aiming to further increase awareness for hygiene among the children who shoulder the future.

### Supporting UNICEF's Water and Sanitation Project for Schools

Vietnam has severe economic disparity, and sanitation and hygiene conditions in Vietnam's rural and mountainous districts and districts with large ethnic minority populations are underdeveloped, with chronic diarrhea and other illnesses impeding children's healthy development.

Since 2016, we have been supporting Water and Sanitation Project for Schools through the United Nations Children's Fund (UNICEF).

Following good results with the program in An Giang Province in the Mekong River Delta in the southern part of the country, in 2018 we expanded support to Dien Bien Province, a mountainous region in the north where most people are members of an ethnic minority group.

In 2019, the project improved hygiene facilities at 22 schools in An Giang Province, installed new hygiene facilities at 1 school in Dien Bien Province, and installed 2

water supply stations serving 4 schools and 1 commune in Dien Bien Province, in addition to holding awareness-raising sessions led by community leaders in 38 villages.

To ensure access to safe drinking water in remote areas and in times of emergency, we are also providing support for the installation of water purifiers with ceramic filters. This program is linked with the "eco together diary" project among 10-year old elementary school students in Japan, where the children's water-saving efforts are matched with equivalent donations of water purifiers to elementary schools in Vietnam. Through 2019, some 370 water purifiers have been delivered. Thanks to encouragement from local governments, expansion of this program is also being seen, with schools not eligible for the support using the program as a successful case study and purchasing and using water filters on their own.

In 2020 as well, we will support efforts led by schools and communities to improve sanitation conditions and establish good hygiene habits in both provinces of Vietnam.



Children in Dien Bien drinking purified water.

©UNICEF Viet Nam

# Corporate citizenship activities 203-1

## Contributions to improving menstrual education and menstrual hygiene conditions

Improved quality of life

Habits for cleanliness, beauty & health

### First menstrual education support for elementary and junior high school girls in Japan

Since first launching sanitary products in 1978, we have offered first menstrual education to girls around the age of beginning menstruation as well as their families and elementary schools for more than 40 years.

Our first menstruation education set is a pouch that contains an awareness booklet which briefly covers menstruation and bodily changes, along with sample sanitary products, distributed free of charge. In 2017, we began working together with the Japanese Association of School Health, aiming to expand distribution of our sets to 20,000 schools throughout Japan.

In 2019, we distributed sets to 11,766 schools. Additionally, we distributed CDs narrating the content of the awareness booklet titled “Physical changes: What it means to become an adult,” which was revised in 2018, to 67 schools for the visually impaired and 92 Braille libraries in Japan.

### Menstrual hygiene education for junior high school students in Indonesia

Since 2018, we have been supporting UNICEF’s Menstrual Hygiene Management Project in Indonesia.

There is not enough correct knowledge about menstruation in Indonesia, where one in four girls does not know about menstruation until she actually starts having her period. Furthermore, superstitions and discrimination regarding menstruation persist. Additionally, since schools do not provide enough education about menstruation and sanitation facilities are inadequate, one in six girls misses at least one day of school during menstruation, which is one reason for lower school attendance among girls.

In 2019, the second year of the project, a survey and test use of materials were conducted at regular schools and Islamic

schools in multiple regions including Tangerang district, Banten Province, in order to produce a new educational booklet for junior high school students. As there are large differences in how people react to and think about educational content about menstruation influenced by the region where they live, their religion, their generation and their educational level, the materials needed to incorporate additional considerations, and rounds of detailed revisions were made. On November 28, the completed educational booklet was unveiled, timed with Teachers’ Day (November 25) in the country, and a presentation ceremony was held to give the booklets to the governor and the educational organization of Tangerang district. Trainings for school principals and health teachers on using the booklet started at the beginning of December.

In addition, Kao Indonesia employees attended an event to promote awareness held in South Jakarta City on May 28, timed with Menstrual Hygiene Day, and we are conducting activities while deepening recognition for the issue internally.

The program’s aim is to give lectures to over 12,000 students including boys at 40 public junior high schools by 2020, and to encourage more than 2,500 students to change their behavior.



Seminar for health teachers who teach about first menstruation.

### The Menstrual Hygiene Improvement Project in Uganda

Since February 2019, we have partnered with the United Nations Population Fund (UNFPA) to support the company EcoSmart, which was launched by a young social entrepreneur with the goal of manufacturing and selling low-priced, domestically produced sanitary napkins in Uganda.

Many women in Africa are unable to purchase sanitary napkins due to poverty, and instead use old cloth rags and plant leaves. As a result, cases of serious infections are also seen. In addition, it is not uncommon for girls to stay home from school because they are worried about staining their clothing from not being able to use sanitary napkins, and end up leaving school after falling behind in their classes.

It is our hope that with our support girls and women in Uganda will be able to use sanitary napkins on a continuing basis, and will be able to live life during menstruation in greater hygiene and comfort. We also believe that empowering girls to go to school without absences during menstruation and have equal opportunity to study as boys will contribute to the greater development of Ugandan society as a whole.

In August 2019, we invited the CEO of EcoSmart, who came to Japan to participate in the Tokyo International Conference on African Development (TICAD 7), to the Tochigi Plant, where our sanitary products are manufactured, and exchanged information about manufacturing.



(left) Activities targeting women in Uganda to increase the use of sanitary napkins.  
(right) Exchanging information at Tochigi Plant, which manufactures sanitary products.

# Corporate citizenship activities 417-1

## Barrier-free access to information Universal product design

As a company that offers products necessary in daily life, we promote barrier-free environments that allow all people living in society to lead fulfilling and comfortable everyday lives without discrimination, and we conduct activities designed to build this understanding.

As information technology advances, people with visual impairments and the elderly are at higher risk of being left behind, and we are working to make information barrier-free for these groups by providing Braille stickers for products free of charge and making voice recordings of information about daily life.

We have also donated videos that discuss barrier-free topics to schools and other institutions to be used as materials for integrated studies to share and build understanding for the challenges posed by living with various disabilities.

We are partnering with the Japan National Council of Social Welfare in making donations to social welfare facilities, and donating our products to selected groups, social welfare facilities and privately operated facilities that house people in order to serve their populations.

As part of our support activities for first menstruation education for girls around the age of first menstruation, their families and elementary schools, in 2019 we produced a CD narrating the content of an awareness booklet titled “Physical changes: What it means to become an adult,” to expand outreach to girls with visual impairments, who tend to lack sufficient information, their families and the educators serving them. We have distributed the materials to 67 schools for the visually impaired and 92 Braille libraries in Japan, as well as to 6 other locations.

In addition, we provided Braille stickers (for household goods and cosmetics products) free of charge on 121 occasions, donated videos on barrier-free topics on 3 occasions, and donated products to welfare facilities on 2 occasions. We provided content, and two employees volunteered to help record narrated information for the December issue of the lifestyle information magazine *Home Life*, a Braille and voice-based magazine published by the Japan Braille Library.

We plan to continue these activities in and after 2020 as well.



Braille stickers (household goods).



CD narration of “Physical changes: What it means to become an adult.”



# Corporate citizenship activities 413-1

## Making thoughtful choices for society

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

#### Habits for cleanliness, beauty & health

#### Sustainable lifestyle promotion

We have prepared programs and conducted a range of educational activities to develop the next generation from the two perspectives of 1) having young people be able to take care of themselves and 2) having broad interest in what happens in society and attempting to do what we can, so that children may lead authentic and comfortable lives into the future while also realizing a sustainable society.

Specifically, employees serve as instructors and visit schools, where they provide hand washing lessons and housecleaning lessons.

In addition, we provide educational materials in the fields of cleanliness, health and the environment and conduct activities to facilitate their use by teachers in order to deepen children's understanding.

In FY2019, we gave the 2 classroom lessons at a total of 54 schools. A total of 3,702 students participated in the lessons, with 338 employees serving as instructors and support staff.

Starting in FY2020, we will revise the existing content to include elements of active learning to address the changes to curriculum guidelines that are being phased in, while we have also developed a new Zero Waste Challenge Program with an ESG perspective and conducted test lessons for it.

Meanwhile, we also conducted hand washing lessons at 2 schools for children with hearing impairments an activity we also did in 2018, with the participation of 69 students

and 15 employees. In FY2019, we also provided hand washing lessons for the first time at 2 special needs schools (schools for children with intellectual disabilities) together with employees from Kao Peony, a special subsidiary, with the participation of 26 students and 17 employees.



Children having fun while learning the right way to wash hands at school, from employees serving as instructors.

We provide hand washing lessons on an ongoing basis to daycare centers and preschools as well. In FY2019, we provided fun and educational lessons on the right way to wash hands along with the "Foaming Hand-Washing Song" to 12,368 children at 164 locations mainly in the Tokyo, Osaka and Nagoya areas.

#### Performance in 2019

##### Education in the classroom

Type	Target	Lessons given to
Hand washing lesson	Lower elementary school grades	33 schools/2,244 students (189 participating employees)
Housecleaning lesson	Lower elementary school grades	21 schools/1,458 students (149 participating employees)
Total		54 schools/3,702 students (338 participating employees)

\* The environment lesson was not conducted in FY2019 due to program revisions

##### Provision of educational materials

Type	Target	Materials provided to
"Hand-washing Time" hand washing lesson	Lower elementary school grades	156 schools
"Work at Home" housecleaning lesson	Lower elementary school grades	23 schools
"eco together diary" (a journal for a collaborative water conservation challenge)	4th grade elementary school students	204 schools
Comfortable Living Thinking about the Environment	Junior high school home economics courses	39 schools
Aiming to Create a Better Clothing Lifestyle and the Environment	Senior high school home economics courses	43 schools
Total		465 schools

# Corporate citizenship activities 413-1

## Support for school education through plant and museum tours

Habits for cleanliness, beauty & health

Sustainable lifestyle promotion

As a company that manufactures and offers products that are essential in everyday life, we support school education through museum and plant tours to give students the opportunity to learn about manufacturing innovation and efforts made to ensure quality, safety and security, and considerations for the environment.

In particular, we have developed programs coordinated with social studies units taught in Japanese elementary school (3rd grade: Working people and our lives, 5th grade: Our lives and industrial production), provide educational materials also encompassing pre- and post-tour learning, and conduct educational social studies field trip programs that include plant tours. The programs are designed with the goals of teaching children about the ways in which they are connected to society and developing their critical thinking skills.

In 2019, while our 9 plants in Japan offered plant tours for 61,000 people, some 19,000 elementary school students from 286 schools participated in our social studies field trip programs.

While program content differs according to the features of each plant, students learn about the environment and manufacturing innovation while having hands-on experiences tailored to the content, such as conducting experiments on creating lather, the mechanisms of stain removal and making skin care cream. At Wakayama, we also set aside time for elementary school students to interview employees. Feedback we have received from participating students includes comments such as, "I was amazed at seeing the machines up close," "The plant seems like it does a lot and has a lot of systems to make it gentle on the Earth," "I want to study science more and become a researcher" and "I want to come back again."



Conducting an experiment on a tour for parents and children.

## The Kao International Environment Painting Contest for Children

Sustainable lifestyle promotion

We have been holding the Kao International Environment Painting Contest for Children since 2010 with the wish of prompting people around the world to think about the environment and to take actions in their daily life. In the contest, children think seriously about the future of the Earth's environment and steps we can take to conserve it in our daily lives, and then express their ideas in paintings, which we communicate to large numbers of people.

### The 10th Kao International Environment Painting Contest for Children

In 2019, we received 16,552 entries from children around the world (446 entries from Japan, 15,005 entries from the Asia Pacific, 114 entries from the Americas, 428 entries from Europe, 548 entries from the Middle East and 11 entries from Africa), the highest number ever received in the contest. After a preliminary screening by Kao designers, a final screening was conducted by a panel of internal and external judges, and 1 entry was selected for

the "eco together" Planet Earth Grand Prix, 8 for the "eco together" Kao Prize, 7 for the Jury's Special Prize, and 16 for the Eco Friend Prize. The 32 prizewinning works were exhibited at the Kao booth at EcoPro 2019 held in December, and were seen by many visitors. On the last day of the EcoPro fair, the top nine prizewinners were invited to an awards ceremony. In an interview session after the ceremony, the winners from various countries talked about the environment in their home region as well as the messages contained in their paintings.



Commemorative photo of the awards ceremony.

### Painting exhibitions in collaboration with NPOs, governments and business partners

We seek out opportunities to exhibit current and past prizewinning paintings to communicate to as many people as possible the paintings by children from around the world and the messages contained in them.

At Kao, we held temporary exhibitions of the prizewinning paintings at the Kayabacho Head Office, the Sumida Office and the Osaka Office. We have opened permanent exhibits at the Shinagawa Training Center and Arida Training Center. The paintings were also exhibited at our offices in China, Indonesia, Thailand and Vietnam,



# Corporate citizenship activities 413-1

providing the chance for many employees to see them. We also exhibit paintings at permanent exhibitions at all 10 plants in Japan as well as at PT Kao Indonesia's Karawang Plant and Kao Corporation Shanghai Plant, where the paintings have been viewed by approximately 50,000 visitors and guided tour participants.

Outside Kao, we are in the third year of lending paintings free of charge to environment-related facilities operated by government bodies and NGOs and NPOs, and educational facilities throughout Japan, with the NPO BeGood Cafe serving as the secretariat of the exhibitions. In 2019, a total of 18 facilities and groups borrowed paintings, which were viewed by more than 40,000 people.

Of the environmental events held jointly with business partners and government bodies, Kao CMK held painting exhibitions at 14 locations. Kao (China) Holding and Kao (Taiwan) also incorporate exhibits of paintings into their environmental awareness campaigns in their respective regions.



Environmental awareness-raising event by Kao (Taiwan) (April, Eslite Underground Book Street in Taipei).

## Development of workshops using the paintings

We are developing workshop contents using paintings to communicate on a deeper level the paintings by children from around the world and the messages contained in them, and more effectively raise awareness for the environment.

We conducted workshops that included playing an original painting card game to raise environmental awareness and drawing pictures at the "Manabi no Fes" (Festival of Learning) organized by The Mainichi Newspapers and environmental lectures organized by local governments, making a series of improvements along the way.

## Environmental education and awareness-raising activities through direct communication

### Sustainable lifestyle promotion

Raising the environmental awareness of the next generation of consumers is vital for the global environment, for society and for Kao. For this reason, we promote hands-on awareness-raising activities while taking into account what approaches would be most effective for each age group and region.

### Extending hands-on environmental education programs with various partners

The Society for Sustainable Food and Life Styles (established by Kao, Ajinomoto Co., Inc. and E-Square Inc.) conducted a three-day experiential educational program called The Earth's Future through Food and Living—Summer Challenge for 22 sets of 5th-grade students and their parents and guardians in Kawasaki City jointly with the city government. This is the fourth year of the program, which began in 2016. Through facility tours, experiential activities and workshops at Kawasaki City municipal facilities and at Kao and Ajinomoto plants, and by keeping journals for about four weeks, the parents and children consider how environmental issues are connected to their daily life and consider modifying their lifestyles. In 2019, we added more participation by university students with the intention of raising awareness among them in addition to elementary school students

and their parents and guardians.

In addition, 4 participants in the 2018 program volunteered their time and served as extraordinary participants in the "Children's Energy and Environment Workshop in Kawasaki" organized by Kawasaki City educators in February 2019 (received the 2018 Environment Minister's Award for Global Warming Prevention Activity) and presented the outcomes of the program, which was favorably evaluated by teachers.

In 2019, we also attempted to measure the effects of the program as well as proactively communicate the results at seminars for corporate CSR/CSV staff, the Carbon Challenge Kawasaki Eco Conference, a nationwide forum on education for sustainable development networks and other venues to expand the reach of the program.



Commemorative photo of participants (Day 2 of the program at the Kao Kawasaki Plant).

### Awareness-raising activities at EcoPro 2019

We exhibited at EcoPro 2019, held at the Tokyo Big Sight convention center over three days from December 5 to 7. To build awareness for the Kirei Lifestyle Plan among consumers, this year we put a narrow focus on the two examples of *Attack ZERO* development and our efforts to reduce plastic use, and communicated in real terms how these activities are connected to which global environmental issues and what we are doing to resolve

# Corporate citizenship activities 203-1, 413-1

the issues in a story that even elementary school students can understand. Visitors learned about current environmental issues and our efforts, and considered what they could do about the issues and how they were directly connected to their lives while enjoying sections of our booth set up like theme park attractions. Visitors also deepened their understanding for our ESG Strategy, the Kirei Lifestyle Plan. There were more than 1,500 visitors to our booth, and in a questionnaire given to visitors after their visit, more than 90% replied that our booth was fun and that they gained an understanding of the Kirei Lifestyle Plan.



Kao's booth crowded with visitors.

## Communication activities at the Kao Eco-Lab Museum

The Kao Eco-Lab Museum uses experiential content to engage in direct dialogue with consumers and many other stakeholders throughout the year.

In 2019, the museum registered as a "Regional Center Facilitating the Advancement of ESD Activities" of the ESD Network, a network the Ministry of Education, Culture, Sports, Science and Technology and the Ministry of the Environment are building to promote education for sustainable development (ESD).

This activity won the Minister of the Environment's

2019 Award for Global Warming Prevention Activity in the Implementation and Dissemination of Countermeasures category, as well as the Wakayama Environment Grand Prize in the 18th Wakayama Environmental Award sponsored by Wakayama Prefecture.

Approximately 11,200 people visited the museum in 2019.

## Environmental communication through joint events with retailers and local governments

To communicate the environmental value of Kao products to consumers and promote "eco together," Kao Group Customer Marketing Co., Ltd. holds environmental events together with distribution companies and local governments on the theme of conserving water and electricity and reducing waste. The wide ranges of fun, experience-based events include exhibits of prizewinning works from the Kao International Environment Painting Contest for Children and attract the attention of consumers. In 2019, these events were held at approximately 70 stores and other venues nationwide throughout Japan, attracting over 40,000 visitors. Together with retailers, we also proactively communicated information using social media about "eco styles that create Kirei.

## The Future of Washing Initiative

### Sustainable lifestyle promotion

Kao, Future Earth and The University of Tokyo Institutes for Advanced Study Integrated Research System for Sustainability Science (currently the Institute for Future Initiatives) launched the Future of Washing Initiative in 2018, aiming to encourage people around the world to lead sustainable, clean and comfortable lives. The initiative is gathering wisdom from industry, academia and citizens across the boundaries of traditional business domains and

academic fields, and discussing and proposing washing solutions for the future.

A Future of Washing Initiative seminar was held in December 2019 on the topic of "Thinking about Sustainable Washing (1): Taking a lifecycle assessment (LCA) perspective." There were approximately 40 participants, including people from companies, universities, research organizations and environmental groups as well as homemakers. Through presentations on LCA and laundry as well as group discussions that grouped participants with different backgrounds together, participants discussed laundry-related environmental problems while incorporating the concept of LCA, looking at the problems as their own responsibility in a process they also evaluated highly.



Holding a group discussion.

## The China water conservation campaign

### Sustainable lifestyle promotion

Kao (China) has conducted the Nationwide Cleanliness and Water-saving Initiatives jointly with the Center for Environmental Education and Communications (CEEC), part of the State Environmental Protection Administration



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(SEPA) of China, since 2012.

These initiatives encourage people in China to conserve water with the slogan of “Save 10,000 liters of water annually per household.” In China, the shortage of water resources has become a serious problem. The Chinese government’s promotion of the importance of conserving water aligns with our wish to promote environmental activities that can be undertaken together with consumers in China, such as through sales of water-saving laundry detergent. We have been jointly implementing related initiatives in collaboration with the Chinese government for eight consecutive years.

The campaign begins in March each year, with informational sessions held in various cities on conserving water and the importance of water resources. The initiatives were expanded in 2015 to include awareness-raising events held at universities in China. In 2019, these events were held at 98 universities in 24 cities and provinces including Beijing, Guangzhou, Xi’an, Anhui, Zhejiang and Shandong.

An environmental protection contest for university students in China has also been held since 2015. In 2019, 145 entries were received from all over the country on the themes of conserving water and environmental protection, from which we selected 65 to be implemented. The university students actively proposed and executed their ideas themselves, so the contest clearly helped to raise environmental awareness. In October, a closing ceremony was held at a university in Nanchang, Jiangxi Province, with awards presented to the contest winners.

## Kao Social Entrepreneurship Schools

With the desire to leave a sustainable, brighter world for the next generation, we have been operating Kao Social Entrepreneurship Schools since 2010 to support the development of young social entrepreneurs attempting to create solutions to social issues using business methods.

With the theme of “creating the new lifestyles of the future,” we support social entrepreneurs working to create the foundation for better lifestyles in ways close to consumers’ lives. Over approximately eight months, we provide them with opportunities to receive advice from specialists, hold group seminars, and provide networking and exchange opportunities and support to create a central business core and accelerate growth. The Social Entrepreneurship School Initiative (platform to support and develop social entrepreneurs in cooperation with multiple companies\* and the Entrepreneurial Training for Innovative Communities (ETIC), a certificated specified nonprofit organization) operates the schools. (supported 29 groups so far)

In FY2019, we provided support to the following three people.

- Yusuke Arai (representative director of Sankakusha, a specified nonprofit organization)  
“Matching system for isolated children and young people and social resources”
- Yuko Ebara  
“Creation of multi-functional centers for multi-generational exchanges as regional platforms to create opportunities”
- Masumi Tsunoda (joint representative of Alopecia Style Project Japan)  
“Having women who have lost their hair create relationships where differences are mutually accepted”

In addition to developing leaders who will create a better society, over the last several years we have also been focusing on holding exchanges between the social entrepreneurs and employees. We have set up opportunities where people can learn and make discoveries, from people’s passionate commitment to solving social issues to how to devise a business strategy and more.

In FY2019, we held the Social Entrepreneurship Schools Kickoff Presentation and Study Session jointly with NEC for the first time on August 28 at the Kayabacho Head Office, with 109 participants. On November 8, we held a session to report on the results achieved in FY2018 and the activities the social entrepreneur participants were conducting in FY2019 as well as an idea exchange to promote interaction between employees and social entrepreneurs, with 45 people participating, including 2 people who joined remotely.

We will continue to conduct activities that offer transformative impact for society and employees.



Idea exchange between employees and young social entrepreneurs.

\* NEC and Kao are official FY2019 partners. Dentsu is the Official Program Partner.

# Corporate citizenship activities

## Japan Science & Engineering Challenge (JSEC)

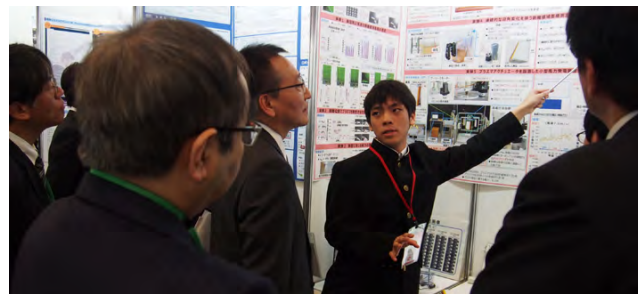
We believe that the foundation of *Yoki-Monozukuri* is born from cutting-edge innovations created by science and technology, and in order to contribute to a brighter future, we support fostering young science researchers. As part of this, we are a special sponsor of the Japan Science & Engineering Challenge (JSEC), which is organized by the Asahi Shimbun Company and TV Asahi Corporation and is a contest of independent science and engineering research open to high school and technology college students nationwide. Every year we present the Kao Award and the Kao Special Incentive Award to recognize excellent work. The review process for selecting the award winners starts with our researchers screening participants' papers, and a final screening committee hearing high school students give their presentations, which they then judge.

The final screening committee for JSEC 2019 met on December 14 and 15, 2019 at the National Museum of Emerging Science and Innovation. The Kao Award was given to Fukushima Prefectural Fukushima High School, and the Kao Special Incentive Award went to Kumamoto Prefectural Uto Senior High School and Tottori Prefectural Tottori Nishi High School. Top JSEC prize-winners are qualified to enter the International Science and Engineering Fair (ISEF) held in the United States in 2020. Yu Ishikawa and Yoshimi Yokoyama from Fukushima Prefectural Fukushima High School, winner of the Kao Award, plan to attend ISEF. Also, we will invite these award-winning schools to participate in our study tour, during which students have opportunities to visit our facilities and engage in discussions with our researchers, thereby providing support for senior high school students' education and career planning.

- The Kao Award  
Development of a Small Wind Turbine with Airflow Control Technique using a Plasma Actuator  
Fukushima Prefectural Fukushima High School (Yu Ishikawa, Yoshimi Yokoyama)
- The Kao Special Incentive Award  
Study on refractive index 3: Total explication of Z zone and visualization of sugar content using a refractive index application  
Kumamoto Prefectural Uto Senior High School (Eito Kubota, Taiki Yoshino, Nanami Shikai)  
Lip sway behavior seen in ammocoetes larvae of Lethenteron.sp  
Tottori Prefectural Tottori Nishi High School (Kinari Matsumoto, Iori Kuno, Kouki Tanaka)



Presenting Kao Award commendation letters.



Kao researchers judging the research presentations of high school students.

## Support for the Japan Boccia Association

As a new initiative, we entered into a gold partner agreement with the Japan Boccia Association in June 2019. Boccia is a sport designed to be able to be played by people with severe cerebral palsy or a similar severe disability in their limbs. Anyone can enjoy the sport, irrespective of sex, age or able-bodiedness. We are striving to expand and build up the sport and conducting awareness-raising activities both with employees and the general public to establish understanding for social inclusion through para sports.

In 2019, we held 2 in-house workshops with staff from the Japan Boccia Association as an in-house awareness-raising activity, with participation from a total of 82 employees. The participating employees will become future supporters and help expand the sport.



In-house boccia workshop

## Making the world healthier & cleaner

### FURUSATO Environment Conservation Project in Northern Thailand Decarbonization

Aiming to improve the situation of rapid deforestation in northern Thailand and the water pollution, smoke pollution and other environmental problems caused by it, we partnered with the Organization for Industrial, Spiritual and Cultural Advancement (OISCA) and OISCA Thailand to conduct an environmental conservation project in the Chiang Khong District of Chiang Rai Province in northern Thailand. In the 5 years from 2012, the project completed its goal of planting 42,500 trees on 35ha of land.

Through this activity, community residents' awareness for environmental conservation was raised, and momentum was built for appropriate forest management as well as using the forest to create a foundation for daily life. We therefore began supporting the second phase of the project in April 2019.

In the area afforested in the first phase of the project, crops were cultivated and community residents were provided opportunities to obtain cultivation knowledge and techniques, which supports them to increase their income through selling the harvested crops. Tree-planting is also being undertaken in new areas. Through these activities, we aim to have the forest that was formed be sustainably maintained and used by community residents.

In the second phase of the project, 9ha of land will be planted with trees over three years. In addition, of the forest that was formed in the first phase, approximately 1.6ha of land will be used in agroforestry to grow crops such as bamboo shoots, ginger and bananas.



Forest of trees originally planted in the first phase of the project.

### Kao Earthwatch Teachers' Fellowship

We have implemented the Kao Earthwatch Teachers' Fellowship together with Earthwatch Japan (a certificated specified nonprofit organization) since 2004. This fellowship offers elementary and junior high school teachers the opportunity to participate as volunteers in overseas field research for biodiversity conservation for about one to two weeks over summer vacation. The purpose is to have the participating teachers go back and share their experiences and impressions in environmental education settings in their schools and communities. We also look forward to participating teachers creating a network with other participants and broadly sharing the experiences they gained through the program, including greater knowledge of scientific research methods, cross-cultural communication and better understanding of diversity, with their students, fellow teachers and community.

To date, 168 teachers have participated in 85 projects. This program has concluded with the 2019 session, and we plan to summarize and widely communicate the program's outcomes at a later date.

### Kao Creating Forests for Everyone program Decarbonization

With the goal of creating a lush, green environment and passing this environment down to the next generation, we are partnering with the Organization for Landscape and Urban Green Infrastructure and implementing a program offering grants for developing people who nurture and protect the environment. The program is open to NGOs, NPOs and citizen groups throughout Japan that are active in such areas as forest creation and environmental education, with around 20 groups selected each year to receive a grant for their activities for three consecutive years. Through environmental conservation activities, we are contributing to solving various issues faced by regions today as well as the creation of brighter, healthier communities in these regions.

In 2019, 17 groups from those that applied to the program in 2018 were chosen to receive grants. On June 6, a ceremony marking the conferment of the grants was held at the Kao Head Office.

The cumulative number of groups that received support from 2000 to 2019 comes to 479, equal to almost 15% of the approximately 3,000 groups involved in creating forests that prefectural governments are aware of.



Activity conducted by a group receiving support.



# Corporate citizenship activities

## Heightened creativity through employee participation in society

### Kao Family Concert

With the desire to provide local residents in areas where we have plants and business facilities with opportunities to hear high-quality music and cultivate an appreciation of music and the arts, we have held Kao Family Concerts since 2002.

In a program unique to Kao that blends community contributions with support for the arts and society, these concerts are 100% planned and operated by employees, including readying the venue, making announcements and taking tickets on the day of the concerts.

In 2019, we held a concert in Mashiko-machi, Tochigi Prefecture on April 21, in Wakayama, Wakayama Prefecture on May 19, in Sakata, Yamagata Prefecture on September 16, and in Saijo, Ehime Prefecture on November 17.

All the proceeds from ticket sales are donated for the purpose of music education in the region where the concert is held.

We have held a cumulative total of 44 concerts since 2002, with a total of 41,327 people attending.



Kao Family Concert in Mashiko-machi, Tochigi Prefecture

### Raising environmental awareness using employee cafeterias

In 2019, we used employee cafeterias to effectively prompt employees to make realizations about the environment and sustainability and raise their awareness.

At the Head Office in Kayabacho, the coffee offered in the cafeteria's café area was switched in April to fair trade certified and Rainforest Alliance Certified coffee. Then in October, we also eliminated plastic straws and cup lids. In addition, we began offering discounts for people who brought their own bottle or cup to promote using your own bottle and cup.

At Sumida, in addition to reducing the use of plastic containers for beverages, the plant switched to providing gomme syrup, milk and flavor enhancers in pots instead of in individual plastic packaging. Wakayama is also reducing the use of plastic containers and actively moving to introduce the use of certified ingredients.

By taking these steps at employee cafeterias that employees use every day, we aim to have employees understand our company stance, increase their environmental awareness in familiar settings, and connect this to changes in their behavior at home as well. We also anticipate that enhanced environmental awareness will benefit their work.

### Kao Heart Pocket Club

Kao Heart Pocket Club is an employee-led organization with the mission of providing community aid that began in 2004.

Employees that want to support this mission become members, and voluntarily donate a portion of their monthly salary in increments of 50 yen from 1 to 100 increments, which is donated to NGOs, NPOs and citizen groups, used to support volunteer activities in which employees take part, and provided as emergency relief assistance when disasters occur that affect a wide area. Decisions about where to send donations and how to use the funds are made by a 15-member steering committee comprised of member representatives. Along with providing aid to support activities aimed at solving social issues to create a better society, the Kao Heart Pocket Club provides employees with opportunities to participate in society and contributes to raising their receptivity to society.

In 2019, employees were involved in activities such as visiting and sharing opinions with groups receiving donations together with steering committee members, and these activities were introduced in the *Heart Pocket Club Newspaper*, an internal PR magazine (intranet version, published five times a year). In addition, we have expanded the information communicated to employees and activities in which they can participate, such as inviting Kaoru Takahashi of WaterAid Japan (a certificated specified nonprofit organization) to give a presentation at the Tochigi Plant, and this has resulted in a doubling of candidates to be on the steering committee and applications to make donations from members. The Heart Pocket Club also provided community grants to a total of 15 groups in Tochigi, Wakayama and Ibaraki prefectures to support citizen activities in communities where Kao plants and business facilities are located. A total of 513 employees



# Corporate citizenship activities

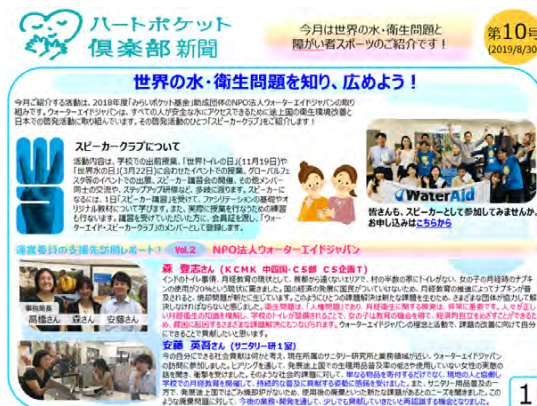
participated in regular volunteer activities conducted each year, specifically a campaign to deliver picture books, a Christmas card project and the White Ribbon Run.

We will continue to create opportunities to increase membership in the Kao Heart Pocket Club and for employees to participate in society.

- 3,463 members (as of December 20, 2019)
- 47 donation projects / Donations of 7,248,400 yen  
\* Including 500,000 yen donated for the 2019 East Japan Typhoon (Hagibis) as emergency relief assistance.
- 4,000 copies of the activities report (activities report for internal use, published once a year).



Many employees attended a presentation by a group receiving assistance.



Steering committee report published in the *Heart Pocket Club Newspaper*.

## Support of the Arts

### Support for arts and cultural activities

We support arts and cultural activities for the purpose of developing and passing down outstanding arts and culture and contributing to the enrichment of people's lives.

We actively provide support, including support for symphony orchestras and sponsorship of music concerts and performing arts performances as well as art exhibits, so that people of all ages can have access to and interaction with the arts, and so that arts and cultural activities will be passed down to the next generation.

In 2019, we provided support to the NHK Symphony Orchestra, Tokyo, the Tokyo Symphony Orchestra, the Tokyo Philharmonic Orchestra and the Japan Philharmonic Orchestra, and was a member of the Special Corporate Sponsors Group for performances of Beethoven's *Ninth Symphony* by the NHK Symphony Orchestra, Tokyo, and the 2018/2019 season of the New National Theatre, Tokyo. In the area of the fine arts, we provided sponsorship for the exhibition *Vienna on the Path to Modernism: The 150th Anniversary of Establishment of Diplomatic Relations between Japan and Austria*, organized by the Yomiuri Shimbun (held in Tokyo and Osaka).

### Support for young artist development

We support development of the next generation of artists as part of our contributions to enriching people's lives.

We have organized the Tokyo Music Competition (cosponsors: Tokyo Bunka Kaikan, the Yomiuri Shimbun, Tokyo Metropolitan Government) since 2003 to support activities to discover and nurture the next generation of Japanese musicians. Winners in each of the sections

perform together with orchestras in special concerts, and Tokyo Bunka Kaikan gives five years of support to prizewinners to hold solo recitals and other music performances.

Since 2013, we have been a special sponsor of performances by K-Ballet Youth, a junior ballet company of young dancers whose general manager is Tetsuya Kumakawa. K-Ballet Youth offers a place to discover the next generation of dance talent and for dancers to practice in an environment equivalent to a professional company, with activities designed to develop the next generation of artistic performers.

The 17th Tokyo Music Competition was held in 2019, with 402 competitors in the three sections of Piano, Brass and Voice, from which 14 were selected for awards.

K-Ballet Youth held its fourth anniversary concert of *The Nutcracker* in August, for which we were a special sponsor. In the performance, some 80 dancers selected in auditions held in September 2018 performed on stage after rehearsing for almost a year.



Award Ceremony, Piano Section, The 17th Tokyo Music Competition  
Photo: Rikimaru Hotta/Photo courtesy of: Tokyo Bunka Kaikan

# Corporate citizenship activities

## The Kao Foundation for Arts and Sciences

The Kao Foundation for Arts and Sciences is a unique foundation combining support for the arts and sciences that seeks to promote and further develop essential arts and sciences as well as contribute to the development of research integrating fields in the arts and sciences.

The foundation was established in 1990 as the Kao Foundation for Arts and Culture with a donation in commemoration of Kao Corporation's 100th anniversary, and conducted a grant project in the areas of the fine arts and music. The foundation's name was changed to the Kao Foundation for Arts and Sciences in 1997, when it also added support for research in scientific and technological fields as well as research on the integration of the arts and sciences. Its main activities center on the three projects of awarding grants, giving commendations and related projects (support for research integrating the arts and sciences).

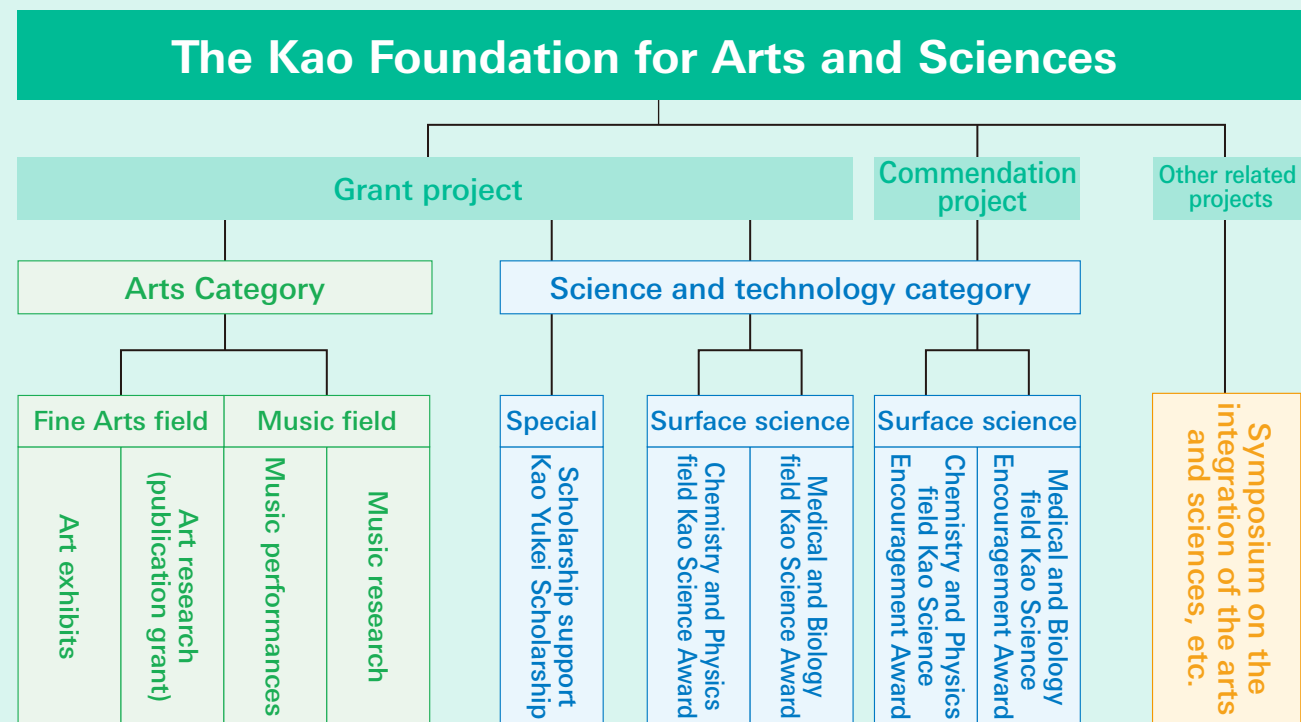
The grant project provides grants for art exhibitions and music performances among other activities, grants for scholarly research on the fine arts and music, and in the science and technology field, scholarships for students in master's programs, and grants under the name of the Kao Science Encouragement Award, given to young researchers conducting unique and pioneering research in the fields of chemistry, physics, medicine and biology.

The commendation project awards the Kao Science Award to recognize researchers who have achieved distinctive outcomes in basic research in the fields of chemistry, physics, medicine and biology.

In related projects, the foundation holds symposiums on the integration of the arts and sciences to support research aimed at such integration.

In 2019, grants were awarded to 103 projects in the grant project, two researchers were recognized in the commendation project and contributions came to a total of 79.2 million yen.

### Organizational chart



\* As of December 2019.



Awards ceremony granting Kao Science Awards



Commemorative lecture by a recipient of the Kao Science Award

# Corporate citizenship activities

## Disaster relief

### Efforts in response to the Great East Japan Earthquake

While mobilizing existing corporate citizenship programs and our resources, we are cooperating with NGOs, NPOs, other companies and diverse organizations to conduct activities that are close to people's daily lives and aligned with local needs and issues in the Tohoku region.

Currently, our activities focus on the two areas of providing emotional support and self-directed recovery. In terms of emotional support, we have been supporting the Smile Tohoku Project since 2012, where we visit victims of the disaster living in temporary and public housing to interact with them and offer support for their new lives. In terms of self-directed recovery, we are conducting activities to support industrial recovery and community development through support for recovery leaders and employee volunteer activities focused primarily on recovery in the Tohoku region.

Activities by Kao employees in 2019 are described below.

- With the theme of "Connecting to Tohoku with Food," 11 Kao worksites around Japan offered regional Tohoku dishes using ingredients from the Tohoku region from March 11 to 13. At the same time, a panel exhibition of recovery support activities was held (at 11 Kao worksites around Japan and the KCMK Tohoku Branch).
- Held a volunteer and study tour of Minamisanriku-cho, Miyagi Prefecture on November 30 and December 1, with the participation of 18 employees.
- Ongoing cooperation with the Smile Tohoku Project (Sponsors: Iwate Nippo, Kahoku Shimpō, and Fukushima Minpo newspapers).

- We are a sponsor of Tour de Tohoku 2019, a cycling event for the purpose of providing recovery assistance and retaining memories of the earthquake and tsunami disaster for people in the future. Our employees participated as volunteer riders, operated a specially made photo booth and gave away products with special messages inserted to support the region's recovery. A total of 22 employees participated.
- Support for the "Thank you from Kamaishi" activity to communicate the appreciation of Kamaishi, Iwate Prefecture to the world for the recovery assistance it has received. Support in a variety of formats for events including the opening of Unosumai Station, Sanriku Railway and the opening of the Kamaishi Unosumai Memorial Stadium for the Rugby World Cup 2019. A total of 49 employees participated in event support, stadium cleaning and other activities.
- We support activities that bring people into contact with the thoughts of people in Tohoku today through projects such as creating flower art and hands-on farm experiences in disaster-affected regions, with a total of 47 employees participating in planting flowers and seeds, harvest festivals and other activities.



Work to restore a chrysanthemum field damaged in a typhoon (volunteering in Minamisanriku-cho).

## Michinoku Recovery Partners

We have participated in Michinoku Recovery Partners since June 2012 as a main activity of self-directed recovery efforts. Four companies\* are currently participating in this organization established by ETIC (a certificated specified nonprofit organization) as a corporate consortium to support next-generation recovery leaders who will sustain the Tohoku region and projects in the disaster-affected region. The consortium is engaged in co-creation for self-directed recovery, including training to support development of groups expected to lead Tohoku in the future.

The seventh Recovery Project symposium was held on March 5, 2019 and broadly communicated information on the current situation in Tohoku and its future with the theme of "A Paradigm Shift from Tohoku," with 152 people attending. As part of developing venues for co-creation targeting groups in Tohoku, the Michinoku Co-Creation Camp 2020 was held in Sendai, Miyagi Prefecture on January 17 and 18, 2020, with the participation of 69 people. We will continue these activities going forward as well.

\* Participating companies are JCB Co., Ltd., Dentsu Inc., Benesse Corp., and Kao Corp. (as of May 2019)



The 7th Michinoku Recovery Project Symposium



# Corporate citizenship activities

## Post Tsunami Monitoring Project

To investigate changes to the ecosystem in regions that suffered damage from the tsunami triggered by the Great East Japan Earthquake, a monitoring study is underway by a team led by faculty from Tohoku University that includes volunteers from the local community, the university and multiple companies. By comparing data from before the disaster, the team is recording the scale of the tsunami's impact and how the ecosystem has subsequently recovered. The data obtained in the fieldwork are used in restoration plans that take into consideration the ecosystem in the affected region, conservation of rare species and the environment. Our employees have volunteered in the project since 2013, with 10 employees participating in 2019. To date, a total of 68 employees have participated in the project.

Feedback received from project participants includes "I was able to understand the environmental changes and problems compared with past data from before the tsunami, and the necessity of conducting an ongoing tideland survey," and "Also being able to share the experience of the disaster and viewpoints of people who have watched the recovery progress is something I will treasure."

We plan to send employees to participate through FY2020.  
(Organizer: Earthwatch Japan, a certificated specified nonprofit organization)



Identification of collected animals

## Other disaster relief

We make donations and contribute support funds as relief for areas affected by large-scale disasters, and coordinate with local governments and industry groups to quickly provide relief supplies for disaster victims.

As a result of the many disasters experienced in recent years, we have decided to contribute support funds to the Disaster Relief Volunteer & NPO Support Fund of the Central Community Chest of Japan, a social welfare corporation, to enable the donations to be used in activities to support disaster victims when they are needed most.

### Performance in 2019

#### Contributions

- Reiwa Year 1 East Japan Typhoon (Hagibis)

We donated 20 million yen through the Japanese Red Cross Society, and the Kao Heart Pocket Club (a donation organization composed of Kao Group employees) donated 500,000 yen to the Central Community Chest of Japan (social welfare corporation) as funds for volunteer activities.

#### Relief supplies

- Reiwa Year 1 Boso Peninsula Typhoon (Faxai)

We provided relief supplies worth approximately 100,000 yen to Futtsu, Chiba Prefecture.

- Reiwa Year 1 East Japan Typhoon (Hagibis)

We provided relief supplies worth approximately 9 million yen to Fukushima, Nagano, Iwate, Miyagi, Tochigi and Chiba prefectures.

- Floods, Ubon Ratchathani Province, Thailand  
Kao Industrial (Thailand) provided relief supplies worth approximately 100,000 yen.

- Sentani floods, Papua Province, Indonesia  
PT Kao Indonesia provided relief supplies worth approximately 60,000 yen.

- Ambon Earthquake, Maluku Province, Indonesia  
PT Kao Indonesia provided relief supplies worth approximately 40,000 yen.

- Drought in southern Africa

Kao South Africa provided relief supplies worth approximately 20,000 yen to aid farmers.

#### Donations for foundational activities

- Donations to the Disaster Relief Volunteer & NPO Support Fund

We donated 5 million yen to the Disaster Relief Volunteer & NPO Support Fund of the Central Community Chest of Japan (social welfare corporation).