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Kao's approach

Kao believes that the vitality derives from diversity can create new value for society. Reflecting this attitude, Kao strives to enhance its overall strengths as a business enterprise with an organizational environment that accepts the diverse personalities and values of individual employees and in which all employees are able to demonstrate their passion and capabilities to the maximum possible extent and make concerted efforts.

Kao's creating value to address social issues

Social issues we are aware of

Social values and lifestyles are undergoing significant changes and diversifying. In Japan in particular, the falling birth rates and aging populations are causing the labor force to shrink, and it is expected that the number of employees facing unique circumstances will increase still further in the future.

We believe that for companies to respond to these developments, they must become organizations that accept diverse values where diverse personnel can work. In an organization where it is difficult to utilize employees because of factors other than their enthusiasm and abilities, the diversity of values is lost and personnel are unable to adequately demonstrate their creativity and innovativeness.

Kao's creating value

Promoting diversity and inclusion (D&I) contributes to our ability to continue to provide products and services that achieve even higher satisfaction than in the past to various customers with a sense of urgency.

We endeavor to spread awareness concerning and understanding of D&I promotion among all employees, create an environment where employees can work regardless of personal attributes (such as nationality, gender, sexual orientation, gender identity, age, and disability), and support the ability of employees to work while performing childcare, nursing care, or family care with the aim of maximizing employees' sense of the meaningfulness of their work as well as work results.

Risks related to realization of our vision by 2030

We believe that a company that is unable to employ diverse human resources would find it difficult to achieve continuous growth. A decline in employee enthusiasm and increase in employees leaving the company may prevent the company from fully demonstrating its overall capabilities. In addition, it may be difficult to recruit outstanding human resources.

Opportunities related to realization of our vision by 2030

Expressing a global presence within the promotion of D&I not only leads to increases in employee enthusiasm, but also enhances corporate value and spans the pool of future employee candidates who want to work for Kao.



Policies

We put in place the corporate ethos and frameworks needed to enable each employee to demonstrate their enthusiasm and capabilities to the maximum extent. Taking as a foundation the relationship of trust that has been formed through smooth communication between management and employees, we are working to create an environment in which employees can focus on their work with enthusiasm, and an ethos and environment in which employees of all kinds feel that they are rewarded for doing their utmost, regardless of each employee's personal attributes.

Through these efforts, we aim to realize a virtuous circle of organizational and personal growth.

Education and promotion

Recognizing that managers have a particularly important role to play in the realization and dissemination of D&I, we have been implementing Diversity Management Training Sessions for all managers in Japan since 2017.

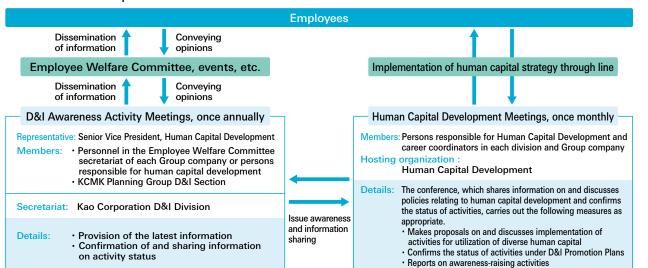
Framework

Matters relating to promote diversity among management candidates and strategies for the group as a whole are discussed by the Human Capital Development Committee, which consists of executive officers. Kao Corporation also has a special-purpose organization to promote and firmly established D&I throughout the Group. Collaborating with a specialized organization in Kao Group Customer Marketing Co., Ltd. (KCMK) Group, and with the persons responsible for human capital development in each Group company and division and the persons in charge of the secretariats of each Employee Welfare Committee, we broadly share information and opinions, and deliberate through Human Capital Development Meetings and D&I Awareness Activity Meetings.

Kao Group companies and divisions in Japan formulate and implement D&I promotion plans based on analysis of the current situation with the aim of ensuring continuous improvement.

Employee Welfare Committee secretariat managers from nine Kao Corporation business locations and six major Group companies undertake the dissemination of information regarding D&I promotion and plan and implement related events. At D&I Awareness Activity Meetings, participants report on examples of best practice, disseminate information regarding D&I Awareness Months, and share information about the latest D&I-related topics. In 2018, an expert lecturer was invited to give a talk on considering bias in decision-making.

Both meetings outlined above also share new topics to one another to facilitate multi-layered D&I promotion.



Framework for D&I promotion activities

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Kao's approach

Mid- to long-term targets and performance

Mid- to long-term targets

Within Japan, we will continue to implement measures aimed at creating an environment and corporate ethos that encourage all employees to enthusiastically play an active role in the company, regardless of gender, disabilities, or whether they have childcare, nursing care or other family responsibilities.

Companies in Japan are working together to carry out initiatives, while overseas companies are taking measures in line with their understanding of their respective issues. We are creating new frameworks to take unified measures throughout the Group companies outside Japan.

We will share information on best practices while reinforcing our efforts to be an organization that respects and actualizes each and every employee, regardless of personal attributes.

Anticipated benefits from achieving mid- to long-term targets Cost reductions or profit increase

- Enhanced employee vitality through a higher sense of fulfillments and pride in one's work.
- Improved employee retention and increased competitiveness in the hiring market.
- A greater sense of unity throughout the group by implementing measures that include overseas Group companies.
- As a result of the above, reduced costs relating to hiring and employee retention and higher revenues resulting from improved productivity can be expected.

Impacts on society

By implementing D&I, it becomes easier to create new value, and we are able to provide better products and services that lead to customer happiness and satisfaction.

Performance in 2018

Performance

Ongoing reviews have been made aimed at putting in place a framework for further promotion of D&I throughout the group as a whole. In 2018, deployment plans were presented to overseas human resource managers and personnel, and discussions were conducted on methods of implementing policies and priority issues.

The D&I Promotion Division created a portal site on the company intranet in April 2018. The site organizes information and measures relating D&I previously disseminated to serve as a new platform for the distribution of information in Japan.

Within the results of the employee opinion survey Find 2018, positive responses regarding systems and structures for maintaining a good balance between work and personal life improved by 6 points.

Kao USA implemented measures as I&D Activities. In 2018, articles relating to diversity were posted on the intranet each month. In addition, training on unconscious bias was also conducted.

Reviews of performance

In Japan, responses to issues were steadily implemented according to their attributes and a platform for the dissemination of information was established. Going forward, we will establish a framework for further promotion of D&I throughout the group as a whole including overseas.

We are currently at the stage of sharing examples from overseas Group companies, but we will examine collaborative measures in the future.

Collaboration with stakeholders

- In 2010, we signed the Women's Empowerment Principles, which are international guidelines for women's participation in society based on UN Women and the UN Global Compact.
- We have participated as a member of the study groups of government agencies and various organizations, giving corporate case study presentations at seminars and other initiatives with the aim of contributing to the promotion of D&I throughout society.

Main case study presentations in 2018

- Kao employees participated in the Integrated Seminar on the Provision of Support to Help Employees Balance Work and Childcare Responsibilities, which was organized by the Ministry of Health, Labour and Welfare (MHLW) and held from June 2017 to March 2018, to share their experience of practical implementation within a business enterprise.
- Gave case study presentations at the symposia on Enhancing Support for Balancing Work and Family Care Responsibilities held by Keidanren in Tokvo and Fukuoka.
- Responded to observation by a Ministry of Health, Labour and Welfare Parliamentary Vice-Minister (presentation on family care support services and measures to support employees).
- Hosted a Career Management Course (company visit to promote female employee empowerment) sponsored by Tochigi Prefecture (Tochigi Gender Equality Center).
- Appeared at a lecture held by the Chubu Productivity Center family care support).
- Kao Peony Co., Ltd. has been providing support to help people with disabilities secure employment, including actively arranging workplace visits and workplace training opportunities for students from special needs schools. The company has also collaborated with an NPO engaged in providing employment-related support for people with disabilities to provide off-site employment opportunities within the company's head office located in Kayaba-cho of Chuo ward in Tokyo.

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Our initiatives

Support for the active utilization of diverse human capital

Discussion regarding the promotion of D&I

D&I is ongoing at overseas Group companies to promote D&I throughout the Group as a whole. In 2018, we shared our understanding of the issues with human resource managers and personnel in Europe, the Americas, and Asia and engaged in deep debate.

We also began collecting information on examples of practices and plan to share that information throughout the Group starting in FY 2019.

Screening and development regardless of gender and other personal attributes

Issues regarding gender are incorporated into D&I promotion plans for each department, and those plans are carried out. In addition, we set target values for screening core human capitals according to the composition of the workforce, and we are steadily implementing screening and development regardless of personal attributes. Human capital meetings conducted by executive officers engage in discussions while confirming that women are included among the candidates for senior positions.

Female role models are limited, so we encourage female managers to participate in multiple outside study groups in other industries as a part of our positive action. In addition to study groups conducted by NPOs and public service corporations, female executive officers within Kao voluntarily plan and implement study groups

in collaboration with officers from other companies.

KCMK Group

To promote the development of wind-ranging human capital, we cooperated with two other companies and planned a cross-industry networking event for female employees just below the managerial level. Five female employees attended from the KCMK Group.

Kao USA

Kao USA organized the Kao Network of Women (Kao NOW) to support career development and information sharing by women. The mission of the organization is to provide connections and support to all women in the organization. Three committees were established and take action regarding networking, regional and educational needs.

Manager training

Kao Corporation began holding the Diversity Management Training Session for Managers (basic edition) in 2017. In 2018, sessions were held on five occasions at the Tochigi Plant, with 225 persons participating. For those managers who had not been able to attend the training sessions, e-learning with same content was provided, and 794 persons participated. Since last year, a total of 2,800 persons have attended the training, and the participation rate among managers is 94%.

Utilization of senior employees

To develop new career opportunities to enable senior employees to continue to remain active and make a contribution after reaching retirement age by utilizing their experience and specialist expertise, either within Kao or elsewhere, we conducted new work development and recruiting via the intranet, and provided career counseling and job matching through the Senior Career Consultation Service.

LGBT training

To promote employee understanding of LGBT issues, we conducted e-learning for all employees in Japan (targeting approximately 16,000 persons). We also conducted ALLY* recruiting, and approximately 200 employees made declarations.

In addition, lectures at individual work sites have been introduced since 2015, and a lecture was held at one site in 2018 (at the Wakayama Complex, with 25 persons participating). To date, these lectures have been held at 6 work sites, with the cumulative total of 393 persons attending. We also distributed the Kao Business Conduct Guidelines (BCG) and leaflets to instructors at cosmetic schools directly operated by Kanebo Cosmetics Inc. to inform them about LGBT issues. * AL I Y.

People who may not necessarily be LGBT themselves, but who express understanding and are supportive of LGBT people.

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	2014	2015	2016	2017	2018
Total (persons)	32,707	33,026	33,195	33,560	33,664
Male (persons)	15,367	15,686	16,863	16,970	16,916
Female (persons)	17,340	17,340	16,332	16,590	16,748
Female employees as percentage of total (%)	53.0	52.5	49.2	49.4	49.8
Japan	21,852	22,105	21,991	22,211	22,323
Male (persons)	9,771	9,981	10,861	10,812	10,859
Female (persons)	12,081	12,124	11,130	11,399	11,464
Female employees as percentage of total (%)	55.3	54.8	50.6	51.3	51.4
Asia and Oceania (excluding Japan)	7,086	7,091	7,312	7,191	7,003
Male (persons)	3,517	3,679	3,922	3,957	3,773
Female (persons)	3,569	3,412	3,390	3,234	3,230
Female employees as percentage of total (%)	50.4	48.1	46.4	45.0	46.1
Europe and the Americas	3,769	3,830	3,892	4,158	4,338
Male (persons)	2,079	2,026	2,080	2,201	2,284
Female (persons)	1,690	1,804	1,812	1,957	2,054
Female employees as percentage of total (%)	44.8	47.1	46.6	47.1	47.3

Number of Kao Group employees (regular employees)

Status of regular employees (Kao Corporation)

	2016	2017	2018
Regular employees (persons)	7,195	7,332	7,655
Male	5,568	5,631	5,831
Female	1,627	1,701	1,824
Female employee ratio as percentage of total (%)	22.6	23.2	23.8
Female manager ratio as percentage of total (%)	14.0	15.5	16.8
Female managers (persons)	336	381	432
Female executive officers ratio as percentage of total (%)	8.8	8.6	5.7
Female executive officers (persons)	3	3	2
Average age (years)	41.2	41.0	41.8
Male	42.0	41.7	42.6
Female	38.5	38.6	39.4
Average length of employment (years)	18.3	17.4	17.8
Male	19.4	18.4	19.2
Female	14.5	13.9	13.5
Number of recent graduates hired (persons)	283	269	304
Male	214	196	214
Female	69	73	90
Employee turnover (%)	0.5	0.6	0.7

Status of female employees in the Kao Group

		2016	2017	2018
Female emp	oloyees			·
Global	Percentage (%)	49.2	49.4	49.8
Global	No. of employees (persons)	16,332	16,590	16,748
lanan	Percentage (%)	50.6	51.3	51.4
Japan	No. of employees (persons)	11,130	11,399	11,464
Female mai	nagers			
Global	Percentage (%)	25.4	25.1	27.3
Global	No. of employees (persons)	1,700	1,618	1,799
lanan	Percentage (%)	13.1	14.6	18.4
Japan	No. of employees (persons)	573	648	847
Female exe	cutive officers			~
Clahal	Percentage (%)	6.7	7.7	8.0
Global	No. of employees (persons)	11	14	16
lanan	Percentage (%)	4.1	4.5	6.0
Japan	No. of employees (persons)	5	6	10

*1 The executive officer ratio is calculated using data for the main Kao Group companies (52 companies in 2018).

*2 Starting from 2018, the definition used for calculation of executive officer ratios and totals was changed to one based on absolute totals.

> The 2020 target for female managers as percentage of total (Japan) is as follows. → p. 223 Major Sustainability Indicators

Number of persons re-employed after retirement (Kao Corporation)

	2016	2017	2018
Number of employees who reached retirement age*	104	93	109
Of which, Number of employees re- employed after retirement	86	73	92
Percentage	82.3	78.5	84.4

* Number of employees who reached retirement age = Number of retired employees + Number of reemployment after retirement.

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Promoting better understanding of disability and promoting the employment of persons with disabilities

We position support for people with disabilities as an important part of our D&I efforts, and have formulated a basic policy of "Striving for a society where people with and without disabilities work and live together, we create workplace environments for employees with disabilities that make life easier for them and foster a sense of pride in one's work."

Promoting normalization

- September has been designated as "Disability Understanding Promotion Month" when we conduct various awareness-raising activities including the sharing of information by the Employee Welfare Committee and issuing newsletters on the intranet. We also periodically hold seminars, joint study sessions with employees who have intellectual disabilities, and other events to increase understanding of disabilities.
- We prepared a Disabled Person Employment Manual and a Fact Sheet for Understanding Disabilities and distributed them on the intranet to promote mutual understanding among individuals with disabilities and their colleagues.
- We introduced UD Talk, software that converts speech into text, to support communication with employees who have hearing impairments.
- We also assigned Vocational Life Consultants for Persons with Disabilities to worksites nationwide to conduct consultations and hold an Employees with Disabilities Support Meeting once each year to help the consultants upgrade their skills and strengthen the overall support system for persons with disabilities.

Measures implemented at special subsidiaries

Kao Peony, a special subsidiary, has actively employed persons with severe disabilities, primarily persons with intellectual disabilities, since 2005, and the production division has achieved the same production volumes as those on lines operated by persons without disabilities. The company established a new Office Support Department in 2017 and has been working to expand employment.

In recognition of its efforts over many years, Kao Peony received the Disabled Persons Employment Excellent Company Award from the Tokyo Metropolitan Government as a company that undertakes distinctive and outstanding measures relating to the employment of persons with disabilities.

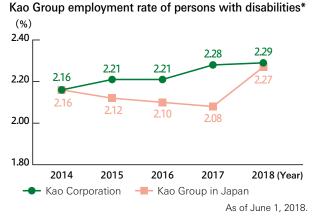
As of January 2019, a total of 41 employees work at Kao Peony, including 33 with intellectual disabilities.



Kao Peony Office Support Department

Employment rate of persons with disabilities (Japan)

Currently, persons with disabilities account for 2.27% of the total workforce of the Kao Group within Japan, exceeding the statutory minimum rate of 2.2%. (As of June 2018.)



* Scope:

Thirteen domestic affiliates that are required to employ people with disabilities (Kao Corporation, Kao Group Customer Marketing Co., Ltd., Sofina Beauty Counseling Co., Ltd., Kanebo Beauty Counseling Co., Ltd., Kao Field Marketing Co., Ltd., Kao Professional Services Co., Ltd., Kao Sanitary Products Ehime Co., Ltd., Kao Logistics Co., Ltd., Kao Business Associe Co., Ltd., Kanebo Cosmetics Inc., e'quipe, LTD., Kao Cosmetic Products Odawara Co., Ltd. and special subsidiary Kao Peony Co., Ltd.).

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Realization of diversified work styles

With the aim of making it possible for diverse employees to maximize their potential in different workplaces, we are undertaking efforts to develop environments and personnel systems that will improve workplaces and facilitate more flexible work styles.

We believe that it is important to cultivate a corporate ethos where employees can make full use of the current personnel systems, and we are disseminating information and conducting training and various other programs to that end.

Production lines where anyone can work

At our production sites, with respect to paper processing production lines* where the physical effort required by the work is particularly high, we are making improvements to equipment and adjustments to working methods in order to create production lines that anyone can operate including female and senior employees.

Sites where women can work in plants have been expanding year-by-year, and we are working to establish mutual understanding and improve operations from the perspective of women by creating opportunities for the exchange of information and interaction among women operators at different plants.

* These production lines are located at Kao's Sakata Plant, Tochigi Plant and Kao Sanitary Products Ehime.

Systems that facilitate flexible work styles

A work-from-home system was introduced in the KCMK Group in January 2018 and at other main subsidiaries in July as a means of increasing time and location options and facilitating diversity in work styles in order to achieve flexible work styles. Employees who are dealing with various circumstances in their personal lives can work from home if they obtain approval from a supervisor.

In addition to the flextime system, which enables flexible working hours between 7:00 and 20:00, introduced earlier, a monthly flextime system that expands the period when employees can work flexibly to one-month units was also introduced.

Encouraging employees to take vacation time

With the aim of promoting work style reform (effective use of time off) and addressing long working hours, we are taking measures to achieve: 80% or higher average vacation time usage rate in the group; 50% or higher minimum usage rate of individual employees. In 2018, the average vacation time usage rate reached 74.8%. We will take additional measures to achieve these targets.

Introduction of new personnel systems

By using smart phones and other devices, employees can make timely reports on their daily work start and end times according to the actual conditions even when visiting clients or at home, leading to reductions in overtime work and higher efficiency in submitting requests and receiving approvals.

Support for balancing work and childcare or family care responsibilities

Seminars for employees returning from childcare leave (Tatsuno-oshigoto Seminars)

Each year, we conduct seminars for employees who are about to return to work from childcare leave (Tatsuno-oshigoto Seminars) at Group companies in Japan. The seminars present a concrete image of life after returning to work and help employees prepare their attitudes and raise their awareness regarding reinstatement.

Kao Corporation is also encouraging spouses to participate in the training with the aim of building cooperative relationships with partners in home life and career development.

In the KCMK Group, these seminars place particular emphasis on raising motivation and include a message from the president as well as lectures by more senior working mothers. In 2018, joint seminars for beauty advisors at Sofina and Kanebo stores were conducted for the first time.

The seminars were conducted at branches with high numbers of employees returning to work from leaves, but starting in 2019, we plan to hold the seminars at all branches nationwide.

Family care support measures

In accordance with our fundamental policies of enabling each individual to act independently and providing assistance based on a spirit of mutual support, we are taking measures to educate employees and to promote mutual understanding in the workplace with the aim of preventing employees from leaving work the cause of family care obligations. Many employees are facing considerable stress in their familial relationships because of the need to care for seniors. To address this issue, in 2018 we held a family care seminar that emphasized communication with family members (attended by 810 persons), revised our nursing care handbook, and took other actions.

Main support for balancing work and childcare responsibilities

- Distributing a leaflet with information on systems that support the life-work balance targeting male employees
- Conducting pre- and post-childcare leave interviews
- Encouraging communication between employees on leave and their workplace supervisors using childcare leave reports
- Holding seminars for employees returning from childcare leave (Tatsuno-oshigoto Seminar)
- Provision of an on-site day care facility (Merries Garden)
- Holding Father & Mother (F&M) Meetings (discussion meetings by working fathers and mothers)
- e-Learning for managers ("Work and Life Balance Management")

Main support for balancing work and family care responsibilities

- Holding family care seminars
- Provision of family care handbooks
- Reinforcement of family care consultation skills by human resources personnel
- Establishment of an external family care consultation service

General work-life balance measures

- Individual guidance before using leave systems
- Encouraging employees to make full use of relevant allowances and services
- Awareness-raising through manager trainings
- Dissemination of awareness-raising newsletters
- Provision of the Work and Life Balance Guidebook

Kao is awarded Platinum Kurumin certification

In May 2016, Kao Corporation was awarded Platinum Kurumin certification for creating a supportive workplace for employees with children, in accordance with the provisions of the Act for Measures to Support the Development of the Next Generation.



Platinum Kurumin



Kao Corporation Seminars for Employees Returning from Childcare Leave (Tatsuno-oshigoto Seminars) in 2018

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Main systems for supporting diversified work styles (Kao Corporation)

Main		ails	Main	Details	
systems	Childcare related	Nursing care and family care related	systems	In common	
	In principle, childcare leave can be taken until the first April 30th following the child's first birthday.	Nursing care and family care leave can be taken for a maximum period of one year.		With the exception of some shift workers, flextime is applied to all employees, regardless of grounds. The times for the start of work and end	
Leave	Paid leave is provided for the first five days after the commencement of childcare leave.	During the period in which nursing care and family care leave is permitted, such leave can be taken in a maximum of three blocks of time.		of work will be set within a flextime range of 7:00–20:00. Settlement periods were expanded to one-month units. No "core time period" will be set.	
	Either specified working hours can be	Along with flexible working hours, this system can be utilized for a period of up to three years. Alternatively, this benefit			
Reduced working hours and staggered working hours	reduced by up to two hours per day, or the specified time for starting work or finishing work can be adjusted until the child completes the third grade of elementary school.	can be taken in up to two blocks of time within the three-year period. Either specified working hours can be reduced by up to two hours per day, or the specified time for starting work or finishing work can be adjusted.	Hourly leave system	Annual paid leave can be taken in hourly increments up to a maximum of five day-equivalents within any one-year period, regardless of the reason.	
Flexible working hours	In principle, this can be implemented, on the request of the company, until the first April 30th following the child's first birthday. Employees can either work three days a week or work a half day five days a week.	Along with reduced working hours and staggered working hours, this system can be utilized for a period of up to three years. Alternatively, this benefit can be taken in up to two blocks of time within the three-year period. Employees can either work three days a week, or work a half day five days a	Family leave for overseas assignments	Where an employee's spouse is be on an overseas assignment and the employee wishes to accompany the spouse, a period of leave of at least one year and no more than two years can be taken.	
Restriction on extra working hours	Up until the first April 30th following the child's enrollment in elementary school as a first grader, the employee can request either limits or exemption to perform work outside normal working hours, work on holidays, or work late at night.	week. Employees who have family members requiring nursing care or family care for a period of more than two weeks can request either limits or exemption to perform work outside normal working hours, work on holidays, or work late at night either.	Special leave for personal injury or sickness	Special leave is available for employees who incurred a personal injury or sickness (up to a maximum of either 40 days a year or 20 days a year). In principle, this leave can be used when an employee must be absent from work for eight or more days.	
Working from home	Employees can work from home in order to perform childcare with a supervisor's approval (work from home for the entire day is permitted).	Employees can work from home in order to perform nursing care or family care with a supervisor's approval (work from home for the entire day is permitted).	Special leave for volunteering activities	Special leave is available for employees who participate in volunteering activities approved by the company (up to a maximum of 5 days a year). This leave can be taken in increments of either one day or half day.	
Special leave for nursing care and family care	Special leave is available for employees who need to fulfill nursing care or family care responsibilities (up to a maximum of either 40 days a year or 20 days a year).	Special leave is available for employees who need to fulfill nursing care or family care responsibilities (up to a maximum of either 40 days a year or 20 days a year). This leave can be taken in increments of either one day, half day, or one hour.	Refreshment leave	This leave is granted to employees who have completed 10, 20, 30 or 40 years of service with the company (up to a maximum of 5 days a year).	

Employment system utilization status (Kao Corporation) 2017 2018 Unit Employment system age hours worked outside 19.5 18.7 (Hours) lar working hours (per month) 13.7 15.1 age days of paid leave taken (Days) age paid leave utilization rate 72.8 78.8 (%) age hours of leave taken in 1.7 3.3 (Hours) ly increments of employees taking childcare 101 124 (Persons) (male) of employees taking childcare 90 113 (Persons) (female) of employees taking reduced ing hours or staggered working 11 12 (Persons) to meet childcare onsibilities (male) of employees taking reduced ing hours or staggered working 85 102 (Persons) to meet childcare onsibilities (female) of employees taking nursing 2 2 (Persons) or family care leave (male) of employees taking nursing 2 2 (Persons) or family care leave (female) of employees taking reduced ing hours or staggered working 1 (Persons) 1 to meet nursing care or family responsibilities (male) of employees taking reduced ing hours or staggered working 0 0 (Persons) to meet nursing care or family responsibilities (female) of employees taking family leave 0 0 (Persons) erseas assignments (male) of employees taking family leave 6 8 (Persons) verseas assignments (female) age number of days of special 0.9 1.9 (Days) for volunteering activities taken number of employees taking 7 9 ial leave for volunteering (Persons) ties of employees utilizing the _ 308 (Persons) ing-from-home system

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Diversity and inclusion

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Topic) External evaluation

Kao selected for Thomson Reuters D&I Index

In 2018, Kao ranked 24th in the world in the Thomson Reuters Diversity & Inclusion Index, the highest ranking of any Japanese company.

For this index, Thomson Reuters ranks more than 7,000 publicly-traded companies and announces the 100 with the highest D&I ratings.

TOP 100 **COMPANY** 2018

Thomson Reuters Diversity & Inclusion Index

Kao selected for the Nadeshiko Brand list for the third time

Kao was selected in 2018 for the Nadeshiko Brand list as a company that has made outstanding achievements in advancing women's participation in the workplace. This is the third time that Kao has been selected. Kao was recognized for undertaking evaluations and employment based on enthusiasm and ability, regardless of gender, and for developing systems that facilitate diverse work styles.



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