cleanliness, beauty

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Safer healthier produ

## Habits for cleanliness, beauty & health 102-12, 102-15, 102-43, 103-1, 103-2, 103-3, 404-2

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

# Kao's creating value to address social issues

#### Social issues we are aware of

Global warming	<ul> <li>Skin damage caused by ultraviolet rays</li> <li>Increased incidence of heatstroke</li> </ul>
Changes in the hygiene environment	<ul> <li>Increased spread of infectious diseases</li> <li>Growing disparities between regions in terms of public sanitation and hygiene habits</li> </ul>
Obstacles to women's empowerment	<ul> <li>Physical and mental discomfort accompanying the body's growth and development, aging and lifestyle changes</li> </ul>
Inadequate response to the diversification of society • Consumers not able to enjoy equitab to the benefits of products and servic • Inadequate accessibility	

The spread of the COVID-19 pandemic throughout the world, which in 2021 still showed no sign of abating, brought home to people once again just how important it is to maintain good hygiene.

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

If we fail to implement initiatives addressing social issues, such as initiatives in response to global warming, changes in the hygiene environment, the hyper-aging society, obstacles to women's empowerment, and the need to respond to diversification, and if we fail to respond to the changes in people's needs, then the value that we provide through our products and services will not be able to win the approval of consumers and of society as a whole, which could lead to a fall in our corporate value and brand value, and to a deterioration in profitability and market competitiveness.

#### Kao's creating value

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Global warming	<ul> <li>Awareness-raising to protect pre-school children and schoolchildren from ultraviolet rays</li> <li>Provision of environmental education teaching materials for schoolchildren and students</li> </ul>
Changes in the hygiene environment	<ul> <li>Handwashing and cleaning awareness-raising activities for pre-school children and schoolchildren</li> </ul>
Women's empowerment	Menstrual hygiene education for schoolchildren
Diversity	<ul> <li>Provision of handwashing awareness-raising teaching materials for pre-school children and schoolchildren with disabilities</li> </ul>

#### **Contributions to the SDGs**



#### **Policies**

At a time when people's lifestyles and values are changing, besides delivering cleaning and hygiene products that can help consumers to live with peace of mind and to enjoy a brilliant life, we also promote awareness-raising activities that can enable people to continue a daily routine of hygienic habits and actions and physical and mental care without special effort. We contribute toward making it possible for consumers to realize authentic, healthy lives. In the future, we will be adopting a more proactive approach to implementing activities that aim to promote adoption of good hygiene habits in the countries of Europe and the Americas, where people tend to be lax about hand-washing and mask-wearing, and also in the Asia region.

#### **Education and promotion**

Over the period from 2009 to 2019, as part of our efforts to encourage all Kao employees to participate in ESG activities, we provided support for the implementation of visiting classes at schools, including hand-washing lessons for children in the early years of elementary school.

During the COVID-19 pandemic, while we were concerned that sending employees to visit schools to give lessons might exacerbate the spread of the disease, we also felt that, precisely because this was a pandemic, it was even more important than ever to instill correct hygiene habits in as many children as possible. With this in mind, starting from 2020, we began providing remote classes for pre-school children, and we developed teaching programs whereby teachers at elementary schools could make use of teaching materials supplied by Kao in their classes. U

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# Making thoughtful choices for society

### Habits for cleanliness, beauty & health

# Collaboration and engagement with stakeholders

By providing programs tailored to the changes affecting society, we implement activities for cultivating the next generation that help to develop children's life skills and their ability to solve problems. In developing these programs, we work together with government agencies, local government authorities, schools, etc. to expand the content of the programs and enable them to be used effectively in the classroom.

#### Framework

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

The ESG Managing Committee, which meets six times a year, deliberates on these matters under the supervision of the Board of Directors. The committee is chaired by the President, and its members include directors and executive officers responsible for ESG, Business, R&D, Product Quality Management, SCM, Sales, etc., helping the committee to coordinate its activities with our business activities. The committee reports on its activities to the Board of Directors at least once a year, and receives oversight from the board.

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Kirei Lifestyle Plan—Kao's ESG Strategy > ESG governance structure

# Mid- to long-term targets and performance

#### 2030 long-term targets

• Cumulative number of people reached by awareness-raising activities for acquiring habits for cleanliness, beauty & health using Kao products and services

Target for 2030: 0.1 billion people

Within Japan, we will be focusing on providing teaching materials that teachers can use themselves at school, while combining this with visiting classes, including classes provided remotely, and we will be approaching even more educational institutions, with the aim of establishing good hygiene habits in both pre-school-age children and young schoolchildren. We will also be working to disseminate accurate information and expand the scope of hygiene awareness-raising activities in the Asia region, and in Europe and the Americas, in a similar way to that used in Japan.

#### Anticipated benefits from achieving mid- to longterm targets

#### **Business impacts**

Even in Japan, where people are already in the habit of washing their hands regularly, it can be anticipated that having people learn hygiene behavior from when they are children and make it habitual will lead to an increase in the percentage of people who use hand soap, hand sanitizer and other disinfectant products, and an increase in the frequency of use. Spreading Japanese hygiene habits to other countries will help to improve hygiene habits in the Asia region, and should contribute toward a dramatic increase in demand for hygiene products.

#### **Social impacts**

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

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# Habits for cleanliness, beauty & health 102-43

#### **Our initiatives**

# Educational program to cultivate habits for cleanliness, beauty & health

### Education for the next generation through the provision of educational materials

We believe that safeguarding one's own hygiene status helps to safeguard the hygiene status of society as a whole (in other words, the people around us). In line with this belief, we undertake activities for the cultivation of the next generation, with the aim of cultivating children's life skills and their ability to solve problems, through the provision of educational programs tailored to the changes taking place in society.

Kao's cultivation of the next generation www.kao.com/jp/education/next-generation/ (Japanese)

#### **Provision of educational materials**

Our new hygiene habits program: Let's All Wash Our Hands Together! For First and Second Grade Elementary School Students



In 2021, as in the previous year, we provided free teaching materials, aimed at children in the younger years at elementary school, for teachers to conduct

their own classes. In response to the pandemic, we developed a new hygiene habits program to help children in the early grades of elementary school enjoy learning the importance of hand-washing and maskwearing, and acquire hygiene habits. We provided information about the program to approximately 20,000 schools nationwide, and more than 6,000 are using it.

#### Our new hygiene habits program: Let's All Wash Our Hands Together! For Schools for the Deaf



We developed a parallel program for children with hearing impairments, which we have been offering since September 2021, to help them acquire hygiene habits while having fun. As of December 2021, this program was being used by around 60% of schools for the deaf in Japan.

The members of Kakehashi\*, an internal community in which Kao employees with hearing impairments play a central role, were involved in developing this program. With the aim of making the teaching materials easy to understand and able to stimulate interest, trial classes were implemented with collaboration from schools for the deaf, and a repeated process of verification was conducted in which, for example, the schools' teachers were asked for their opinions. When explaining the six key positions that should be used when washing your hands in order to get every part of the hands clean, a major effort was made to ensure that the explanation could be done properly, for example by using fingerspelling.

\* Kakehashi is an internal community formed within the Kao Group in December 2020, in which employees with hearing impairments play a major role. Based on the philosophy that "By sharing everyone's concerns in a forward-looking manner, people who can't hear and people who can hear can collaborate on building a bridge to the future," Kakehashi undertakes both internal and external activities aimed at finding solutions to various social problems.



Trial class being given at a school for the deaf by members of Kao's Kakehashi group

#### Developing hand-washing awareness in the U.S.



Starting from March 2021, Kao USA has been rolling out a new Clean Routine for Healthy Hands program under the *MyKirei by Kao* brand to teach elementary school students in the U.S. the importance of good hygiene habits. This program was developed by Making my everyday more beautiful U

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# Habits for cleanliness, beauty & health 102-43

modifying the new hygiene habits program that we have deployed in Japan. It aims to support teachers' efforts to provide children with hand-washing guidance by using content that treats hand-washing as something fun to do, rather than just something that has to be done every day. As of December 2021, teaching materials had been provided to ten schools, and it is anticipated that the scope of program implementation will be expanded in the future.

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

Kao's hygiene information www.kao.com/jp/new-hygiene/ (Japanese)

### Our new hygiene habits program: Keeping Your Surroundings Clean



As the next step after children have got into the habit of washing their hands, we developed another new hygiene habits program—Keeping Your Surroundings Clean—to help children understand the importance of keeping their surroundings clean. We began providing this program in September 2021, only for elementary schools that have already implemented our Let's All Wash Our Hands Together! For First and Second Grade Elementary School Students program. This is an experiential program, through which children acquire the habit of keeping things clean yourself by focusing on what you can do in a fun way, through practice in cleaning desks and activities that can be performed at home.

Developing a program for thinking about marine plastic waste in collaboration with an elementary school affiliated with Wakayama University Faculty of Education, for provision to public elementary schools in Wakayama City In October 2020, we concluded a cooperation agreement with Wakayama City for promotion of the Sustainable Development Goals (SDGs). We are aiming to make contributions through our wideranging business fields and our research technologies that support them to Wakayama City's efforts toward the SDGs and to the sustainable development of the local community of Wakayama City. As part of these efforts, and with a focus on cultivating human talent for the future, we are working together with an elementary school affiliated with Wakayama University Faculty of Education to jointly develop a program for thinking about and addressing the issue of marine plastic waste. The program has been formulated using know-how acquired at the school,

and was implemented for public elementary schools in Wakayama City in 2021. Building on these activities, in the 2022 academic year we began to provide the program's teaching materials to schools throughout Japan. The aim of the program is to provide classes in which, while learning about the efforts being made to reduce plastic waste and about recycling, children can learn to think for themselves, identify issues and acquire problem-solving skills.



Online lesson by a Kao employee being given for an elementary school affiliated with Wakayama University Faculty of Education

Fundamental section > Corporate citizenship activities > Kao Hygiene Development Program in Vietnam

Fundamental section > Corporate citizenship activities > Contributions to improving menstrual education and menstrual hygiene conditions