

Editorial Policy GRI 2-2, 2-3

The Kao Integrated Report presents a comprehensive range of financial and ESG information with the goal of communicating the Kao value creation story to stakeholders in a way that is easy to understand. The Kao Sustainability Report 2023 is designed to complement the Kao Integrated Report 2023, and presents a comprehensive picture of the value that Kao provides. This report introduces various activities aligned with our ESG Strategy, the Kirei Lifestyle Plan (KLP), that contribute to a sustainable world, along with detailed performance data.

Scope

In general, we report the activities of the Kao Group (Kao Corporation, its subsidiaries and affiliates). Environmental and social performance data covers Kao Corporation, its subsidiaries, and NIVEA Kao, while human capital development data covers Kao Corporation and its subsidiaries.

Exceptions to the scope of this data are clearly stated in the text.

In this report, “Kao” refers to the Kao Group. Individual organizations are named where necessary in order to delineate boundaries or scope.

Organizations covered



List of Kao Group companies
<https://www.kao.com/global/en/corporate/outline/group-companies/>

Period

FY2022 (January 1, 2022–December 31, 2022)

Some qualitative information includes FY2023 performance data.

International Financial Reporting Standards (IFRS)

International Financial Reporting Standards (IFRS) have been applied since FY2016. The per-unit sales quoted in

this report are based on Japanese standards up to FY2015, and on IFRS from FY2016 onwards.

Independent assurance

Reports have been independently assured since 2003. KPMG AZSA Sustainability Co., Ltd. provides independent assurance for this report. Indicators subject to assurance are marked with a check (☑). These indicators are listed in the independent assurance report and the GRI Standards table.

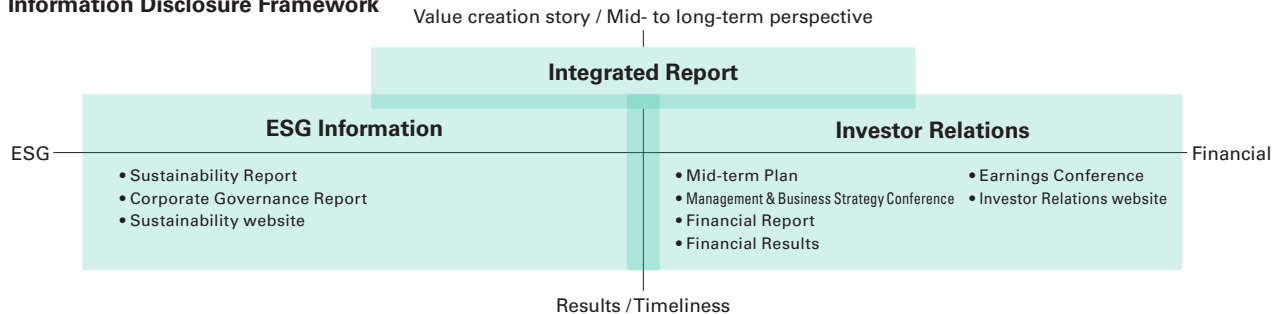
Issuance period

Date of Issue May 26, 2023
 Next report scheduled for May 2024
 (Previous report issued: June 29, 2022)

Guidelines referenced

- GRI Sustainability Reporting Standards
* GRI reference numbers are shown alongside page titles
- Environmental Reporting Guidelines (2018) from the Ministry of the Environment of Japan
- Japan Chemical Industry Association (JCIA) Environmental Accounting Guidelines for Chemical Companies (November 2003)
- ISO 26000 (Guidelines on Social Responsibility)
- SASB Standards

Information Disclosure Framework



- SDG Compass
- TCFD Recommendations
- UN Guiding Principles Reporting Framework



- [Reports]
- ➔ Kao Integrated Report 2023
 - ➔ Kao Sustainability Report 2023 (this report)
 - ➔ Corporate Governance Report
 - ➔ Financial Report
- [Websites]
- ➔ Kao Corporate Information
 - ➔ Investor Relations
 - ➔ Sustainability
 - ➔ Research and Development

Disclaimer on forward-looking statements

Forward-looking statements contained in this report are based on information available at the time of publication, and on assumptions that management believes to be reasonable. These statements are not guarantees that Kao will achieve its targets. Various factors may result in substantially different outcomes.