

# Habits for Cleanliness, Beauty & Health

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

## Social issues

Infectious diseases such as COVID-19 not only affect people's health but also isolate them from society because of measures such as avoiding unnecessary outings to prevent transmission. This results in economic stagnation.

To solve these personal and social issues, we believe that society as a whole needs to develop habits for cleanliness, beauty and health.

## Policies

For about 130 years, since the introduction of *Kao Soap* into the market in 1890, Kao has contributed to the promotion of hygienic habits through the development and provision of cleansing products.

Based on the principle of leaving no one behind, we will also promote awareness-raising activities to establish hygiene practices in collaboration with schools, local communities, and other companies.

In addition, we will be adopting a proactive approach to implementing activities aimed at promoting the adoption of good hygiene practices in the countries of AEMEA (the Americas, Europe, the Middle East, and Africa) and Asia.

## Strategy

### Risks and opportunities

#### Risks

If there is a risk regarding consumers that awareness-raising activities do not take root, there is a possibility that consumers may not be able to have sustainable lifestyles from the hygiene perspective.

Meanwhile, if Kao fails to respond to changes in consumers' attitudes and needs toward hygiene behavior, we may fail to get empathy, which may lead to decreased corporate and brand value, loyalty, profitability and competitiveness in the market.

#### Opportunities

We believe it is important to promote corporate activities that will help improve loyalty and profitability by seeing these changes and risks as opportunities and providing products and services ahead of such changes.

### Strategy

Kao provides a wide range of highly reliable products through its proprietary technologies and quality control, gaining support from many consumers. We will continue to provide products that respond quickly to changes in consumers' attitudes and needs toward hygiene.

We will also continue to change our hygiene awareness-raising activities so we can promote them even during the spread of infectious diseases.

## Social impact

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. This may also result in reduced medical expenses.

### Contributions to the SDGs



## Business impact

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 a part of their daily routine will lead to an increase in the percentage of people and the frequency of use of hand soap, hand sanitizer, and other disinfectant products. Spreading these Japanese hygiene practices to overseas countries will help improve hygiene practices, especially in Asia, and should contribute to the expansion of our market share of hygiene products. This will also help to gain the trust and loyalty of stakeholders and increase Kao's profits.

# Habits for Cleanliness, Beauty & Health

## Governance

### Framework

Under the supervision of the Board of Directors, risk management in relation to habits for cleanliness, beauty & health is carried out by the Internal Control Committee while opportunities are managed by the ESG Managing Committee. These committees are both headed by the President & CEO.

Risk management related to habits for cleanliness, beauty & health is carried out by the Internal Control Committee (which meets twice a year) and its subordinate body, the Risk & Crisis Management Committee (which meets four times a year). These committees are headed by the Executive Officer Responsible for Corporate Strategy.

The ESG Managing Committee (which meets six times a year) is responsible for managing opportunities related to habits for cleanliness, beauty & health. Comprising outside experts, the ESG External Advisory Board provides advice and suggestions on issues raised by the ESG Managing Committee and offers outside viewpoints to be reflected into management, and the ESG Promotion Meeting executes the strategies.

P25 Our ESG Vision and Strategy > Governance

### 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 visited classes at schools and provided handwashing lessons for children in the early

years of elementary school. Participating employees were able to directly communicate with consumers, including children, and this experience has been utilized in product development.

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, since 2020, we have created and provided teaching programs that can be implemented by teachers at preschools, elementary schools, and special needs schools as a part of lessons, through the provision of remote classes and teaching materials.

### Collaboration with stakeholders

From a global perspective, we collaborate with governments and government agencies utilizing advanced technical capabilities to address hygiene issues in various countries.

P62 Main initiatives

Primarily in Japan, we collaborate with educational institutions to develop educational programs.

P61 Main initiatives

We are expanding opportunities to raise awareness by calling on local governments and distributors to cooperate.

Kao Group members conduct awareness-raising activities based on Kao's knowledge for stakeholders in local governments, distributors, educational facilities and elsewhere.

In 2023, we held approximately 5,500 awareness-raising lectures (with approximately 160,000 participants in total). Out of these, 1,500 were mainly on the subject of fostering hygiene practices for preschoolers, 1,200 on SDGs and personal grooming for schools, 2,100 times for seniors at local government and community centers, and 500 times for company employees and the like.

We have been more frequently contributing to local communities through collaboration by joining events on SDGs and environmental protection hosted by local governments and distributors, working with them to implement awareness-raising activities in line with local challenges and other issues.

Going forward, we plan to establish a more facilitating environment for participation by distributing videos exclusively for communities, facilities and employees whose access to or availability for group or remote sessions is limited and taking other measures to provide more participation methods and time slots so we can raise the awareness of more people.

### Risk management

These days, as we grapple with concerns about infectious diseases such as COVID-19 and influenza, it is necessary to accurately understand consumer needs in order to develop products and implement awareness-raising activities that meet social needs.

Therefore, we constantly listen to consumers and draw on their opinions in various activities.

# Habits for Cleanliness, Beauty & Health

## Metrics and targets

### Mid- to long-term targets and 2023 results

#### 2030 long-term targets

Cumulative number of people reached through awareness-raising activities implemented to help people acquire habits for cleanliness, beauty and health by using Kao's products and services  
Target for 2030: 0.1 billion people

#### 2023 results

59 million people (To be updated upon calculation)

### Reviews of 2023 results

Although the number of shipments of hygiene products has decreased compared to the COVID-19 epidemic, we believe that people have been acquiring good life habits steadily.

We will continue to promote awareness-raising activities through cross-sectoral collaboration with educational institutions, public organizations, and local governments.

The cumulative number of people reached through awareness-raising activities is growing as planned toward the 2030 target. 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 practices in both preschool-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 AEMEA in a similar way to that used in Japan.

## Main initiatives

### Nurturing the next generation through the provision of educational materials

We believe that safeguarding one's own hygiene helps to safeguard that of society as a whole (in other words, the people around us) by becoming better aware of hygiene.

In line with this belief, we undertake activities to nurture the next generation, with the aim of cultivating children's life skills and kindness, through the provision of educational programs tailored to the changes taking place in society.



Kao Nurturing the Next Generation  
<https://www.kao.com/jp/education/next-generation/>

### Hygiene Practice Program: Let's All Wash Our Hands Together! For Special Needs Schools

In 2021, we created educational materials as part of our hygiene practice program, "Let's All Wash Our Hands Together!," so that children could learn how to wash their hands properly in a fun way and acquire good hygiene practices. The materials have been utilized by 58%\*1 of elementary schools (around 11,000 schools) in Japan, and 73%\*1 and 86%\*1 of schools for the hearing impaired and the visually impaired in the country, respectively. As the next step after the habit of washing hands has taken root, we have "Keeping Your Surroundings Kirei," which is designed to help children understand the importance of keeping their surroundings clean. This hygiene practice program is being utilized at approximately 2,900 elementary schools (cumulative) in Japan.

Recently, we have created hand-washing educational materials in the hope that young school children with intellectual challenges in special needs schools will also acquire hygiene practices. While creating the educational

materials, we incorporated the teachers' opinions so children can enjoy learning how to wash their hands thoroughly. For example, for the classroom slides, we used plenty of inverted black and white text, which is easy to read for children and not taxing on their eyes, as well as simple illustrations to facilitate visual understanding. We make sure to explain the steps for washing hands thoroughly in a simple and clear way so that children can learn to practice them easily. We also provide Kao's original hand-washing song, *Foamy Hand Washing Song*, for practice, which helps children effectively learn the six hand-washing poses.

\*1 As of November 2023



Educational slides for classroom use



Practice kit

# Habits for Cleanliness, Beauty & Health



Created the Hygiene Practice Program: Let's All Wash Our Hands Together! For Special Needs Schools  
<https://www.kao.com/jp/newsroom/news/release/2023/20231204-001/>

## Environmental Program: Zero Waste Challenge

We developed the Zero Waste Challenge Program with the aim of fostering problem-solving abilities (the ability to participate in society) by enabling children to develop their own ideas toward social issues and engaging proactively through learning about innovations and efforts to reduce waste. The program has been provided since April 2022 for fourth and fifth grade elementary school students. In 2023, we provided some of the materials in a digital format. Since 2022, the program materials have been utilized at approximately 1,000 elementary schools (cumulative) in Japan.



## Developing handwashing awareness in Indonesia (Collaboration with WOTA Corporation)

Kao Indonesia installs the freestanding handwashing stand "WOSH" at events that promote hand washing and outdoor events throughout the country to raise awareness of hand washing. Moreover, we installed WOSH at three junior high schools in West Java State, where it is difficult to access clean water, as part of "Anak KAO." This school support education program teaches elementary and junior high school students about the importance of hygiene practices, with the Ministry of Health and the Ministry of Education of Indonesia, in order to boost hygiene awareness and demonstrate handwashing as an established practice, as well as make QOL improvements.

Using the knowledge gained from these activities, we plan to propose solutions that are better suited to locals' attitudes to hygiene and their situations, and the local hygiene environment and infrastructure.



Kao and WOTA Partner in the Water and Sanitation Field  
<https://www.kao.com/global/en/newsroom/news/release/2022/20220310-001/>



## Efforts to reduce damage from mosquito-borne infectious diseases in Thailand

In 2022, Kao launched the GUARD OUR FUTURE initiative, a project to protect future lives from mosquitoes, in Thailand. This project focuses on infectious diseases caused by mosquitoes, which are living organisms that claim more human lives than any other in the world, and aims especially at eradicating dengue fever, a social issue mainly in Southeast Asia.

To protect lives from mosquito-borne diseases, it is necessary to improve the awareness and behavior of each individual consumer. Therefore, we began awareness-raising activities in collaboration with local governments and other companies. We are actively promoting activities in schools, targeting the next

# Habits for Cleanliness, Beauty & Health

generation, which has a particularly large number of infection cases.

In addition, in 2022, we launched *Bioré GUARD Mos Block Serum*, which utilizes Kao's proprietary technology for preventing mosquitoes from staying on the skin. Starting in 2024, we plan to launch this product in Singapore as well as Taiwan, Hong Kong and Malaysia, while also expanding the project activities. In February and March 2024, we implemented a new campaign utilizing social media in ten countries and regions in Asia—with participation of the official *Bioré* social media accounts for the applicable countries and regions, we are donating the product to the areas where dengue fever is prevalent based on the number of "likes" given to the posts by these accounts.



The GUARD OUR FUTURE Project  
"Likes" for Saving Future Lives from Mosquitoes  
The *Bioré* Brand Launches a Social Media Campaign in Asia  
<https://www.kao.com/global/en/newsroom/news/release/2024/20240209-001/>

## Employees' opinions

### Kirei Lifestyle Education Through Innovation



**Adam Recarlo Zulkarnaen**

Kao Indonesia Product Development

In 2022, to embody the message of Kirei, we started this project with a clear goal in mind: to provide proper sanitation and educate the public on the importance of personal hygiene. To do so, we planned to introduce the WOSH machine, a hand-washing innovation, into our rural community. The journey was marked by challenges, from navigating import procedures to grasping operational intricacies, and deciding what direction we should go with. Yet, thanks to the support and collaboration of the *Bioré* Team, Corporate Communications, and other various departments, we successfully introduced WOSH to the community.

Until the end of 2023, we have introduced WOSH and expressed the importance of personal hygiene to more than 15,000 people through many activities, such as the Anak KAO (Kreatif, Aktif, Optimis) program and Global Hand Washing Day which is supported by the Ministry of Health and the Ministry of Education, in collaboration with the Corporate Communications team of Kao Indonesia. Seeing the joy and enthusiasm it sparked among people, particularly children, during these activities really made me understand the profound impact of innovation in promoting hygiene and water conservation. It also taught me firsthand the significance of initiatives that raise awareness about hand hygiene and clean water preservation.

Despite the initial obstacles, the rewarding outcome has strengthened my resolve to advocate for such initiatives. Going forward, I am dedicated to continuing to promote essential habits like handwashing and water conservation in our community and beyond to achieve a Kirei Lifestyle.

# Habits for Cleanliness, Beauty & Health

## Stakeholder engagement

### Mr. Kazuo Yoneya

Chair, National Association of Principals of Special Needs Schools for Education of the Intellectually Challenged  
Principal, Tokyo Metropolitan Mizumoto Koai Gakuen



Tokyo Metropolitan Mizumoto Koai Gakuen is a special needs school complex consisting of the Vocational and Technical School (high school for the intellectually challenged) and the School for the Physically Challenged (elementary, middle and high schools). This school complex has been in operation for 10 years as of the 2024 academic year. The Vocational and Technical School enrolls students with mild intellectual challenges, who aim to get a regular job through employment programs for the challenged after finishing school. To date, we have produced nearly 450 graduates, most of whom found a job and are still playing an active role in society. Meanwhile, the School for the Physically Challenged enrolls children with severe mental and physical challenges, as well as physically challenged students who have no intellectual developmental problems. Since the challenges and individual situations faced by these students greatly vary, we provide three levels of curriculum for educational activities. With the goal of

promoting the students' independence and social participation, both organizations aim to be schools that support each individual's progress under the school motto, "Progress every day, sincerity every day," to foster their ability to survive so they can live prosperous lives in the future.

It has been four years since the outbreak of the COVID-19 pandemic. Although new routines have taken hold, with people wearing masks, practicing disinfection using alcohol, and avoiding 3Cs to prevent infection, I feel that they are not as aware of infection control as they used to be during the pandemic. One prominent example, I believe, is the spread of influenza. It is important to remind ourselves that infectious diseases have by no means disappeared, and to continue to protect individuals' health by continuing to take the necessary measures. I always felt that the most accessible way to achieve that is to thoroughly wash hands. At that time, Kao reached out to us to provide educational materials on hand washing. They were hoping to expand this program to young school children with intellectual challenges since they had already introduced it to most of the schools for the visually impaired and the hearing impaired and elementary schools. The educational materials were based on those for visually impaired children and had been updated to meet the characteristics of young school children with intellectual challenges. By visualizing invisible dirt, the children can notice unwashed parts and learn to wash their hands properly. This program was also practical in that the teachers using the materials were able to

modify them according to the conditions of the children. We thank Kao for its progressive initiatives and hope that this educational material will expand to and be effectively utilized by schools for the intellectually challenged throughout Japan.



National Association of Principals of Special Needs Schools for Education of the Intellectually Challenged  
<http://www.zentoku.jp/dantai/titeki/index.html>  
Tokyo Metropolitan Mizumoto Koai Gakuen  
<https://mizumotokoai-sh.metro.ed.jp/site/zen/>