



Sustainable Lifestyle Promotion

GRI 306-1

We support sustainable lifestyles across society through broad information provision and next-generation education. By offering consumers practical choices they can adopt in their daily lives, we contribute to realizing enriched lifestyles and transforming social systems.

Risks		Strategy		Metrics, targets and results			Initiatives	Financial impact
				Metrics	Targets	2024 results		
<ul style="list-style-type: none">Decline in brand value and loss of business opportunities due to competitors taking the lead in marketing and supporting sustainable lifestylesDecline in reputation and corporate value due to insufficient contribution to societal transformation towards sustainable lifestyles	Overall	(1) Realizing enriched lifestyles and enhancing customer loyalty through sustainable lifestyle proposals		Cumulative number of people reached through awareness-raising activities promoting environmentally conscious lifestyles and realizing a sustainable world (cumulative total since 2016) (1)	100 million people 2030	56 million people	Expansion of the corporate advertisement series "Wastefulness—Mottainai. Never today, nor tomorrow." (1) Provision of useful information for sustainable lifestyles on the "My Kao" website (1)	<ul style="list-style-type: none">Enhanced brand loyalty through sustainable lifestyle proposals, leading to increased product sales
	Products	(2) Proposing sustainable lifestyles through eco-friendly products and brands		Number of sustainable lifestyle proposals implemented in conjunction with products (2)	—	2 proposals	<i>CuCute: Mirai ni eco-peko bottle</i> (eco-friendly refill bottle) (2) <i>Emal: Sustainable Fashion</i> (2)	
	Information provision	(3) Proposing sustainable lifestyles through corporate information provision on product use, daily life, and people's values		Number of information provision activities proposing sustainable lifestyles (3)	—	3 activities	Lending and exhibition of artworks from the Environmental Painting Contest (3) Raising environmental awareness through plant tours (3) Environmental event hosted by Kao Group Customer Marketing (3)	
Opportunities								Environmental and social impact
<ul style="list-style-type: none">Creation of business opportunities and business growth through marketing and product proposals aligned with sustainable lifestyle proposalsEnhancement of brand value, customer loyalty, and business growth through the expansion of sustainable lifestyle proposalsImprovement of reputation and corporate value by taking on the challenge of driving societal transformation towards sustainable lifestyles	Educational support	(4) Nurturing the next generation by providing experiential and hands-on learning opportunities		Number of learning opportunities provided for sustainable lifestyles (4)	—	2 opportunities	Provision of educational materials for elementary school students to develop the ability to identify and solve familiar environmental issues (4)	<ul style="list-style-type: none">Cumulative number of people reached through information provision proposing sustainable lifestyles (cumulative total since 2016): 1.18 millionCumulative number of people reached through learning opportunities provided for sustainable lifestyles (cumulative total since 2016): 580,000
	Collaboration	(5) Contributing to the transformation of social systems through collaboration with external partners		Number of collaboration activities with external partners for realizing sustainable lifestyles (5)	—	2 activities	Collaboration with another company for horizontal recycling of refill packs (5) Co-hosting a clean and water-saving campaign in China with the Chinese government and supporting university students' environmental activities (5)	

* The numbers at the end of the metrics, targets, and initiatives indicate the strategy identifiers.

Strategy

To reduce risks and create opportunities for sustainable lifestyle promotion, we implement Kao's unique and effective strategies that contribute to business growth and solving issues in society.

▀ Social issues

For Kao to remain a sustainable and competitive company, accurately understanding social issues is essential. Recognizing these issues not only helps mitigate business risks but also serves as a crucial starting point for identifying new business opportunities that drive growth. Kao recognizes the following social issues related to this theme.

- Impact on consumers' lifestyles due to the emergence of environmental issues, such as climate change
- Growing interest among consumers in corporate sustainability initiatives and commitments, driven by the increasing preference for sustainable lifestyles

▀ Risks and opportunities

In a business environment that includes the social issues mentioned above, Kao faces various risks and also identifies new business opportunities. Identifying risks and opportunities is a critical process in formulating corporate strategies and initiatives. The key risks and opportunities identified by Kao in this area are as follows.

Risks

- Decline in brand value and loss of business opportunities due to competitors taking the lead in marketing and supporting sustainable lifestyles
- Decline in reputation and corporate value due to insufficient contribution to societal transformation towards sustainable lifestyles

Opportunities

- Creation of business opportunities and business growth through marketing and product proposals aligned with sustainable lifestyle proposals
- Enhancement of brand value, customer loyalty, and business growth through the expansion of sustainable lifestyle proposals
- Improvement of reputation and corporate value by taking on the challenge of societal transformation towards sustainable lifestyles

▀ Strategy

As a response to the identified risks and opportunities, Kao has formulated the following strategies. These strategies serve as a key pathway to achieving one of the basic policies of the Mid-term Plan K27: "to become an essential company in a sustainable world." Leveraging Kao's extensive research on consumers' lifestyles, its achievements and expertise in next-generation education and regional cooperation, and its influence as a leading company in social transformation, Kao supports the adoption of sustainable lifestyles by both consumers and society as a whole.

(1) Realizing enriched lifestyles and enhancing customer loyalty through sustainable lifestyle proposals

Clearly communicate the importance of sustainable lifestyles to support consumers in realizing enriched lifestyles, and also strengthen their trust in and affinity for Kao.

Related initiative:  Corporate advertisement series "Wastefulness—Mottainai. Never today, nor tomorrow."

(2) Proposing sustainable lifestyles through eco-friendly products and brands

By proposing sustainable lifestyles through the use of eco-friendly products and supporting consumers in achieving a sustainable way of living, Kao enhances product and brand loyalty and strengthens its market competitiveness.

Related initiative:  Fashion and environmental action with *Emal*

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for Society

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Walking the Right Path

(3) Proposing sustainable lifestyles through corporate information provision on product use, daily life, and people’s values

By providing a wide range of sustainability-related information, including product usage examples, practical lifestyle tips, and people’s perspectives, Kao captures consumers’ interest and encourages action. This strengthens their sense of connection to the brand and enhances brand loyalty.

(4) Nurturing the next generation by providing experiential and hands-on learning opportunities

Utilizing Kao’s long-standing expertise in education and its cooperative framework with local communities, Kao provides experiential and hands-on learning opportunities for children who will shape the future. This enhances the continuity of actions for achieving sustainable lifestyles, and also creates brand value for the next generation of consumers.

(5) Contributing to the transformation of social systems through collaboration with external partners

Kao collaborates with a diverse range of stakeholders to drive reforms in social systems for the realization of sustainable lifestyles. By leveraging its influence as a leading company in social transformation, Kao contributes to solving social issues and strengthens trust in the company.

Impact generated by implementing the strategies

Through the strategies outlined above, Kao expects to generate the following financial impact and environmental and social impact.

Financial impact

- Enhanced brand loyalty through sustainable lifestyle proposals, leading to increased product sales

Environmental and social impact

- Improved consumer satisfaction with daily life through sustainable lifestyle proposals
- Expansion of enriched lifestyles through the ripple effect of next-generation education on families
- Contribution to building a sustainable world by driving transformation towards sustainable lifestyles

Strategic resilience

Kao actively develops hygiene products and services and carries out support activities to promote sustainable lifestyles, strengthen brand value, and differentiate itself from competitors. At the same time, by promoting the conservation of natural resources and the use of recycled materials, Kao contributes to sustainable social transformation and enhances its corporate reputation. Through the implementation of sustainability-driven strategies, Kao creates business opportunities and builds resilience, enabling it to respond flexibly to evolving social demands.

Metrics and targets

To enhance the effectiveness of its strategies, Kao establishes performance metrics related to risks and opportunities and regularly monitors its progress. Regarding metrics for significant risks and opportunities, Kao sets specific targets and tracks their achievement, ensuring steady implementation through the PDCA (Plan, Do, Check, and Act) cycle.

Targets and progress

Strategy	Metrics	Results					Mid- to long-term targets	
		2020	2021	2022	2023	2024	Target value	Year
(1)	Cumulative number of people reached through awareness-raising activities promoting environmentally conscious lifestyles and realizing a sustainable world (cumulative total since 2016)	9.4 million people	11 million people	43 million people	48 million people	56 million people	0.1 billion	2030

Through products and brands, information provision, educational support, and collaboration activities with external partners, Kao has carried out awareness-raising activities promoting environmentally conscious lifestyles and realizing a sustainable world. As of the end of 2024, the cumulative number of people reached since 2016 through these activities was 56 million.

* The total includes the corporate advertisement series “Wastefulness—Mottainai. Never today, nor tomorrow.”, whose videos have been watched approximately 40 million times since its launch in 2022.

Metrics and results

Strategy	Metric	Results		
		2022	2023	2024
(2)	Number of sustainable lifestyle proposals implemented in conjunction with products	2 proposals	2 proposals	2 proposals
(3)	Number of information provision activities proposing sustainable lifestyles	3 activities	3 activities	3 activities
(4)	Number of learning opportunities provided for sustainable lifestyles	2 opportunities	2 opportunities	2 opportunities
(5)	Number of collaboration activities with external partners for realizing sustainable lifestyles	2 activities	2 activities	2 activities

We have been continuing our ongoing initiatives into 2024 as well.

Impact of the strategy on the environment and society

Item	Impact
Cumulative number of people reached through information activities promoting sustainable lifestyles (cumulative total since 2016)	1.18 million people
Cumulative number of people reached through the provision of learning opportunities on sustainable lifestyles (cumulative total since 2016)	0.58 million people

Governance

The Global Consumer Care serves as the supervising division, and the person in charge of that division promotes strategies for Sustainable Lifestyle Promotion through the following two meetings. Specifically, the GC/ESG Promotion Meeting (held six times a year), which includes the supervising and development managers as members, discusses the results of the ESG Managing Committee, deliberates on proposals, makes decisions on policy, and confirms and discusses global situations and responses.

We also hold regular meetings attended by the president, general managers of business divisions, and managers of research, manufacturing, and procurement divisions, where we discuss new products and major investment projects from a global perspective, focusing on product performance, product value, and business feasibility, including income and expenditure.

In addition, during the product development process, we hold meetings attended by the managers and staff in charge of business, research, manufacturing, product quality management, and other divisions, and we also check the product performance, product value, and business potential involved in the decision to commercialize the product from an ESG perspective.

[P34](#) Our ESG Vision and Strategy > Governance

Risk and opportunity management

Management process

The status of our efforts to address risks and opportunities in the pursuit of promoting Sustainable Lifestyle is managed through the following PDCA cycle, and we are working to make steady improvements.

P (check for risks and opportunities)

The GC/ESG Promotion Meeting monitors various trends, such as global regulations and customer requests, and identifies the associated risks and opportunities. A response policy is established based on the identified risks and opportunities.

D (response based on risk/opportunity)

The response policy decided by the GC/ESG Promotion Meeting is deployed to related divisions, and specific activities are promoted. The policy is reflected in the product development process and approved/confirmed, as necessary. The content of various activities is disclosed internally and externally.

* For details on each activity, refer to Initiatives (P84-85).

C (monitoring and evaluation of response status)

The GC/ESG Promotion Meeting reports on and evaluates the progress of ongoing response activities. As necessary, the content and results of activities are reported to the ESG Managing Committee and proposals are shared.

A (response to issues and improvements)

Based on the monitoring results and proposals, the activity policy and implementation system are improved as necessary. Continuous improvement is made to measures for dealing with risks and the content of initiatives.

Initiatives

Kao is engaged in a variety of initiatives aimed at Sustainable Lifestyle Promotion. These initiatives are based on the aforementioned strategies, and are being promoted in collaboration with one another to achieve our goals. Here, we will introduce some of the important initiatives from among the many we are engaged in.

Strategy		Initiatives		
Overall	(1) Realizing enriched lifestyles and enhancing customer loyalty through sustainable lifestyle proposals	Expansion of the corporate advertisement series “Wastefulness—Mottainai. Never today, nor tomorrow.”	Provision of useful information for sustainable lifestyles on the “My Kao” website	
Products / brands	(2) Proposing sustainable lifestyles through eco-friendly products and brands	<i>CuCute: Mirai ni eco-peko bottle</i> (eco-friendly refill bottle)	<i>Emal: Sustainable Fashion</i>	
Information provision	(3) Proposing sustainable lifestyles through corporate information provision on product use, daily life, and people’s values	Lending and exhibition of artworks from the Environmental Painting Contest	Raising environmental awareness through plant tours	Environmental event hosted by Kao Group Customer Marketing
Educational support	(4) Nurturing the next generation by providing experiential and hands-on learning opportunities	Provision of educational materials for elementary school students to develop the ability to identify and solve familiar environmental issues		
Collaboration	(5) Contributing to the transformation of social systems through collaboration with external partners	Collaboration with another company for horizontal recycling of refill packs	Co-hosting a clean and water-saving campaign in China with the Chinese government and supporting university students’ environmental activities	

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Corporate advertisement series
“Wastefulness—Mottainai. Never today, nor
tomorrow.”

Region: Japan

Corresponding strategy: (1)

To widely communicate Kao’s corporate commitment to contributing to a sustainable world, the company has been running the corporate advertisement series “Wastefulness—Mottainai. Never today, nor tomorrow.” since 2022. This series conveys Kao’s ESG-driven *Yoki-Monozukuri* approach to innovation and corporate values aimed at achieving a circular society through the message “Wastefulness—Mottainai. Never today, nor tomorrow.”

By drawing attention to the often-overlooked mottainai in daily life through the message “Wastefulness—Mottainai. Never today, nor tomorrow.”, Kao aims to inspire consumers to recognize the small instances of mottainai in their lives and take action to address them. The goal is for this awareness and behavior to spread across society as a whole.

In 2024, Kao introduced various decarbonization (water-saving) initiatives through television commercials and YouTube, delivering a humorous message about how water conservation contributes to CO₂ reduction and showcasing a diverse range of products. Additionally, to cultivate brand affinity among younger audiences and encourage behavioral change, Kao is rolling out social media-focused content.

Since the campaign launched in 2022, the cumulative number of video views has reached approximately 40 million, and 75% of those aware of the campaign have expressed an intention to choose Kao products (21% higher than those unaware of it), indicating its potential impact on purchasing behavior.

In addition to Japan, a dedicated page has already been launched on Kao China’s website, and further global collaboration is planned.

“Wastefulness—Mottainai. Never today, nor tomorrow.”
<https://www.kao.com/jp/mottainai/>



Fashion and environmental action with *Emal*

Region: Japan

Corresponding strategy: (2)

Kao is promoting sustainable fashion* through its fashion-care detergent *Emal* under the theme of “Wash with care. Wear for longer. That’s sustainable” as part of its efforts to reduce environmental impact and simultaneously enjoy fashion.

Extending the lifespan of clothing is one solution to the environmental impact challenges faced by the fashion industry. *Emal* is designed to help clothing last longer by minimizing fabric damage and preventing deformation during washing. As part of a joint initiative with ZOZO, Inc., Mercari, Inc., and Money Forward, Inc., Kao has published article content promoting sustainable fashion through *Emal*.

Kao will continue to contribute to extending the clothing lifecycle through *Emal* laundry care, to achieve the goal of sustainable fashion.

* Sustainable fashion: An approach that aims to ensure the long-term sustainability of the entire process from production and wear to disposal. It also considers the environment of the planet, including its ecological systems, as well as the people and societies involved. (Source: Ministry of the Environment, Japan)

Emal’s Sustainable Fashion
<https://www.kao.co.jp/emal/sustainable/>



Employees'
opinions

**An environmentally
conscious lifestyle: Practical,
effortless ways to make it
last**



Aya Hatanaka
Strategic Business PR
Strategic Public Relations
Kao Corporation

Kao is promoting “Wastefulness—Mottainai. Never today, nor tomorrow.” We often hear people say they want to take action for the environment and the future but do not know where to start. A lifestyle with low environmental impact should not feel like a sacrifice; it should be truly sustainable. That is why Kao aims to offer products that not only minimize environmental impact but are also convenient, easy to use, and enrich daily life for consumers. Through this commitment to *Yoki-Monozukuri*, we hope that consumers will realize that simply using Kao products naturally contributes to the well-being of the planet, so that they will join us in taking action.

Employees'
opinions

**Cherish your favorite clothes
for longer: Emal’s vision for a
sustainable future**



Koki Tsujimoto
Fabric Care Business
Hygiene Living Care
Business
Kao Corporation

Emal has built its brand with those who cherish and wear their favorite clothes for a long time in mind.

In the lifespan of clothing, from purchase to disposal, the period of wearing and washing is the longest. Recognizing this, Kao structured its approach for *Emal* into three key stages—purchase, wear, and disposal—and collaborated with ZOZO and Mercari to promote sustainable fashion through dedicated initiatives.

By working in collaboration with external partners, this initiative not only highlights the value of *Emal* products but also communicates the importance of contributing to the environment through fashion. To support consumers who cherish and wear their clothes for longer, *Emal* will continue to collaborate with stakeholders in the apparel industry and the reuse market, and also promote environmentally conscious initiatives. Thank you for supporting *Emal*, which helps your favorite clothes last longer.



Stakeholder engagement

Advancing awareness-raising activities to realize sustainable fashion

Natsumi Kaisho

Block Leader, Sustainability Promotion Block
Communication Design Division
ZOZO, Inc.

ZOZO, Inc., which operates the fashion e-commerce platform ZOZOTOWN, has adopted the Sustainability Statement: “Connecting fashion to a sustainable future.” The company has been working towards creating a new fashion world that is mindful of both the environment and society.

We believe that for customers to find their favorite pieces and cherish them for a long time is essential to achieving sustainable fashion. Until now, ZOZO has focused on awareness-raising activities at the point of purchase, providing sustainability information to help customers make informed clothing choices. However, we had not fully addressed awareness efforts for what happens after clothing is worn. In response, we resonated with the message behind *Emal*, the fashion-care detergent sold by Kao, which advocates “Wash with care. Wear for longer.” As part of this initiative, we included *Emal* with purchases made on ZOZOTOWN and in the branded secondhand fashion zone ZOZOUSED.

Additionally, through our company-operated media channels, which shares sustainability information, we promoted ways for customers to care for their favorite pieces. By collaborating with Kao, which shares the same vision, we were able to propose sustainable actions to customers at the right timing. This likely created a strong synergistic effect.

In recent years, as interest in secondhand clothing has grown, many people have turned to ZOZOUSED, our platform for buying and selling pre-owned fashion. Moving forward, it is essential to promote the idea of wearing each piece of clothing for longer and to build a circular society where clothes are not simply discarded but passed on to new owners. For this reason, we recognize that care practices that extend the lifespan of clothing will become extremely important. We will continue to collaborate with Kao to advance awareness-raising activities for achieving sustainable fashion.