Editorial Policy

GRI 306-1

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 2026 is designed to complement the Kao Integrated Report 2026, 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.

Boundary

This report covers the Kao Group (Kao Corporation, its subsidiaries and affiliates). In this report, “Kao” refers to the Kao Group (Kao Corporation, its subsidiaries and affiliates). Individual organizations are named where necessary in order to delineate boundaries.

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 these boundaries are clearly stated in the text.

Organizations covered

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

Period

FY2025 (January 1, 2025–December 31, 2025)
Some qualitative information includes initiatives from FY2026.

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 GAAP 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	June 30, 2026
Next report scheduled for	June 2027 (Previous report issued June 13, 2025)

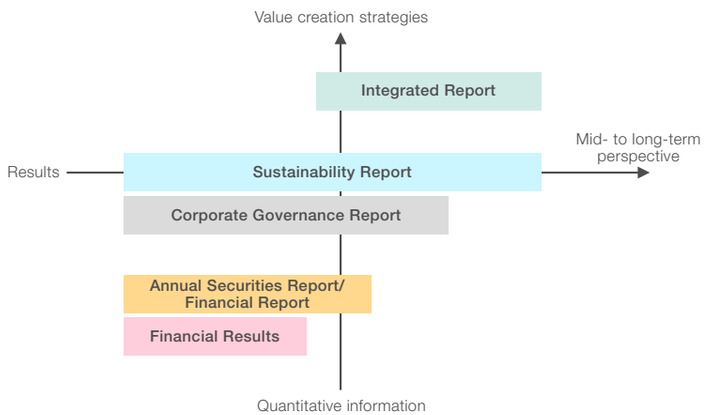
Guidelines referenced

- GRI Sustainability Reporting Standards

* Related GRI item numbers are described in the titles on each page.

- UN Guiding Principles Reporting Framework
- TCFD Recommendations
- SASB Standards
- Environmental Reporting Guidelines 2018, Ministry of the Environment
- Environmental Accounting Guidelines for Chemical Companies (November 2003), Japan Chemical Industry Association
- SDG Compass

Information Disclosure Framework



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.