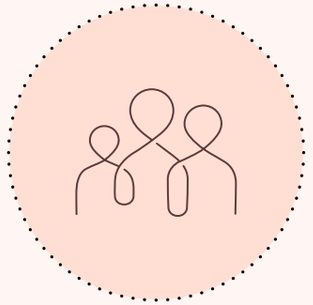
Universal Product Design

GRI 417-1

We aim to provide products and services that are easy for everyone to use, promoting universal product design (UD). Grounded in Kao's purpose to "To realize a Kirei World in which all life lives in harmony," we are taking steady steps to create a society where no one is left behind.



Risks

- Decline in brand value and loss of business opportunities if competitors take the lead in UD products and information provision on product usage
- Misuse of products with insufficient UD considerations, leading to safety issues, and a lack of diversity considerations, resulting in decreased corporate and brand trustworthiness
- Lawsuits based on legal regulations such as the Act for Eliminating Discrimination against Persons with Disabilities, as well as a decline in corporate and brand trust

Opportunities

- Enhancement of brand value and loyalty, as well as business growth, through the expansion of UD products
- Enhancement of brand value and loyalty, as well as business growth, through information provision on product usage with UD considerations
- Creation of business opportunities and business growth through marketing initiatives linked to activities supporting improved quality of life

Strategy, Metrics, targets and results, Initiatives

Strategy		Metrics	Targets	2025 results	Initiatives
Overall	(1) Developing UD along the consumer flow of "knowing the product," "choosing," "buying," "using," and "disposing of"	Percentage of new and improved products compliant with Kao's Universal Design Guidelines (1)	100% 2030	–	*Bioré-u the Body Foaming Type for Shower Head* (1)
					Enhancement of identifiability with creative ideas for the front and back indicators on *Relief Easy to Put On and Take Off Thin Briefs with Double Absorbency* (1)
Products and information provision	(2) Providing information and developing communication with consideration for diversity	Reach of information provision for people with disabilities (e.g., web content views, number of classes conducted for schools for the deaf and blind) (2)	–	50,891	Expansion of "Hair styling to hear," "Skincare for everyone" and "Mirrorless Makeup: Learn by Listening" (2)
		Cumulative distribution of braille stickers (2)	–	8,804	Revision of braille stickers and creation of a website for information provision for people with visual disabilities (2)
		Compliance with WCAG 2.1 Level AA on Kao's website (2)	100% 2027	84%	Promotion of UX/UI improvements for websites and online services (2)
	(3) Developing a wide range of initiatives from an inclusive perspective	Percentage of Kao commercials with subtitles (2)	–	81%	Expansion of universal manner training (3)
External collaboration	(4) Collaborating with companies, government agencies, and consumer organizations that have a disability perspective				

Financial impact

- Market expansion by addressing the needs of elderly individuals and diverse consumers, leading to the creation of new revenue sources
- Reduction of consumer dissatisfaction and complaints through improved product usability, resulting in lower related costs
- Long-term sales stability through increased customer loyalty and repeat purchase rates

Environmental and social impact

- Improved safety and efficiency in product use for consumers, enhancing peace of mind and comfort
- Contribution to a richer life for diverse consumers
- Operational efficiency improvements in customer facilities (medical, hospitality, food service, etc.) through professional-use products, as well as expanded utilization of diverse employees, contributing to business management

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

Strategy

To mitigate risks and create opportunities related to universal product design (UD), we are implementing Kao's unique, effective strategies that contribute to business growth and solving social issues.

Social issues

For Kao to remain a sustainable and competitive presence, an accurate understanding of social issues is essential. Recognizing these issues not only reduces business risks but also serves as a critical starting point for identifying new growth opportunities. Kao acknowledges the following social issues related to this theme.

- Providing products that are easy to use and information that is easily accessible for everyone, regardless of culture, nationality, beliefs, race, gender, identity, or ability
- Increasing the importance of products being easy to choose and use, as well as the clarity of information, in response to the progression of population aging
- Insight from feedback given by individuals with diverse backgrounds regarding existing products and information

Risks and opportunities

In a business environment that includes the social issues outlined above, Kao faces various risks while also identifying new business opportunities. Identifying risks and opportunities is a crucial process in formulating corporate strategies and initiatives. The key risks and opportunities that Kao has identified for this theme are as follows.

Risks

- Decline in brand value and loss of business opportunities if competitors take the lead in UD products and information provision on product usage
- Misuse of products with insufficient UD considerations, leading to safety issues, and a lack of diversity considerations, resulting in fewer corporate and brand fans and decreased trust
- Lawsuits based on legal regulations such as the Act for Eliminating Discrimination against Persons with Disabilities, as well as a decline in corporate and brand trust

Opportunities

- Enhancement of brand value and loyalty, as well as business growth, through the expansion of UD products
- Enhancement of brand value and loyalty, as well as business growth, through information provision on product usage with UD considerations
- Creation of business opportunities and business growth through marketing initiatives linked to activities supporting improved quality of life

Strategy

In response to the identified risks and opportunities, Kao has formulated the following strategies. The promotion of UD is a key strategy underpinning the basic policy of the Mid-term Plan K27: "to become an essential company in a sustainable world." Based on Kao's DE&I policy, "Diversity, Equity and Inclusion in Society," we aim to create a society where people with diverse backgrounds can connect and live together in harmony through *Yoki-Monozukuri*, which is committed to staying close to every consumer.

(1) Developing UD along the consumer flow of "knowing the product," "choosing," "buying," "using," and "disposing of"

Kao ensures a consumer-centric approach at all product touchpoints, providing products and services that meet diverse customer needs. This contributes to addressing consumer challenges while also enhancing differentiation, added value, and competitive advantage, ultimately leading to improved profitability.

Related initiative: P97 Mirrorless Makeup: Learn by Listening, P98 Web Accessibility

(2) Providing information and developing communication with consideration for diversity

Kao provides clear, highly accessible information and communication that considers diversity, meticulously delivering the information needed by diverse consumers. This enhances user benefits and accessibility.

(3) Developing a wide range of initiatives from an inclusive perspective

Kao promotes a wide range of initiatives that incorporate an inclusive perspective, including the development and provision of tools that support the use of products and services for people with diverse backgrounds—in terms of age, gender, nationality, disability and other aspects—without leaving anyone behind, to effectively provide value shared by diverse consumers and customers. Kao enhances trust and loyalty towards the brand by conducting support activities aimed at solving the issues faced by consumers and customers.

(4) Collaborating with companies, government agencies, and consumer organizations that have a DE&I-oriented perspective

By strengthening collaboration with companies, government agencies, specialized institutions, and consumer organizations with a DE&I-oriented perspective, Kao incorporates firsthand insights into the development of high-quality products and services. This leads to the creation of new markets and the provision of greater added value.

Impact generated by implementing the strategies

Through the aforementioned strategies, we expect to generate the following financial impact as well as environmental and social impact.

Financial impact

- Market expansion by addressing the needs of elderly individuals, people with disabilities, foreign nationals, and other diverse consumers, leading to the creation of new revenue sources
- Reduction of consumer dissatisfaction and complaints through improved product usability, resulting in lower related costs
- Long-term sales stability through increased customer loyalty and repeat purchase rates

Environmental and social impact

- Improved safety and efficiency in product use for consumers, enhancing peace of mind and comfort
- Contribution to a richer life for diverse consumers
- Operational efficiency improvements in customer facilities (medical, hospitality, food service, etc.) through professional-use products, as well as expanded utilization of diverse employees, contributing to business management

Strategic resilience

By continuing product development based on our Universal Design Guidelines and providing clear information for diverse consumers, Kao differentiates itself from competitors while maintaining and enhancing brand value. Additionally, by ensuring strict compliance with legal regulations and advancing product design that considers diversity and safety, Kao prevents litigation risks and declines in trust. This enables us to maintain resilience, allowing for flexible adaptation to unexpected market changes and competitive environments.

Metrics and targets

To enhance the effectiveness of our strategy, we have established performance indicators related to risks and opportunities and regularly monitor our progress. For significant risks and opportunities, we set targets and track their achievement, ensuring steady progress alongside ongoing improvements that utilize the PDCA (Plan, Do, Check, and Act) cycle.

Targets and progress

Strategy	Metrics						Mid- to long-term targets	
		2021	2022	2023	2024	2025	Target value	Year
(1)	Percentage of new and improved products compliant with Kao's Universal Design Guidelines	98%	99%	99%	99%	–*	100%	2030

* No data were compiled for fiscal year 2025 due to the transition period for the new metrics framework.

Under this theme, with the goal of providing products and services that are easy for everyone to use, we have established a target for the percentage of new and improved products that comply with the Kao Universal Design Guidelines as an indicator of compliance with universal design (UD) during the product design phase. This indicator is intended to ensure a certain level of quality regarding usability and safety in product design, and it has consistently maintained a high standard, achieving 99% for three consecutive years. However, we recognize that while this indicator reflects compliance with design standards, it does not fully capture the diversifying needs of consumers or actual usage patterns. In light of this situation, as the next step, we will work to evolve this indicator to one that is more closely linked to business results and consumer value. Specifically, we plan to formulate new UD guidelines applicable globally by fiscal year 2026 and begin piloting the new KPIs starting in fiscal year 2027. We will continue to promote UD compliance for new and improved products throughout the transition period.

Metrics and results

Strategy	Metrics	Results			
		2022	2023	2024	2025
(2)	Reach of information provision for people with disabilities (e.g., web content views, number of classes conducted for schools for the deaf and blind)	19,543 people	45,340 people	45,555 people	50,891 people
(2)	Cumulative distribution of braille stickers	3,620 sets	7,218 sets	8,048 sets	8,804 sets
(2)	Compliance with WCAG 2.1 Level AA on Kao's website	20%	42%	83%	84%
(2)	Percentage of Kao commercials with subtitles	53%	82%	75%	81%

Kao is strengthening its efforts to incorporate UD perspectives not only in product development but also in communication.

The handwashing classes content for schools for the deaf and blind has been expanded to include special needs schools since 2023, making it available to a wider range of special needs schools.

Governance

The Global Consumer Care serves as the supervising division, and the person in charge of that division promotes strategies for UD 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.

P62 Our ESG Vision and Strategy > Governance

Risk and opportunity management

Policies

At Kao, we have established the following policies as guidelines for our daily operations and decision-making in executing our UD. For more details, please visit our website.

Kao Universal Design Guidelines
https://www.kao.com/global/en/sustainability/me/universal-design/guidelines/

Management process

The status of our efforts to address risks and opportunities in the pursuit of promoting UD 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 (P96-98).

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 promoting UD. 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		Initiative		
Overall	(1) Developing UD along the consumer flow of “knowing the product,” “choosing,” “buying,” “using,” and “disposing of”	*Bioré-u the Body Foaming Type for Shower Head*	Enhancement of identifiability with creative ideas for the front and back indicators on *Relief Easy to Put On and Take Off Thin Briefs with Double Absorbency*	
Products and information provision	(2) Providing information and developing communication with consideration for diversity	Expansion of “Hair styling to hear,” “Skincare for everyone”and “Mirrorless Makeup: Learn by Listening”		Promotion of UX/UI improvements for websites and online services
	(3) Developing a wide range of initiatives from an inclusive perspective	Expansion of universal manner training		
External collaboration	(4) Collaborating with companies, government agencies, and consumer organizations that have a disability perspective			

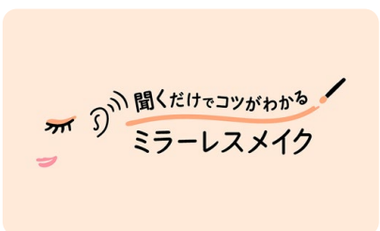
Mirrorless Makeup: Learn by Listening

Region: Japan
Corresponding strategy: (2)

“Mirrorless Makeup: Audio Guidance for Inclusive Makeup” was developed based on insights gained from a seminar for students with visual impairments on pre-employment grooming. We assisted the students with applying makeup, and the people around them naturally offered compliments on how beautiful and cute they looked. The students were delighted by these words, and the entire venue was filled with smiles. This marked the starting point of our project.

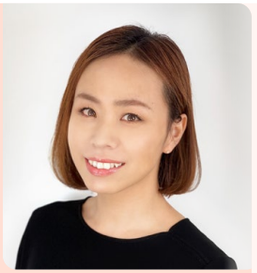
Later, we conducted surveys with a broader group of people with visual impairments and found that many had stopped using makeup due to anxiety about making mistakes as their vision declined. In response, we carefully explored ways to encourage such individuals to continue using makeup. Reflecting the many perspectives we heard, we created Mirrorless Makeup.

The main feature of this approach is that it helps users achieve a natural-looking finish without specific cosmetic products or a mirror, simply by following audio guidance and moving their hands accordingly. It can also be practiced repeatedly anytime and anywhere. Currently, five modules, including supplementary videos, are available online with four additional modules scheduled for release in summer 2026.



Employees’ opinions

Toward a world where everyone can enjoy makeup in their own way



Sayaka Iwaya
Corporate Citizenship (Beauty), Strategic Public Relations

Everyone aspires to look more beautiful or cute, which is why we developed Mirrorless Makeup, allowing people to apply makeup using audio guidance, without relying on a mirror.
I hope this will encourage those who previously gave up on makeup due to visual challenges to try again, while also helping beginners practice at their own pace.
Makeup is a wonderful tool for lifting one’s spirits and building self-confidence. I hope more people will be able to enjoy makeup in a way that suits them, without fear of failure. I have received feedback from users of this method such as, “I am now able to do things I had given up on,” and “I was amazed at how well this makeup came together without relying on sight.”
Mirrorless Makeup has only just launched, and I would like to develop it further so that it is cherished by more people, helping to create a kind society in which everyone can freely embrace beauty. Going forward, I will continue to incorporate feedback from users with visual impairments as I refine the functionality and guidance. I will also share this approach more widely so that it can reach even more people.

Enhancing UX through web accessibility improvements

Region: Global
Corresponding strategy: (2)

In 2022, the Kao Group announced a policy to target the WCAG 2.1, Level AA, an international standard for web accessibility, with the aim of providing digital information that is easy for anyone to access.

Kao has long been committed to Yoki-Monozukuri and, from the perspective of universal design, has provided products and services that are easy for anyone to use (such as shampoo bottles with ridges and the distribution of Braille stickers). As the next step of Yoki-Monozukuri, Kao is working on universal design for the web.

Kao introduced a proprietary checklist for companies involved in its website development, raised awareness internally and externally through briefing sessions, and established an FAQ site and a support desk. Following these efforts, approximately 80% of Kao's major domestic websites have undergone accessibility remediation.

In 2024, Kao conducted a website experience survey with people with disabilities. The results confirmed that Kao's previous efforts had produced positive results, and also gained many new insights from user feedback. Kao will continue its efforts to further enhance the user experience.

Employees' opinions

Creating websites that are easy for anyone to use, based on an understanding of consumers

Hirotaka Kondo
Customer Relationship Management Enterprise Information Systems, Digital Strategy
Kao Corporation

When you hear the general term "accessibility improvements," you tend to think of them as measures aimed solely at people with disabilities. I was present when the website experience survey was conducted, and as an observer, I found many issues that I could relate to. For example, pages with a lot of information took a long time to read, and excessive use of color strained my eyes. Through this survey, I realized that all consumers, regardless of disability, can benefit from user experience improvements. I would like to utilize this valuable experience to learn more about consumers' actions and feelings, and to better understand and empathize with them so that I can implement accessibility improvements in the best possible way. Additionally, I aim to enhance the usability of websites for everyone and ensure that accurate information is delivered across all platforms, thereby further enhancing the user experience.

Stakeholder engagement

Taking on the challenge of more inclusive language and design

Sami Yamamoto
viwa Organization for Lifestyle Support for People with visual impairments

As a former Kao employee, I worked in public relations within the Cosmetics Business. Living with a visual impairment, I came to appreciate the joy of makeup through the advice and support of many colleagues.

At the time, I was interested in makeup trends, although they often felt difficult to achieve. I also wanted to share the joy of makeup with others facing similar challenges, but I was unable to pursue this within my role before leaving the company. Later, a former colleague contacted me, and I became involved in the makeup guide project.

The greatest challenge was expressing sensations that vary from person to person using words alone, without relying on visual information. The focus was on designing guidance that fully conveys what is needed through audio alone, rather than increasing the amount of explanation. It was highly effective to combine this approach with video.

Makeup plays an important role in how we present ourselves and has the power to uplift our spirits. When we put on makeup, we naturally hold our heads higher and feel more able to connect with others. I want to help create a society where everyone can experience the joy of makeup. I hope that Kao's commitment to practical and meaningful inclusion for people with disabilities will gain recognition and be seen as part of Kao's values.

Left: Ms. Nara from viwa. Center: Ms. Yamamoto from viwa. Right: Ms. Iwaya.