

Kao Corporation

Kao Corporation



Tomiro Nagase (1862-1910)
Kao's founder

“One should know that great success in life is not possible without good fortune.

Good fortune is given to only those who work diligently and behave with integrity”

Kao 's Origin

KAO BEGAN AS A SMALL COMPANY PRODUCING HIGH-QUALITY FACIAL SOAP 130 YEARS AGO.

The product was named “Kao” to communicate the premium feeling of facial soap, a product called *kao-arai* (literally, “face-wash”) at the time because the pronunciation is the same as “face” in Japanese. Kao was later adopted as the company name.



Providing high-value products and services in some 100 countries and areas

Asia

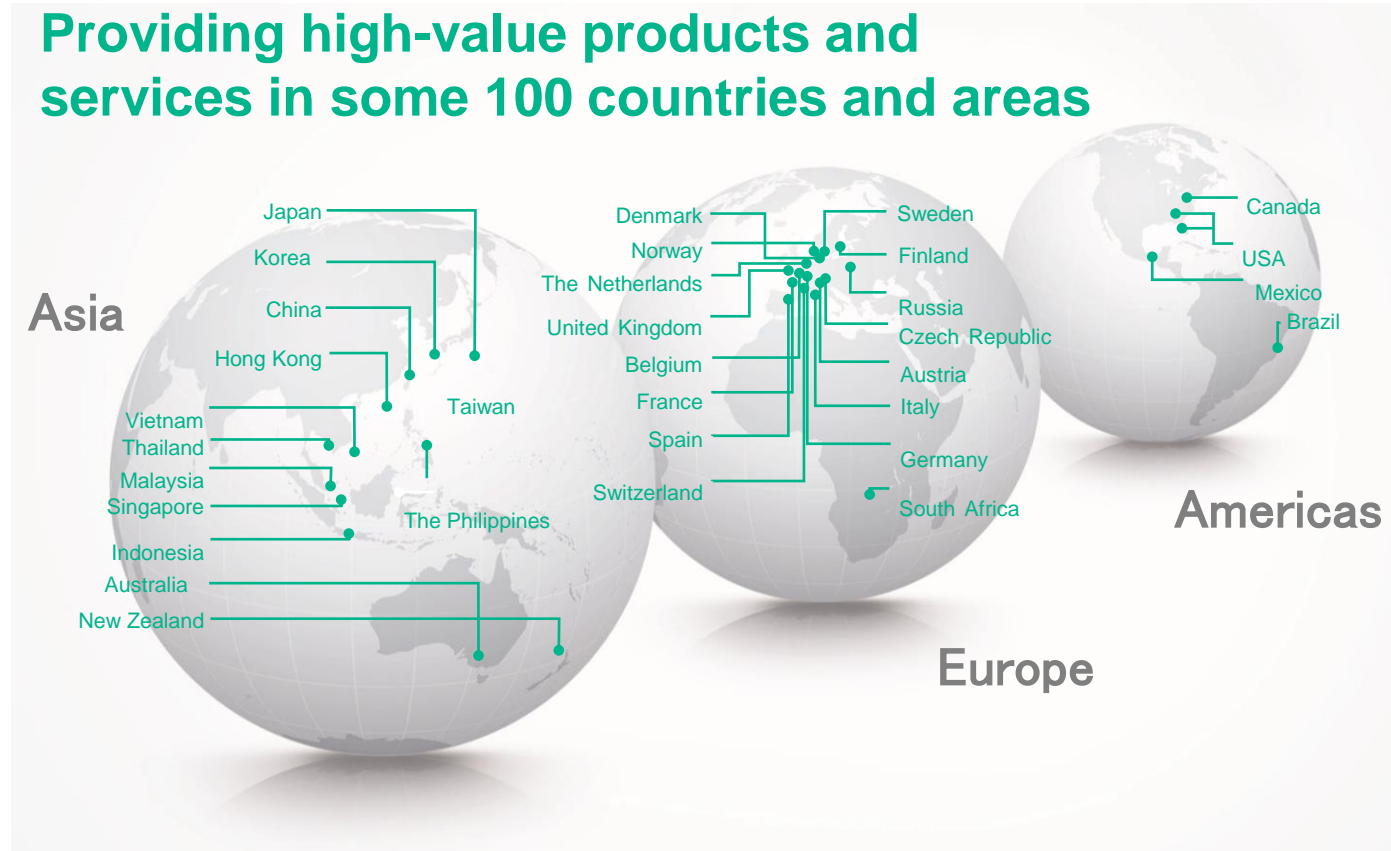
- Japan
- Korea
- China
- Hong Kong
- Taiwan
- Vietnam
- Thailand
- Malaysia
- Singapore
- The Philippines
- Indonesia
- Australia
- New Zealand

- Denmark
- Norway
- The Netherlands
- United Kingdom
- Belgium
- France
- Spain
- Switzerland
- Sweden
- Finland
- Russia
- Czech Republic
- Austria
- Italy
- Germany
- South Africa

Americas

- Canada
- USA
- Mexico
- Brazil

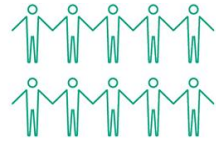
Europe



Intro to Kao

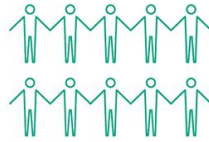


133 years
in
business



33,664

※As of December 31, 2018



Number of patents held

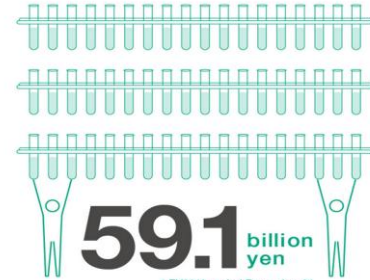


PATENTED

16,991

* As of December 31, 2019

R&D expenses

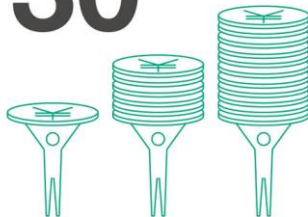


* FY2019 ended December 31

Cash dividends per share

No.1 among
Japan's public companies

30 consecutive fiscal
years of increase



* FY2019 ended December 31

Consolidated net sales



※As of December 31, 2018

Consolidated Net Sales by Segment



Chemical Business



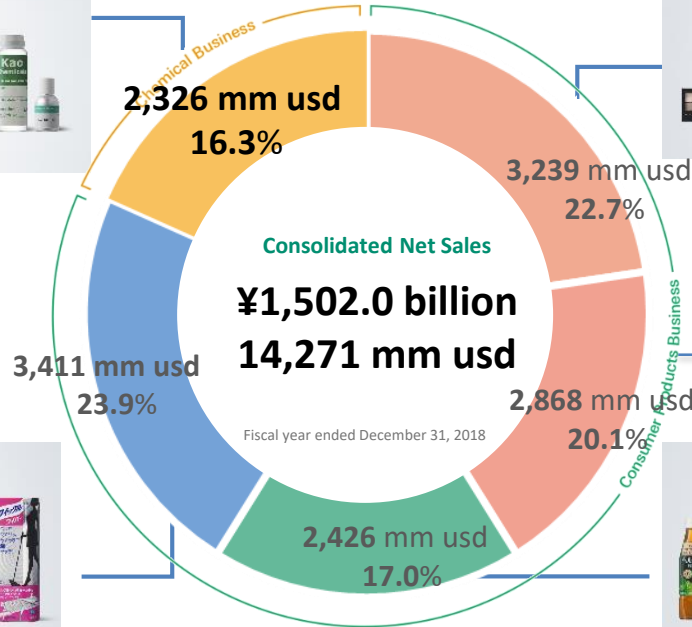
Skin Care and Hair Care Business



Fabric and Home Care Business



Human Health Care



Since the fiscal year ending December 2019, Kao has subscribed to International Financial Reporting Standards (IFRS). The composition of net sales shown on the graph is calculated based on net sales to external customers. Net sales for the Chemical Business includes internal sales between segments.

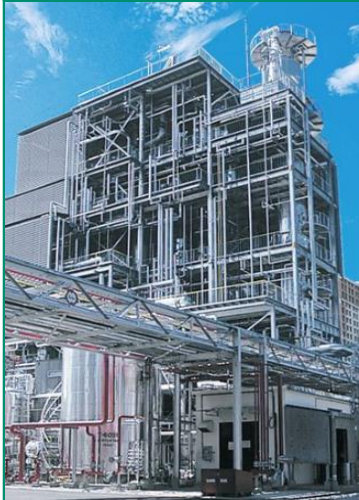
Currency exchange: 1 Euro = 130 Yen

Our position in the world



Num.1

Capacity of
fatty alcohol
plant



Num.1

Market share of
Water-reducing
agent for concrete
in Asia



1 out of 3

Color copies are
from Kao's toner



1 out of 2

Eco-friendly tires
are used Kao's
technology



THE KAO GROUP IS COMMITTED TO ACTIVITIES CONTRIBUTING TO THE SUSTAINABILITY OF SOCIETY

Kao's mission is to strive for the wholehearted satisfaction and enrichment of the lives of people globally and to contribute to the sustainability of the society.

By developing innovative products and services, we work to conserve the environment and foster well-being in the communities we serve now and in the future.



3 KEY AREAS

Day-to-day Work / Basic Activities

THREE ELEMENTS THAT CONTRIBUTE TO THE FORMATION OF A SUSTAINABLE SOCIETY



Environmental



Society



Governance



We play a key role in implementing the Sustainable Development goals to energize Japan and the world !

Commitment to Society and Evaluation by Society

Kao promotes efforts to address issues of the environment, society, and governance in order to contribute to the formation of a sustainable society.

Commitment to Society

WE SUPPORT



Evaluation by Society

MEMBER OF
Dow Jones Sustainability Indices
 In Collaboration with RobecoSAM



Kao's Environmental Statement is the fundamental principle by which the company promotes ecology-centered management toward the goal of achieving a sustainable society.

Kao products are designed for everyday use, in homes around the world.

That's why we utilize original Kao-developed technologies to minimize the impact they have on the environment, not just in the manufacturing process, but in the daily life of the customers who use them.

From materials procurement and manufacturing, to distribution, sales, use, and final disposal, we want to engage in "eco together" with stakeholders and consumers worldwide.

**Enriching lives.
In harmony with
nature.**



KAO CHEMICALS EUROPE

Kao Corporation

Production sites in Kao Chemicals



Headquarters

Kao Chemicals Europe, S.L. Puig dels Tudons, 10-Pol.Ind Santiga
08210 Barberà del Vallès-BARCELONA

Kao Chemicals Europe is part of Kao Group, having **3 production sites** located in **Germany** (Emmerich), **Spain** (Olesa de Montserrat, Mollet and Barberà del Vallès) and **México** (Guadalajara) and the headquarters located in Barberà del Vallès. Since 1999, Kao Chemicals Europe works as a holding company, giving support to the sales structure within the **5 different Business Units** into which the company is organized.



Kao Chemicals Europe – Business Units



**FRAGRANCE &
AROMA CHEMICALS**



**IMAGING
MATERIALS**



**SURFACTANTS FOR
CONSUMERS
APPLICATIONS**



OLEOCHEMICALS

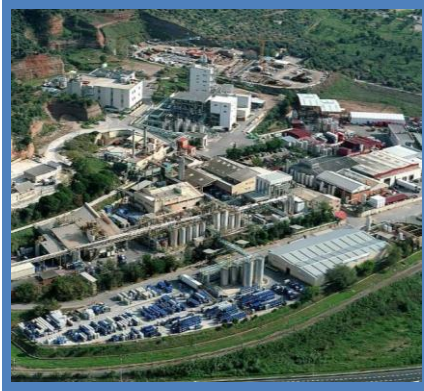


**SURFACTANTS FOR
TECHNICAL
APPLICATIONS**

Kao Chemicals Europe – Production sites

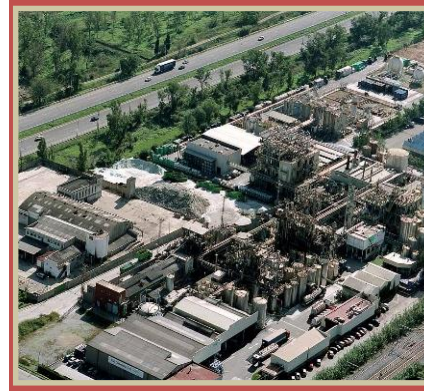
Olesa de Montserrat

- Anionics
- Amphoterics
- Non-ionics
- Blends
- Esterquats
- MDJ - Ambroxan
- Fragrances



Mollet del Vallés

- Cationics
- Esterquats
- Lactones
- Aldehydes



Emmerich (Germany)

- Tertiary Amines
- Ethercarboxylates
- Anionics



Guadalajara (Mexico)

- Cationics
- Esterquats
- Amines



Kao Chemicals Europe – Strenghts



- > High quality
- > Stable supply
- > Good Knowledge in market

- > History in wide range of industries
- > Application of basic and various technologies

- > Safety assessment with reliability
- > Evaluation technology
- > Fundamental research
- > Consumer's needs

BECAUSE CREATIVITY IS THE ANSWER...



**~4% over
Net Sales
R&D Expenses**

**14,400
Patents
Helds**

**3 R&D
Laboratories:**
→ Emmerich
→ Barberà
→ Guadalajara

**Most
advanced
technology**

**>10% R&D
employees**
Highly qualified
researchers team

**85 R&D
people out of
838 KCE
employees**

QUIMI-KAO, S.A DE C.V. (MEXICO)

Kao Corporation



**July
1978**

Start production

**3,000
MT/year**

Initial volume

**150,000
MT/year**

Current volume

WHERE WE ARE LOCATED?



- GDL MZone Population 5.1 Million
- 550Km from Mexico City (435Km -MH-)
- 15min from International Airport
- 300Km International Port



6

MAIN CHEMISTRIES

- Fatty amines mono/poly
- Quaternary ammonium salts
- Amine oxides
- Benzalconium chlorides
- Esterquat
- Imidazolines



224

EMPLOYEES

- 109 employees GDL
- 6 Mex. Office
- 109 workers



170,000 M²

FACILITIES

- Current Facilities: 90,000 m².
- New land 80,000 m²



RAW MATERIALS FOR SURFACTANTS

Fatty amines, ethoxylated fatty amines, Fatty alcohols.



OIL INDUSTRY

Corrosion inhibitors.



GYPSUM

Dispersants



AGROCHEMICALS

Adjuvants, emulsifiers.



BACTERICIDES

Fungicide, germicide, microbicide.



FRAGRANCES

Aroma Chemicals.



PERSONAL AND HOME CARE

Shampoo and hair conditioner, detergents, degreasers, Basis for fabric softeners, thickeners, foaming agents, humectants, bactericides.



MINING

Ore flotation agents.



CONCRETE

Water reducers medium and high range ("superplasticizer"), air entraining, dispersants, etc.



METAL

Anticorrosive, Lubricants for conveyor chains.



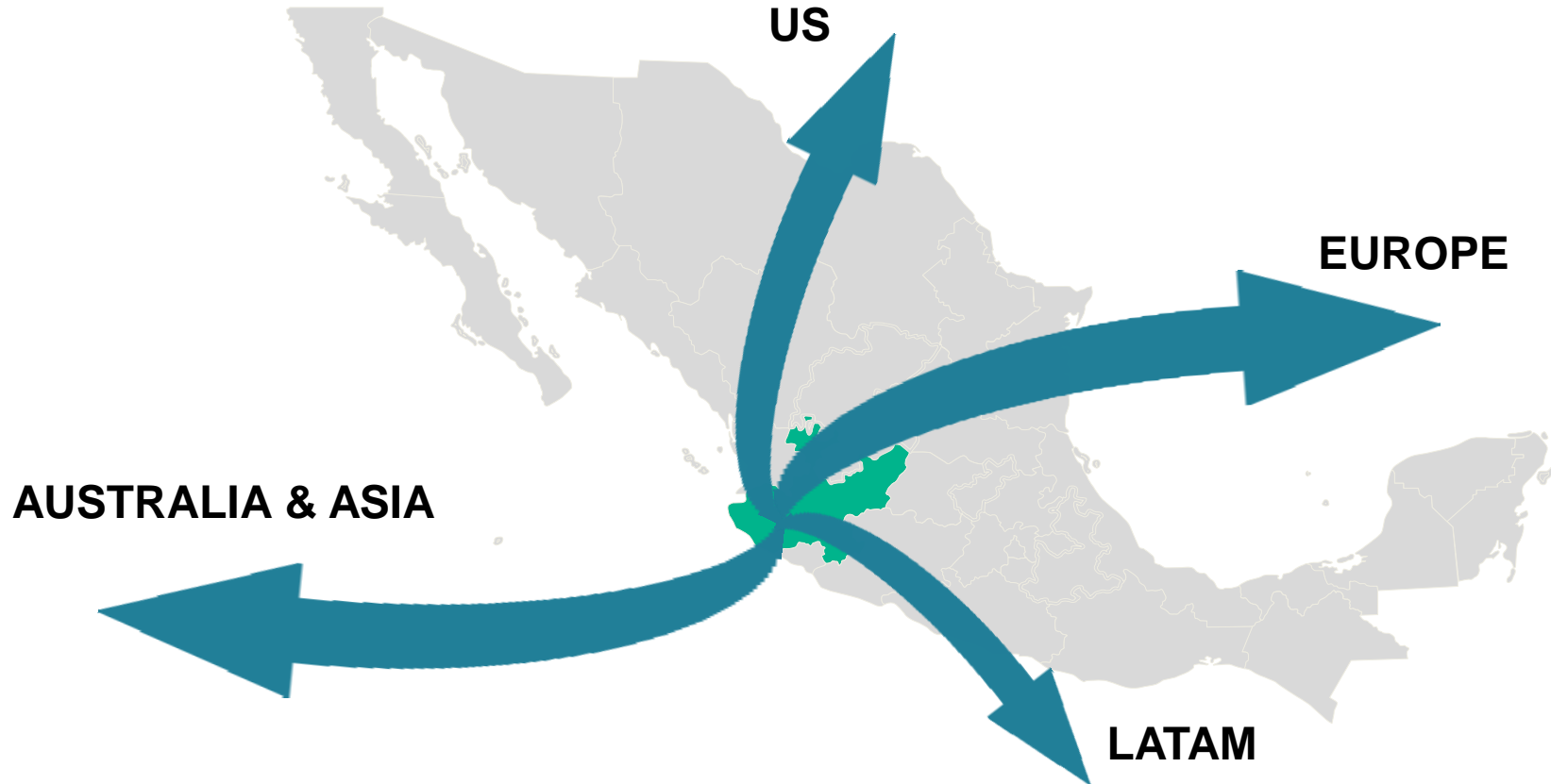
CERAMIC

Dispersants



ASPHALTS

Emulsifiers, rheology modifiers, HMA additives, RAP additives.



Quimi-Kao Certification



QUALITY ISO 9001
ISO-9001-2015



RESPONSIBLE CARE ANIQ

Responsible Care
Mexican Chemical
Association



Environmental SEMARNAT



Environmental Mexican
Ministry



Labor (self mag) STPS

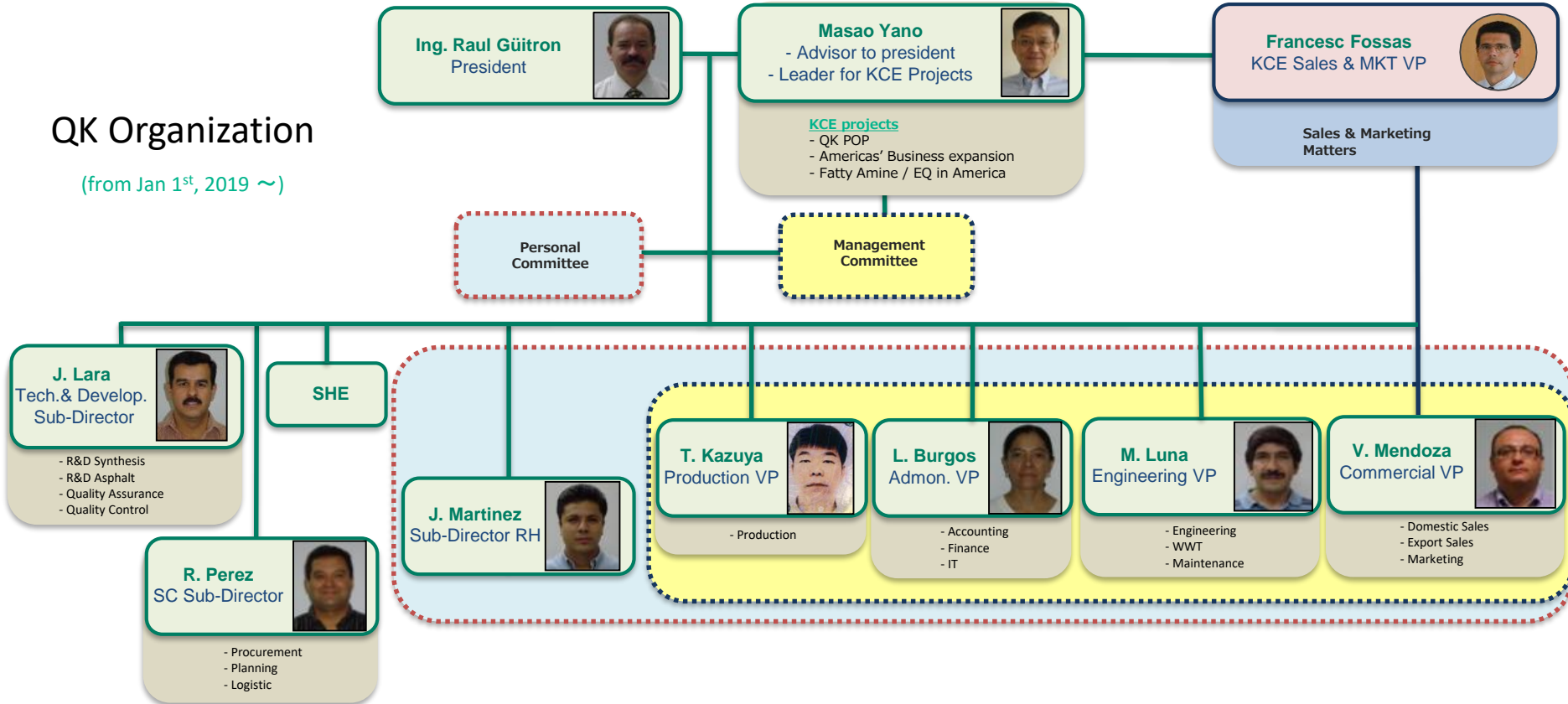
Labor health & safety
Mexican Ministry

Quimi-Kao S.A de C.V. (Mexico)

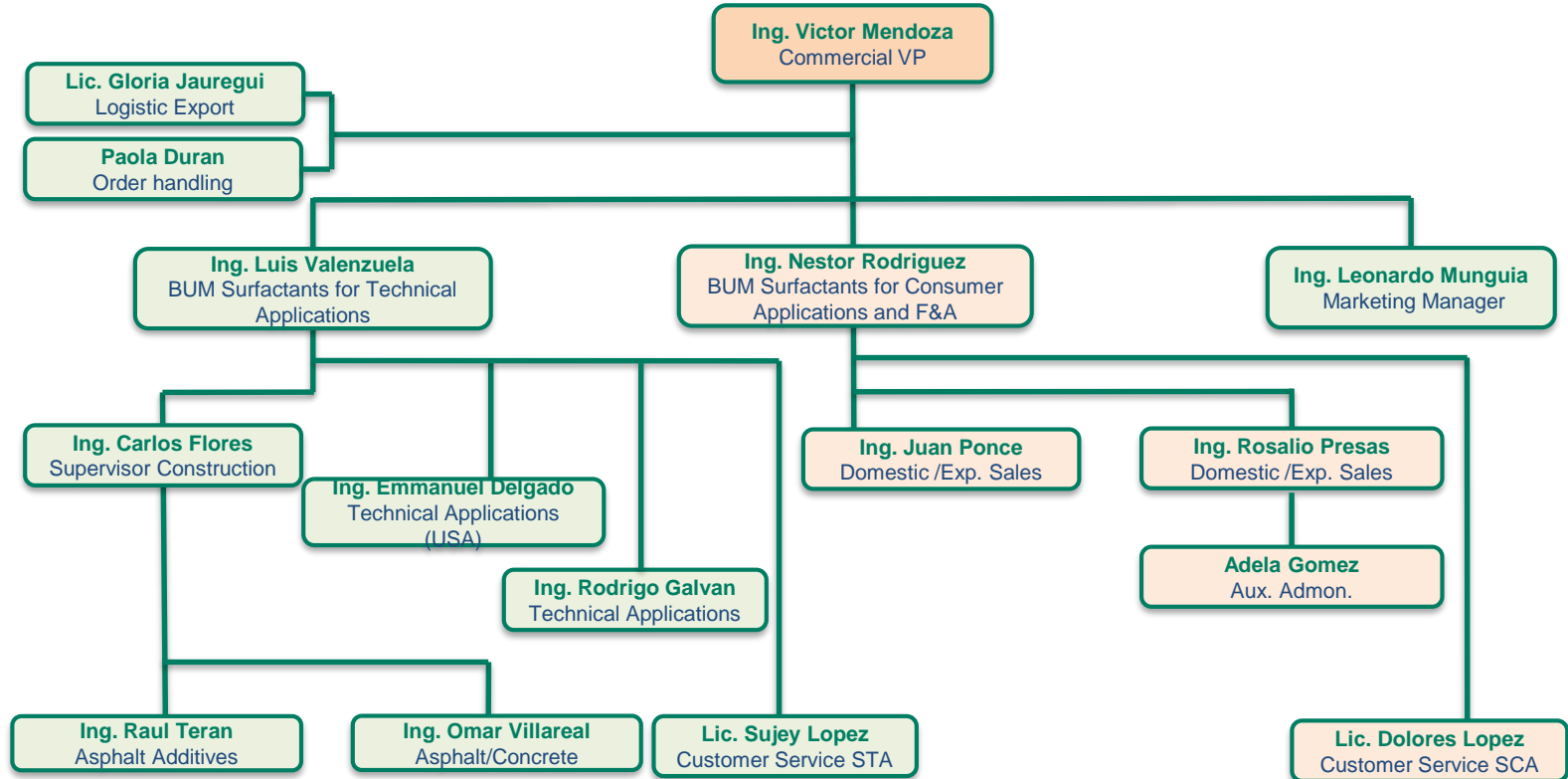


QK Organization

(from Jan 1st, 2019 ~)



QK Sales & Marketing Organization



THANK YOU!