Establishment of a New Shareholder Benefit Program

August 5, 2026

We are pleased to announce that, at a meeting of the Board of Directors held today, the Company resolved to establish a shareholder benefit program (hereinafter referred to as the "Benefit Program") as described below.

1. Purpose and Positioning of the New Shareholder Benefit Program

The Company has decided to introduce this shareholder benefit program in order to express its gratitude to its shareholders, deepen their understanding of the Company's corporate philosophy, business activities, products, and brands, and expand its shareholder base of those who sympathize with Kao's *'Yoki-Monozukuri'**and will support the Company over the medium to long term.

There is no change to the Company's existing shareholder return policy, which is based on stable and continuous dividends combined with flexible share repurchases aimed at improving capital efficiency, and this shareholder benefit program is positioned as a supplement to that policy.

2. Overview of the Shareholder Benefit Program

(1) Eligible shareholders

This applies to shareholders who are listed or recorded in the Company's shareholders' register as of the record date (December 31 of each year) and who have held 100 or more shares of the Company's common stock for at least six months.*1

The initial record date is December 31, 2026.

(*1) "Holding for at least six months" means that, under the same shareholder number, the shareholder is continuously listed or recorded in the Company's shareholders' register as of both June 30 and December 31 each year (the "Continuous Holding Requirement"). **For the initial implementation only, the requirement is that the shareholder is listed or recorded in the shareholders' register as of December 31, 2026**. (The Continuous Holding Requirement does not apply.)

(2) Commencement date of this shareholder benefit program

This program will be offered to shareholders who hold 100 or more shares of the Company's common stock, as recorded in the shareholders' register as of December 31, 2026.

(*2) The Company conducted a stock split effective July 1, 2026, at a ratio of two shares for each one share of common stock, with June 30, 2026 as the record date. For the initial implementation, the number of shares held will be determined based on the number of shares after the stock split recorded in the Company's shareholders' register as of December 31, 2026.

*The Kao Group defines Yoki-Monozukuri as a strong commitment by all members to provide products and brands of excellent value for consumer satisfaction. In Japanese, Yoki literally means "good/excellent," and Monozukuri means development/manufacturing of products.

(3) Details of this shareholder benefit program

① **Shareholder benefits will be granted according to the shareholding categories listed below.**

	Number of shares held*3	Shareholder benefit details	
Application required Available to all applicants	1,000 shares or more	1. Cosmetics set worth 10,000 yen	You may choose one of the two sets
		2. Household goods set worth 10,000 yen	
	400 to 999 shares	1. Cosmetics set worth 6,000 yen	You may choose one of the two sets
		2. Household goods set worth 6,000 yen	
Lottery-based Winners Only	100 to 399 shares	Company’s products will be provided to the winners as lottery prizes*4	You may apply for the lottery-based benefit program

(*3) The shareholder benefit applies to the category corresponding to the smaller number of shares held as recorded in the Company's shareholders’ register as of either June 30 or December 31 each year. For example, if you hold 400 shares on June 30, 2027, and 1,000 shares on December 31 of the same year, you will be eligible for the benefit under the 400-share category. **However, for the initial implementation only, eligibility will be based solely on the number of shares recorded in the shareholders’ register as of December 31, 2026.** (The number of shares held as of June 30, 2026 will not be a condition.)

(*4) Details, including the number of winners, will be announced on the Company's website and elsewhere at a later date.

② **In addition to ① above, the Company will also implement a benefit program that allows selected winners to participate in an in-person event hosted by the Company**.

This benefit program applies to shareholders who are listed or recorded in the Company’s shareholders’ register and who hold 100 or more shares of the Company’s common stock, regardless of the record date and the Continuous Holding Requirement applicable to the shareholder benefits under ① above. The detailed conditions, including the record date for determining eligible shareholders, and the outline of the program will be announced again on the Company’s website and elsewhere.

(4) Scheduled timing of benefits

Item ① above: For the initial implementation, the Company plans to deliver gift items sequentially to shareholders who have applied or been selected as winners, commencing around June 2027. Once the details are finalized, the Company will provide further information on its website and elsewhere, or in writing.

Item ② above: The Company will announce details each time the program is determined.

3. Other

Details regarding the contents of the Benefit Program will be announced again on the Company's website and elsewhere.

End