



















●Progress Situation of CSR Material Issues of the Mandom Group and KohDoh Plan for the Future

ISO 26000 Core Subjects	Mandom Group's CSR Material Issues (Ver. 2)	Related SDGs themes (SDGs: Sustainable Development Goals)	Main specific activities in FY2018	Overall assessment (including some of the most recent activities)	Setting of long-term goals	Policy for the future and KohDoh plan	
	No. Course of action for CSR material issue						
 <p>The Environment</p>	7	<p>Theme Promoting measures toward a carbon-free society</p> <p>Promoting measures to create a carbon-free society based on the Paris Agreement, and efforts to reduce greenhouse gas emissions at all sites</p>	 	<ul style="list-style-type: none"> Calculated Scope 3 emissions for Mandom alone, and clarified key ways in which to reduce CO₂ emissions. Revise company-wide CO₂ emissions reduction goal in line with the Paris Agreement and government policies. Installed new boiler equipment at Fukusaki Factory, and reduced CO₂ emissions by switching fuel from kerosene to LPG. Promoted adoption of power reduction equipment (e.g., switching to LED lighting or changing transformers). 	<ul style="list-style-type: none"> Total energy input in FY2018: 443,580 GJ (2.3% decrease over previous year) Domestic sites: 121,481 GJ (4.8% decrease over previous year) Overseas sites: 322,099 GJ (1.9% increase over previous year) Total greenhouse gas (CO₂) emissions in FY2018 Scope 1 + 2: 30,766 t (0.2% increase over previous year) Domestic sites: 5,781 t (7% decrease over previous year) Overseas sites: 24,985 t (2% increase over previous year) 	<ul style="list-style-type: none"> Reduce total Scope 1 + 2 CO₂ emissions for domestic business by 26% relative to FY2013 levels by 2027. Reduce total CO₂ emissions for the Mandom Group by 80% relative to FY2013 levels by 2050. 	<ul style="list-style-type: none"> Examine use of renewable energy. Continue and expand energy conservation activities. Expand calculation of Scope 3 emissions to include overseas sites.
	8	<p>Theme Protecting biodiversity</p> <p>Grasp the impact on biodiversity of each product throughout its life cycle and carry out measures to protect biodiversity</p>	 	<ul style="list-style-type: none"> Began purchasing RSPO credit through the Book & Claim system for the raw materials derived from palm oil that are used most domestically. Began switching to FSC-certified paper for all cardboard used to transport products at Fukusaki Factory. 	<ul style="list-style-type: none"> Purchased credit through the Book & Claim system FY2018: 100% of most used materials derived from palm oil Percentage of cardboard cartons that now use FSC-certified paper FY2018: 57% 	<p>Achieve the following by 2027</p> <ul style="list-style-type: none"> Switch all palm oil used in our materials to RSPO-certified palm oil. Use certified paper for all paper containers and packaging. 	<ul style="list-style-type: none"> Continue purchasing RSPO credit through the Book & Claim system for the raw materials derived from palm oil that are used most domestically. Examine possibility of purchasing RSPO credit through the Book & Claim system for other materials derived from palm oil. Use FSC-certified paper for all cardboard by 2020. Continue promoting switch to paperless operations.
	9	<p>Theme Promoting a recycling-oriented society</p> <p>Achieve and maintain zero emissions by fully recycling industrial waste</p>		<ul style="list-style-type: none"> Fukusaki Factory: Selected contractor capable of recycling industrial wastes for landfill disposal. Head Office: Confirmed that zero emissions are maintained at industrial waste disposal contractors. 	<ul style="list-style-type: none"> Industrial waste recycling rates Fukusaki Factory: 100%, Head Office: 100% Continued achieving zero emissions and carrying out activities aimed at reducing waste. 	<ul style="list-style-type: none"> Continue achieving zero emissions. 	<ul style="list-style-type: none"> Reduce industrial waste produced when filling containers. Continue confirming that zero emissions are maintained at industrial waste disposal contractors.
 <p>Fair Operating Practices</p>	10	<p>Theme Building and implementing CSR procurement system</p> <p>Draft Supplier CSR Guidelines and gain the cooperation of suppliers to build and operate a CSR procurement system (Based on the specific topics within three core subjects— human rights, labor practices and the environment)</p>	  	<ul style="list-style-type: none"> Published the Mandom Group corruption prevention policy and corruption prevention guidelines, and began company-wide education. Both the policy and guidelines are available in eight languages, including Japanese (November 2018 onwards). Instilled the Mandom Group Supplier CSR Guidelines (Ver. 2) among domestic suppliers and carried out a self-assessment questionnaire with them for the second time (December 2018). Carried out the same questionnaire with local suppliers of Mandom Indonesia (February 2019). 	<ul style="list-style-type: none"> Guideline issuances and self-assessment questionnaires Domestic sites <ul style="list-style-type: none"> September 2016 (Ver. 1): 78 companies November 2017 (Ver. 2): 21 companies December 2018: 78 companies Indonesia <ul style="list-style-type: none"> February 2019: 94 companies Failed to revise Mandom Group procurement policy. 	<p>(Under review)</p>	<ul style="list-style-type: none"> Expand scope to include secondary/tertiary and overseas suppliers, etc. Revise Mandom Group procurement policy, and explain to/instill in suppliers. Continue checking response to Supplier CSR Guidelines and self-assessment questionnaire. Examine evaluation methods for strengthening monitoring capabilities.
 <p>Consumer Issues</p>	11	<p>Theme Taking responsibility for quality and the health and safety of consumers</p> <p>Effective administration and continuous improvement of a quality management system in every phase of our business activities— planning, design and development, procurement, production, shipping and sales</p>		<ul style="list-style-type: none"> Voluntarily recalled the following <ul style="list-style-type: none"> Seven hair foams, including Lucido, due to a mistake in ingredients list (July 25, 2018). Limited edition Bifesta cleansing lotion due to incorrect insertion of product description (June 5, 2018). 	<ul style="list-style-type: none"> Examined causes of product recall, clarified issues with response, and formulated measures to prevent recurrence. Revised quality assurance policy. Take up the challenge of zero quality complaints. 	<ul style="list-style-type: none"> Take up the challenge of zero quality complaints. 	<ul style="list-style-type: none"> Continuously improve and strengthen the quality assurance cycle for preventing product recall (strengthen checking function in PDCA).
	12	<p>Theme Creating new shared values with consumers</p> <p>Build a system of communication that enables the use of feedback from a wide range of consumers; build a product planning system that takes into consideration user-friendliness and safety</p>		<ul style="list-style-type: none"> Posted instruction video on our website to prevent misuse of hair foam products. Adopted a universal font (used in 65 of 68 new spring 2019 products). 	<ul style="list-style-type: none"> Although improvements were made in products and services based on feedback from customers, these did not go as far as creating new shared value with consumers. 	<p>(Under review)</p>	<ul style="list-style-type: none"> Promote the use of universal design for containers, explanatory labeling, and other elements, so all consumers can safely and securely use products.
 <p>Community Involvement and Development</p>	13	<p>Theme Detecting and contributing to new social paradigms</p> <p>Look into KohDoh that can promote thorough in-company understanding of and ability to contribute to international frameworks such as the UN Global Compact's 10 Principles and the Sustainable Development Goals (SDGs)</p>	 	<ul style="list-style-type: none"> Cooperated with Osaka fieldwork of second year students at Kansai University Senior High School (June 2018). Cooperated with SGH Fall Holiday Business/University Tour and Training of Osaka Prefectural Senri Senior High School (October 2018). Held sustainability seminar and dialogue with the help of WWF (December 2018). Held a luncheon seminar at the 92nd Annual Meeting of the Japanese Pharmacological Society aimed at promoting open innovation (March 2019). 	<ul style="list-style-type: none"> There were 64 participants at the sustainability seminar. Eight selected employees and seven observers participated in the dialogue. 	<p>—</p>	<ul style="list-style-type: none"> Actively participate in UN Global Compact (Network Japan) and efforts of other groups outside the company. Continue seminars and dialogues relating to social and environmental issues. Review and implement in-house education programs. Strengthen support for international reporting guidelines such as GRI, and bolster and continue strengthening communication system.
	14	<p>Theme Co-creating value with society</p> <p>Build co-creative relationships with research organizations, NGOs, NPOs and others to achieve sustainable social development and begin taking measures (with Japanese Society for Alternatives to Animal Experiments; Graduate School of Pharmaceutical Sciences, Osaka University, etc.)</p>	 	<ul style="list-style-type: none"> Continued efforts in the Joint Research Program with the Graduate School of Pharmaceutical Sciences at Osaka University. Concluded our first cross-appointment system agreement with Osaka University and the Graduate School of Pharmaceutical Sciences (August 3, 2018, News Release). Continued call for proposals for Mandom International Research Grants on Alternatives to Animal Experiments (Decided on research themes for 12th grant: May 14, 2019, News Release). 	<ul style="list-style-type: none"> See the following section of the website for previous results of the Joint Research Program with the Graduate School of Pharmaceutical Sciences at Osaka University. Community Involvement and Development > Joint Research Program with the Graduate School of Pharmaceutical Sciences at Osaka University https://www.mandom.co.jp/en/csr/comm_handai.html 	<p>—</p>	<ul style="list-style-type: none"> Continue efforts with the Graduate School of Pharmaceutical Sciences at Osaka University. Continue efforts with the Japanese Society for Alternatives to Animal Experiments. Pursue new co-creative relationships through efforts to address Issue No. 13.