

Kao Corporation

Basic Idea and Policy Concerning Reduction of an Investment Unit

February 21, 2022

1. Basic idea concerning reduction of an investment unit

Kao Corporation (the “Company” – *Ticker Code:4452*) recognizes that a reduction of an investment unit is one of the useful ways to vitalize the stock market such as increasing investors and improving liquidity of shares.

2. Policy concerning reduction of an investment unit

The Company will comprehensively examine this issue, taking into account relevant factors such as stock market conditions.