

14-10, Nihonbashi Kayabacho 1-chome, Chuo-ku, Tokyo 103-8210 Japan



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June 2, 2021

Kao Aims for Material Recycling of Plastic Bottles for Cosmetics, Begins Using Chemically Recycled PET Material

In line with its initiatives to realize plastic circularity in society, Kao Corporation will use chemically recycled PET (polyethylene terephthalate) material manufactured by PET Refine Technology Co., Ltd., a group company of JEPLAN, Inc., for its cosmetics bottle containers. It will progressively introduce this material starting in June 2021, beginning with bottles for its *Twany* cosmetics brand. Going forward, it will promote this initiative to collect used bottles and reuse them in cosmetics PET bottles, achieving material recycling from bottle container to bottle container.



Recently, the social trend toward reducing the burden on the environment been strengthening. A change in consumer purchasing awareness is visible, with an increasing number of people choosing environmentally friendly products. This is true for the cosmetics industry as well.

On the other hand, the use of recycled plastic in packaging requires guaranteed quality and a stable supply. In this initiative, the chemically recycled PET material that Kao will use for its cosmetic bottle containers was developed using BRING TechnologyTM, a chemical recycling* technology from JEPLAN. This technology enables the recycling of containers made from PET material into material with purity equivalent to virgin PET. The recycled material has been recognized for its quality, including certification by the Food Safety Commission of Japan, which is part of the Cabinet Office, for use in food containers. The technology is even capable of matching the quality of virgin PET when recycling PET material with color printing and decorations, or containing residual cosmetics content, which has long been considered a challenge. As it becomes feasible to recycle a wide range of used PET material, including cosmetics packaging, a stable supply of recycled material can be expected.

Going forward, Kao will continue working to achieve material recycling of cosmetics PET bottle containers and progressively expand its use of bottle containers using chemically recycled PET material. It is also considering ways to gather and reuse used containers.

*Used resources are chemically broken down into the raw materials for PET resin and recycled. The method displays excellent ability to eliminate foreign matter and impurities from the material being recycled.

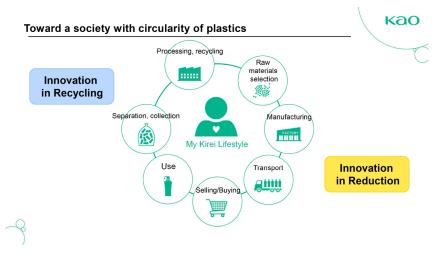
In April 2019, the Kao Group established its ESG strategy, the Kirei Lifestyle Plan, with 19 leadership and priority actions. The use of chemically recycled PET is an initiative that will contribute to "Zero Waste," one of the leadership action themes. Through full-scale utilization of recycled plastic for plastic packaging containers in Japan, in addition to the various approaches deployed to date, Kao is working to realize plastic circularity in society.

Kao's Kirei Lifestyle Plan ESG strategy and initiatives for realizing plastic circularity in society

The Kao Group's duty as an enterprise offering products used in daily life is to work actively to reduce the environmental impact of its products throughout their overall lifecycle. In April 2019, Kao established its ESG strategy, the Kirei Lifestyle Plan, which includes 19 leadership action themes. The Kao Group is elevating the *Yoki-Monozukuri* concept, developed through its corporate initiatives to date, to ESG-driven *Yoki-Monozukuri*, and strengthening initiatives to benefit the environment and society.

To date, Kao has contributed to solving the challenge of plastic waste, a major social problem, by making plastic packaging thinner, promoting the use of refill packaging, shifting over to larger containers, making products more highly concentrated, and using thin-film materials as packaging. In 2018, Kao announced "Our Philosophy & Action on Plastic Packaging," which summarized its stance regarding plastic packaging. In addition, in September 2019, the company announced that it would prioritize "Innovation in Reduction" and "Innovation in Recycling" to achieve plastic circularity in society.

In the future, the Kao Group will continue to implement its unique ESG activities globally, so as to deliver satisfaction and enriched lives for people around the world, and contribute to the sustainability of society.



About Kao

Kao creates high-value-added products that enrich the lives of consumers around the world. Through its portfolio of over 20 leading brands such as *Attack*, *Bioré*, *Goldwell*, *Jergens*, *John Frieda*, *Kanebo*, *Laurier*, *Merries*, and *Molton Brown*, Kao is part of the everyday lives of people in Asia, Oceania, North America, and Europe. Combined with its chemical division, which contributes to a wide range of industries, Kao generates about 1,400 billion yen in annual sales. Kao employs about 33,000 people worldwide and has 130 years of history in innovation. Please visit the Kao Group website for updated information.

https://www.kao.com/global/en/

<Related Information>

■Kao Sustainability website

https://www.kao.com/global/en/sustainability/

■Kao launches new ESG Strategy "Kirei Lifestyle Plan" to support consumer lifestyle changes

https://www.kao.com/global/en/news/sustainability/2019/20190422-001/

■Kao's New Challenges for the Future: Accelerating Purposeful Business Commitment with ESG <u>https://www.kao.com/global/en/news/business-finance/2019/20190926-001/</u>

■JEPLAN website

https://www.jeplan.co.jp/en/