News Release

Kao Corporation



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Kao and istyle

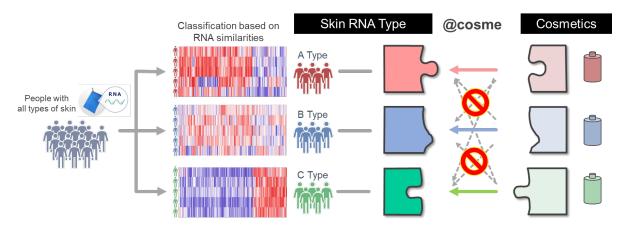
Using Sebum RNA Monitoring Technology to Create Encounters with Cosmetics that Suit Individual Skin Types

Joint Initiative Aimed at Customer Satisfaction and Reduction of Product Waste to Launch from Spring 2022

Kao Corporation and istyle Inc. will use the sebum RNA monitoring technology*1 developed by Kao and launch a joint initiative to develop a system that enables the efficient selection of cosmetics based on the skin RNA types.



From spring 2022, the initiative will start collecting the RNA in the sebum of members of the "@cosme" site operated by istyle, who have given their consent. The initiative will analyze the skin RNA type and the cosmetics selected then build a database based on the data of 10,000 people for efficient cosmetic selection. This will create encounters with cosmetics that match individual skin types, further enhance customer satisfaction, and at the same time help to reduce product waste due to an imbalance between supply and demand, which has been a challenge for the cosmetic industry.



Depiction of matching cosmetics based on skin RNA type

^{*1} Based on the June 4, 2019 Kao News Release: Kao's original non-invasive analytical method for monitoring RNA - Discovery of the presence of human RNA in sebum https://www.kao.com/global/en/news/rd/2019/20190610-002/

■ Background

While cosmetics are mass-produced for a wide range of consumers, the technology for developing and manufacturing cosmetics for individuals has also been evolving. As a result, the market has been flooded with a wide variety of cosmetics and information about them. Under such circumstances, it may be difficult to find cosmetics that "fit you."

@cosme, operated by istyle, is Japan's largest comprehensive cosmetics and beauty website, and many people choose cosmetics by referring to the evaluations posted there. However, the evaluations of the same product may vary. One of the reasons may be due to the different body and skin characteristics of each individual.

With Kao's sebum RNA monitoring technology, an oil blotting paper is used to collect sebum from the face then the RNA in the sebum is extracted and comprehensively analyzed. Using the data of thousands of types of RNA obtained from this process, Kao has been studying how to group skin types with similar RNA expression (skin RNA type).

Kao, together with istyle, are now collaborating to create new value by fusing the data and research knowledge of both companies and to contribute to the challenges faced by customers and the cosmetic industry.

■ Initiative Content Specifics

From spring 2022, members of @cosme who have given their consent will start to provide sebum RNA information in order to understand their preferred cosmetics, which differ depending on skin RNA type. Using the obtained RNA from the sebum, people can be grouped by their skin RNA type, and by combining that with the posted cosmetics evaluations, we can examine the relationship between preferred cosmetics and skin RNA type. Kao will assess up to 10,000 people and aims to build a database by the end of 2023.

■ Future Outlook

By using the objective indicator, skin RNA type, cosmetics can be selected efficiently, encounters with cosmetics that suit one's skin will be created, customer satisfaction will be further enhanced. This will create encounters with cosmetics that match individual skin types, further enhance customer satisfaction, and at the same time is expected help to reduce product waste due to imbalance between supply and demand, which has been a challenge for the cosmetic industry.

In the future, both companies plan to utilize the database for the development of services and products that enable users to search for cosmetics from a more objective perspective.



Yoshihiro Murakami (pictured right), Managing Executive Officer; President, Consumer Products - Cosmetics Business, Global; Senior Vice President, Consumer Products - DX Co-Creation, Global, Kao Corporation comments:

Kao has been conducting research using sebum RNA monitoring technology to separate skin into several types based on its RNA information. And now, as an ally who wants to create a mechanism to more logically match customers' skin and cosmetics, we have decided to start a joint initiative with istyle. Kao will continue to promote projects that befit customers' beauty and contribute to society.

Tetsuro Yoshimatsu (pictured left), President and Chief Executive Officer, istyle Inc. comments:

@cosme is a platform that creates encounters between consumers and beauty products that seamlessly connects online/offline services. Now, as a partner that wants to create a system to more logically match customers' skin with cosmetics, together with Kao, istyle can provide better ways of introducing consumers to beauty products, and aims to contribute to the revitalization of the cosmetic industry.

Kao Corporation

The Kao Group is developing the Consumer products business including Hygiene & Living Care, Health & Beauty Care, Life Care, and Cosmetics, and the Chemical business to meet the needs of industry, with the purpose of creating a Kirei life for all—providing care and enrichment for the life of all people and the planet.

From 2021, Kao launched its Mid-term Plan 2025 (K25), which declares Sustainability as the Only Path as its vision. We aim to be a total life care company that cares for all lives and "saves future lives."

istyle Inc.

With the vision of Creating Consumer-Centered Markets, the istyle group has expanded from Japan's largest comprehensive cosmetics and beauty site @cosme, to include Japan's largest cosmetics specialty e-commerce site @cosme SHOPPING, and cosmetic specialty shops @cosme STORE and @cosme TOKYO. Through the operation of online and offline beauty platforms, we are developing services that create happy encounters between consumers and all kinds of beauty-related projects, services and people.

*This news release is a translation of a Japanese-language news release dated March 7, 2022.	