

**FOR IMMEDIATE RELEASE**

March 17, 2022

## Progress of Kao, Lion and Ito-Yokado's Recycling Collaboration Field Testing In-store Used Refill Packs Collection at Ito-Yokado Hikifune Store

Kao Corporation, Lion Corporation and Ito-Yokado Co., Ltd. are conducting field testing of the separated collection and film packaging recycling from used refill packs at the Ito-Yokado Hikifune Store in Sumida-ku, Tokyo\*, to help realize the resource circulation of plastic packaging in society.

\* Sumida-ku was selected as one of the SDGs Future Cities and Local Government SDGs Model Projects in fiscal year 2021.



The collection results, challenges and initiatives from the start of the field testing in October 30, 2020 are as follows:

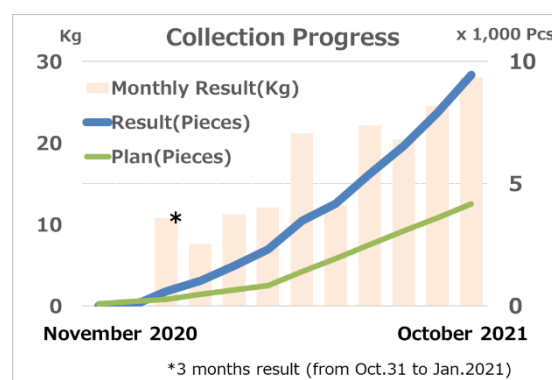
### Collection Status

#### ■ Collection amount

Approximately 9,500 film packages\* were collected during the one-year period from October 30, 2020 to the end of October 2021.

Thanks to the cooperation of our customers, double the planned amount of packaging has been collected.

\* Converted the total collection amount of 170.2 kilograms into sheets by 18.0 grams/sheet (14.4 grams/sheet at the time of reporting in July 2021).



### Initiative to Expand Collection

#### ■ Providing information through in-store notices and material distribution

- Revise, expand and clarify information about the goal of collecting film packaging in this project and how to wash, dry and bring the film packaging to the store.

- Display artworks using blocks, plants in plastic pots made from recycled film packaging and inform progress of the collection to receive customers' cooperation in further collection.



Collection boxes and displays at the entrance of the store

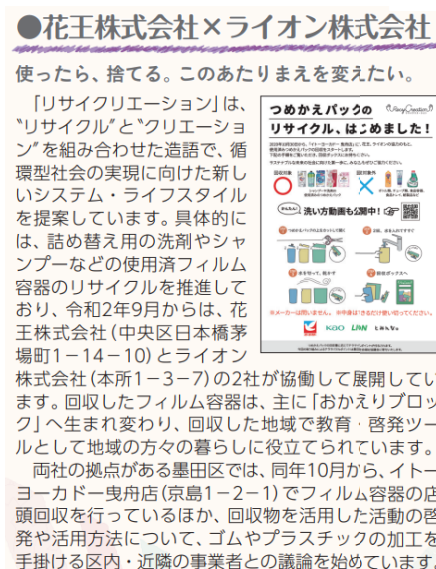


Poster about collection progress



Mini foliage plants in plastic pots made from recycled plastic packaging in the food court inside the store.

- The initiative was introduced in the Sumida-ku Bulletin (issued on August 11, 2021) as a project by businesses in Sumida-ku that contribute to a sustainable society.



## Challenges and Initiatives for Collection

- Challenges and measures responding to possible issues from film packaging collection status
  - The film packages are intended to be collected in a state where the contents are empty, washed and dried. Six months after the start of collection, about 70 percent of the film packaging was collected in this way, and one year later it exceeded 80 percent. This is believed to be due to deepening customer understanding. Communication will be considered to help collect packaging in even better condition in the future.
  - Review how to cut/wash/rinse/dry the film packaging and notify the information in-store in an easy-to-understand manner.

## Study for Recycling Technology

- Recycling technology
  - Kao is proceeding with the development of batch processing technology for film packaging at the pilot plant of the Wakayama Research Laboratories.
  - Lion is taking the lead in developing technology for separating laminated films from film packaging.
- Pouch materials and structure suitable for recycling
  - In November 2021, Kao and Lion submitted a proposal to the Japan Soap and Detergent Association about easy-to-recycle film packaging materials and structure. Kao and Lion will continue to strive for the creation of an easy-to-recycle packaging design guideline that can be widely and freely used between companies or across industry boundaries for effective recycling.

## Next Steps of the Initiatives

- In-store film packaging collection

In addition to Kao, Lion and Ito-Yokado, businesses involved, customers visiting the Ito-Yokado Hikifune Store and Sumida-ku are each playing a role in the initiatives becoming a community activity for the realization of a sustainable society. In the future, the Ito-Yokado Hikifune Store initiative will be the model for other stores.
- From the Ito-Yokado Hikifune Store

With the cooperation and understanding of customers and local residents, the store staff have been able to work together to continue the in-store film packaging collection over the past year. We are continuing our efforts with displays of artworks made with *Okaeri-blocks* and information about collection amounts at the entrance of the store to increase customer recognition, daily maintenance on the collection box, the creation of videos, disseminating information through SNS, and installing recycled plastic pots and mini foliage plants in the food court, and so on. We are continuing to work with store associates on in-store collection challenges, making improvements and adjustments.

<Related Information>

■ Ito-Yokado Co., Ltd.

Kao and Lion Begin Collaborating on RecyCreation Activities

<https://www.itoyokado.co.jp/resources/3851ae88-3c88-4e48-b256-f3c1ee49c76e.pdf>

(Japanese)

Always staying close to the community: Ito-Yokado's CSR

<https://www.itoyokado.co.jp/company/iycsr/index.html>

(Japanese)

■ Kao Corporation

Progress of Kao and Lion's Recycling Collaboration

<https://www.kao.com/global/en/news/sustainability/2021/20210827-001/>

Kao and Lion Begin Collaboration on Recycling Field Testing

<https://www.kao.com/global/en/news/sustainability/2020/20201124-001/>

Kao and Lion Begin Collaboration on RecyCreation Activities

<https://www.kao.com/global/en/news/sustainability/2020/20200929-002/>

Kao's Sustainability

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

■ Lion Corporation

Progress of Kao and Lion's Recycling Collaboration

<https://www.lion.co.jp/en/press/2021/3632>

Kao and Lion Begin Collaboration on Recycling Field Testing

<https://www.lion.co.jp/en/press/2020/3337>

Kao and Lion Begin Collaboration on RecyCreation Activities

<https://www.lion.co.jp/en/press/2020/3289>

Lion's Sustainability

<https://www.lion.co.jp/en/sustainability/>

Company Profiles

■ Ito-Yokado Co., Ltd. Overview

Representative: Tetsuya Yamamoto, Representative Director and President

Address: 8-8 Nibancho, Chiyoda-ku, Tokyo, Japan

Established: 1920

Net Sales (consolidated): 1,053,284 million yen (term ended February 2021)

No. of employees (consolidated): 28,796 (as of February 2021)

Business description: Retail business

■ Kao Corporation Overview

Representative: Yoshihiro Hasebe, Representative Director, President and Chief Executive Officer

Address: 1-14-10 Nihonbashi Kayabacho, Chuo-ku, Tokyo, Japan

Established: May 21, 1940 (founded June 19, 1887)

Net Sales (consolidated): 1,418.8 billion yen (term ended December 2021)

No. of employees (consolidated): 33,507 (as of December 31, 2021)

Business description: Consumer products businesses, including Hygiene & Living Care, Health & Beauty Care, Life Care, and Cosmetics, and the Chemical business to meet the needs of industry.

## ■ Lion Corporation Overview

Representative: Masazumi Kikukawa, Representative Director, President and Executive Officer

Address: 1-3-7 Honjo, Sumida-ku, Tokyo, Japan

Established: September 1918 (founded October 30, 1891)

Net Sales (consolidated): 366.2 billion yen (term ended December 2021)

No. of employees (consolidated): 7,584 (as of December 31, 2021)

Business description: The manufacture and sale of toothpastes, toothbrushes, soaps, detergents, hair- and skin-care products, cooking-related products and pharmaceuticals. Exports to overseas affiliates.

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Tel.: +81-3-3660-7043

Corporate Communication Center, Lion Corporation

Address: 1-3-7 Honjo, Sumida-ku, Tokyo 130-8644, Japan

Tel.: +81-3-3621-6661