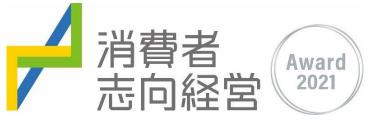




March 31, 2022

Kao and Lion Awarded the New Selection Committee Chairman's Commendation in the Good Practices of Consumer-Oriented Management Awards

Kao Corporation and Lion Corporation have received the newly established Selection Committee Chairman's Commendation in the fiscal 2021 Good Practices of Consumer-Oriented Management Awards organized by the Consumer Affairs Agency. Aiming to promote consumer-oriented management, these awards are granted in recognition of companies that have made a voluntary declaration of consumer-oriented management and implemented outstanding initiatives based on such declaration. The award ceremony was held on March 9, 2022 at Nikkei Hall in Chiyoda-ku, Tokyo.





Award ceremony

From left to right: Takashi Nawa Selection Committee Chairman (Visiting Professor,

School of International Corporate Strategy, Hitotsubashi University Business School)

Yoshihiro Hasebe President, Kao Corporation Masazumi Kikukawa President, Lion Corporation

■ <u>Selection Committee Chairman's Commendation in the Good Practices of Consumer-Oriented Management Awards</u>

The Consumer Affairs Agency defines consumer-oriented management as management that enhances social value through co-creation and collaboration with consumers. The Selection Committee Chairman's Commendation, newly established this year, recognizes outstanding collaborative efforts by multiple businesses in a specific consumer-oriented area.

■ Grounds for Award

The award was given in recognition of the RecyCreation initiative, in which used refill packs are collected and recycled, being jointly implemented by Kao and Lion. The two competitors are collaborating on this initiative to promote changes in consumer behavior in order to solve the social issue of realizing a resource-circulating society with concrete action, including the development of technology that enables the horizontal recycling of sorted and collected used refill packs.

■ Recipient Comments

Yoshihiro Hasebe, President, Kao Corporation

These efforts started with one researcher's desire to change a conventional way of thinking, which later became the initiative's concept: "Throwing it away after use. We want to change this common practice." From there, the idea gathered support from our colleagues internally, and the initiative expanded to involve municipalities and consumers. In addition, we would like to express our esteem for Lion, our partner in this initiative. We will further develop technologies and expand the breadth of initiatives to realize a resource-circulating society.

• Masazumi Kikukawa, President, Lion Corporation

This initiative is aimed at realizing a resource-circulating society through changes in consumer behavior. Collaboration—as in this project—with other companies in the industry, retailers and consumers is an effective approach to overcoming the various obstacles to this goal. By further developing this collaborative initiative, we will continue to strive toward the realization of a sustainable society.



Kao Corporation President Yoshihiro Hasebe and Lion Corporation President Masazumi Kikukawa

Although Kao and Lion are competitors, we are working together to address the shared social challenge of achieving the advanced recycling of plastic packaging and containers. Remaining closely attuned to consumers, we will develop our cooperative efforts to build a supply chain that transcends industry boundaries, encompassing initiatives with retailers and government agencies.

Kao and Lion will continue to advance consumer-oriented management and contribute to the realization of a sustainable society.

Related Information

■ Consumer Affairs Agency Website

Promoting consumer-oriented management—Sustainable management (Japanese) https://www.caa.go.jp/policies/policy/consumer-partnerships/consumer-oriented-management/

Consumer Affairs Agency News Release "Fiscal 2021 Good Practices of Consumer-Oriented Management Awards Selection Results" (Japanese)

https://www.caa.go.jp/policies/policy/consumer_partnerships/consumer_oriented_management/propulsion_organization/assets/consumer_partner_cms204_210118_01.pdf

Consumer Affairs Agency News Release Appendix 1 "Fiscal 2021 Good Practices of Consumer-Oriented Management Awards Selection Results" (Japanese)

https://www.caa.go.jp/policies/policy/consumer_partnerships/consumer_oriented_management/propulsion_norganization/assets/consumer_partner_cms204_210118_02.pdf

Company Profiles

■ 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.

Media inquiries should be directed to:

Corporate Strategy

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Corporate Communication Center

Lion Corporation

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