

Partial Corrections to the “Lion Integrated Report 2023”

This is to inform you of partial corrections to the “Lion Integrated Report 2023”. We sincerely apologize for any inconvenience. The corrections below have already been reflected on our website.

1. Corrected Parts

“Sustainability through Positive Habits

-Effect of Change in One-rinse Cycle Implementation Rate-” on Page 14

2. Details of Correction

Yearly reduction in CO₂ emissions

Before Correction		After Correction	
160,000 tons	→ 530,000 tons	130,000 tons	→ 440,000 tons
30% implementation rate	100% implementation rate	30% implementation rate	100% implementation rate

Yearly amount of water saved

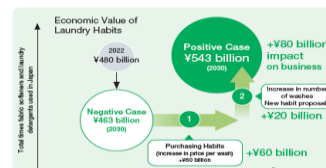
Before Correction		After Correction	
130,000 m ³	→ 430,000 m ³	130 million m ³	→ 430 million m ³
30% implementation rate	100% implementation rate	30% implementation rate	100% implementation rate



We believe that the three Es provide a solution for creating positive habits. Company research has also shown that to create positive habits these three elements must be simultaneously incorporated into products and services, each with the same level of impact. None of the three can be missing, and they must be in balance with each other. Building a solid foundation with these three Es will enable Lion to achieve more positive habits for all.

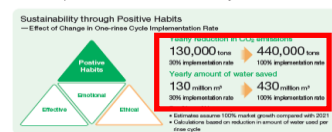
Not only will our Positive Habits strategy lead to better habits among consumers, the expansion of the market will have a positive impact on the economy and also lead to social and environmental benefits. In the laundry market, for example, positive habits could have a major positive impact. Despite the anticipated negative impact from the drop in the number of households and a falling population in Japan over the eight years between 2022 and 2030, higher detergent and softener prices per wash and other new value creation is expected to add around ¥80 billion to the market sales.

In addition, evolving people's laundry habits will increase our contribution to the natural environment. For example, by stepping up efforts to raise the one-rinse cycle implementation rate, we can reduce CO₂ emissions by 40,000 tons per year compared with the current reduction of 130,000 tons per year, as well as cut water usage.



Price of laundry detergents and fabric softeners (¥/year wash (times))
 Negative Case: Number of washes and price per wash of laundry habit (laundry detergent and fabric softener) exchanged from 2022 to 2030. Price of fabric softener per wash increases from current ¥12 to ¥15. Level of annual market share approx. 10% → 15%.
 Value from cost reduction increases by 20, 100% to 200% → +¥1 billion.
 Value from cost reduction increases by 20% to 40% → +¥20 billion.
 If the above highly concentrated laundry detergent market share of all laundry detergents in terms of value while number of required washes is constant, the number of times of fabric softener used in relation to laundry detergent and fabric softener will increase by 10%.

Note: Rate of population decline assumed with reference to National Institute of Population and Social Security Research, Population Projections for Japan, January 2022. Market size from Lion based on 2022 data from IFA, Inc.



Our aim is to fully implement the strategy within Vision2030 1st STAGE (2022-2024) and Vision2030 2nd STAGE (2025-2027). Targeting Asia, we will work to develop and extend positive habits from Japan to other parts of Asia, and vice-versa.