



Lion

Sustainability Website 2023

< PDF >



PURPOSE

Make a difference in everyday lives by redesigning habits: ReDesign

Lion Sustainability Website PDF version: From January 1, 2022 to Present

Some parts also include information about activities conducted outside of the above periods.

* Click each item in the table of contents to move to the corresponding page in this PDF.

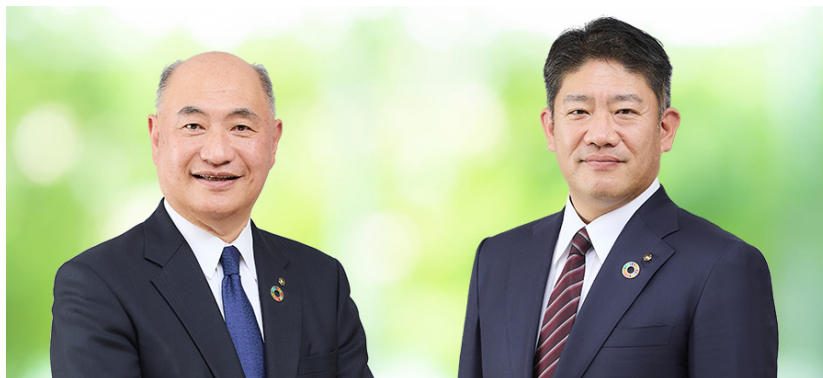
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Management Message

- ✓ Message from Management
- ✓ Message from the Director Responsible for Sustainability

Make a difference in everyday lives by redesigning habits: ReDesign



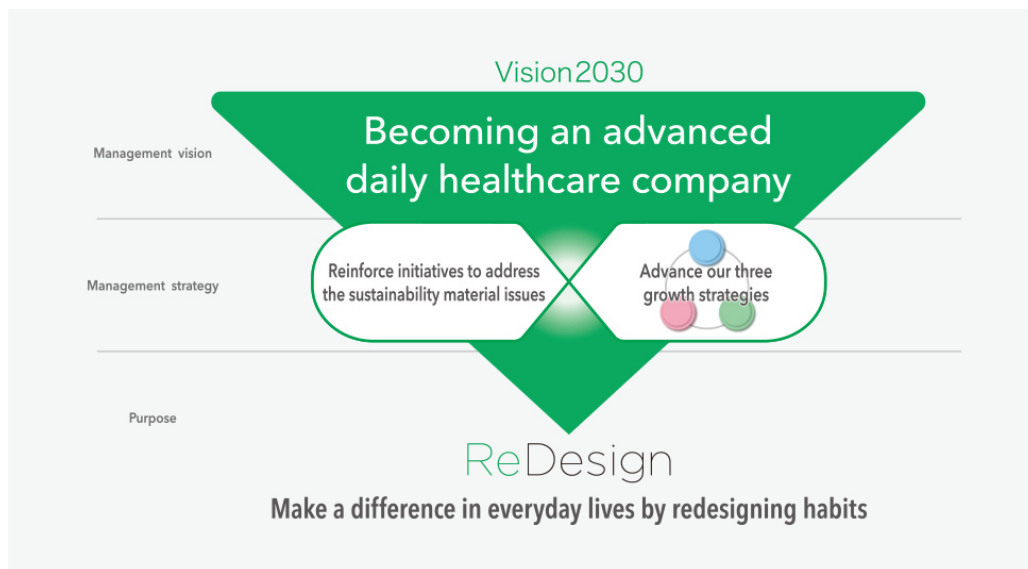
(Left) Masazumi Kikukawa
Representative Director, Chairman of the Board of Directors

(Right) Masayuki Takemori
Representative Director, President and Executive Officer

Since Lion's founding in 1891, it has striven to help consumers realize health, comfort and cleanliness in everyday living by redesigning habits and providing the various daily commodities necessary for such habits in line with its unchanging mission of "benefitting society through business activities."

The COVID-19 pandemic has changed the world enormously. Lifestyles and values have changed in innumerable ways, and many of these changes are likely to be permanent. At the same time, dealing with global environmental problems cannot be put off any longer. Northeast Asia is facing a variety of new issues stemming from demographic graying, such as rising medical costs, and in Southeast Asia, demand for better health and hygiene habits is growing in step with economic development. In light of such rapid changes in the business environment and to precisely deal with diverse emerging social issues, continuously generate business value and contribute to society going forward.

Based on our purpose, "Make a difference in everyday lives by redesigning habits: ReDesign," we formulated a long-term strategic framework, Vision2030, aimed at achieving our management vision, "Becoming an advanced daily healthcare company."



Vision2030 Long-Term Strategic Framework

Under Vision2030, we are synergistically advancing growth strategies and initiatives that address our **Sustainability Material Issues** to create social and economic value and achieve sustainable corporate value enhancement. Of these, we have positioned “Creating Healthy Living Habits,” which contributes to the realization of everyday happiness, and “Promoting Environmental Initiatives for a Sustainable Planet” as our top priority material issues, and we are investing management resources in these areas accordingly. Habits have great power. Daily chores take up the majority of our time, and by transforming this drudgery into positive experiences, or positive habits, we can increase the sum total of our happiness. Specifically, in 2019, we established **the LION Eco Challenge 2050** environmental objectives. These objectives put into words our dedication to working in partnership with all stakeholders to realize a decarbonized, resource-circulating society. We believe that promoting a wide range of environmentally friendly habits and products that reduce environmental impact in the home is one effective way that Lion can contribute.

Going forward, we will continue to accelerate our growth strategies by leveraging our strengths of wide-ranging insight gleaned through the redesign of living habits as well as marketing and R&D capabilities based on consumer perspectives. By doing so, we will contribute to the achievement of the Sustainable Development Goals as well as to health, comfort, cleanliness and hygiene in everyday living and the realization of a sustainable society.

Masazumi Kikukawa

Representative Director,
Chairman of the Board of Directors

Masayuki Takemori

Representative Director,
President and Executive Officer

We aim to contribute to a sustainable society and generate further business growth with an approach that integrates sustainability into management strategy.



Kenjiro Kobayashi
Director, Senior Executive Officer

Integrating Sustainability into Management Strategy

To remain socially relevant into the future amid the rapid change in its external operating environment, the Lion Group must respond boldly and swiftly to help resolve various social issues. We also recognize that maintaining sustainable growth requires us to meet the expectations of our stakeholders by backcasting—mapping out a route for achieving our goals. The Group used this approach to consider the entire value chain and stakeholders, and to identify the Sustainability Material Issues to be addressed by 2030.

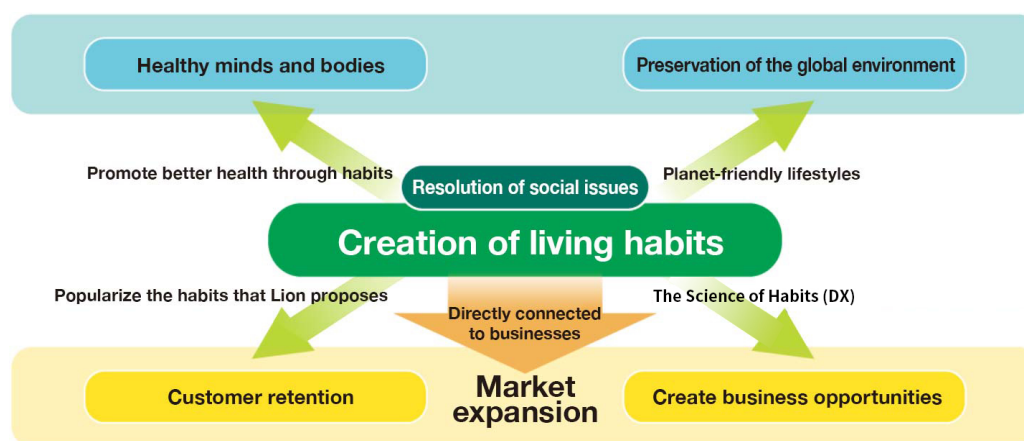
Identifying material issues is merely the first step. The key is how we use these material issues in management and connect them to the actions of each business. The Sustainability Promotion Council, which I chair, formulates sustainability strategies related to the environment, society, and governance, makes decisions on specific action plans, and monitors progress toward medium- to long-term goals. Leveraging the strengths of the Group, I will guide sustainability management to concentrate management resources on measures that only we can take.

Evolving and Expanding the Redesign of Living Habits to Grow Our Businesses and Help Resolve Social Issues

Creating healthy living habits is a top-priority material issue for the Group. We provide products, services and information that promote living habits that are directly linked to health, such as tooth brushing and hand washing. As we aim to provide 1 billion people around the world with products, services and information that help to create healthy living habits, a key issue going forward will be collaboration with overseas Group companies.

Another top-priority material issue, promoting environmental initiatives for a sustainable planet involves using environmentally friendly products to further the creation of environmentally friendly habits with consumers, such as saving water and power, using refills and reducing waste. In other words, we will contribute to a decarbonized and resource-circulating society by providing planet-friendly lifestyles and making daily life more sustainable. In cooperation with local governments and competitors, we are developing recycling technologies and structuring collection systems for refill containers. We will continue to enhance these partnerships.

A key feature of the Group is its many contact points with the daily lives of households, so we believe that our approach to resolving social issues should involve providing experiences that redesign everyday rituals to become more natural, easy and enjoyable. In addition, we will create further business opportunities by using digital technology and data science under the slogan “The Science of Habits”, for example, by using data to visualize behavioral changes brought about by activities to promote habit formation.



The Images of Creation of Social and Economic Value

Furthermore, we also need to nurture employees who embody our purpose, “Make a difference in everyday lives by redesigning habits: ReDesign.” In January 2023, we introduced a new personnel system for managers that incorporates an idea of job-focused perspective and eliminated the previous seniority-based system for determining job titles. Our goal is for each leader to map out a clear picture of how they should develop themselves to achieve their aspirations, thus increasing their motivation and expertise and maximizing the value they create. We will implement various measures that promote long-term job satisfaction and increase employee engagement.

Going forward, we will continue to promote sustainability management while enhancing social and economic values to improve corporate value.

Kenjiro Kobayashi

Director, Senior Executive Officer

Related Information



LION Scope: Special Feature

Habit formation is a perennial theme. Masazumi Kikukawa explains the importance of unconscious thought. [Japanese]



The Lion Group's Vision for 2030

Vision for 2030, based on Lion's Purpose



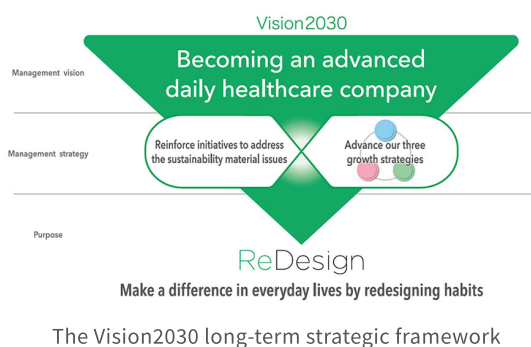
Lion's Sustainability

- ✓ Basic Approach
- ✓ Sustainability Management (Implementation Framework)
- ✓ Value Creation Process

Basic Approach

Upholding its founding spirit of “benefiting society through its business activities,” Lion, in addition to pursuing economic development, has long considered its impact on the environment and society and worked to address related issues through its business activities.

At present, we are tackling key management issues to reduce risks and achieve our management vision for 2030 of “Becoming an advanced daily healthcare company.” At the same time, we are practicing management driven by our purpose, “Make a difference in everyday lives by redesigning habits: ReDesign.” Based on this purpose, the Lion Group will synergistically address its sustainability material issues and advance its three growth strategies in order to contribute to the realization of a sustainable society and achieve business growth.



What is Sustainability?

Lion focuses on sustainability for itself and for the world in terms of environmental, social, and economic factors. A sustainable company is one that considers not only economic development, but also social and environmental impacts as it implements ongoing business activities based on long-term strategy.

Contributing to the Achievement of the SDGs

The Sustainable Development Goals (SDGs) are a set of common goals for 2030 established by the United Nations (UN) aimed at the realization of a sustainable world.

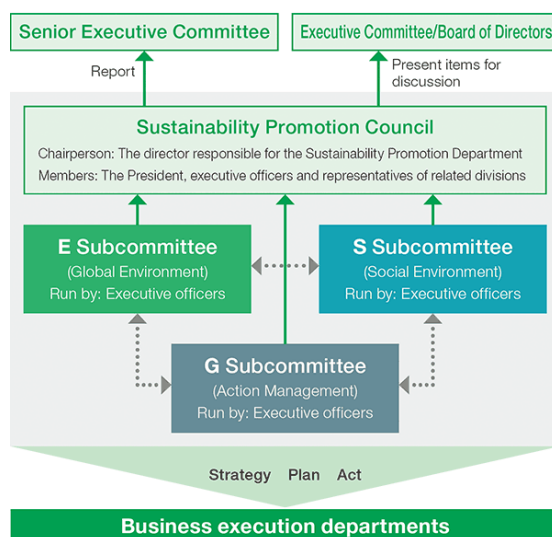
The Lion Group's contribution will mainly be to the realization of SDG 3, “Ensure healthy lives and promote well-being for all at all ages,” through its products and services. At the same time, by pursuing initiatives aimed at realizing the Vision 2030 long-term strategic framework, we will contribute to the creation of a sustainable world, the ultimate goal of the SDGs.



Sustainability Management (Implementation Framework)

In order to promote sustainable management, until 2020 we held the Sustainability Promotion Meeting, comprising all executive directors, including the president, and related departments. In 2021, we revised this implementation system and established the Sustainability Promotion Council, which meets twice a year.

We have established three subcommittees under the council, each headed by an executive officer, more than ever before positioning senior management at the forefront of promoting Sustainability Material Issues. Decisions made by the Council are reported to the Senior Executive Committee and, as necessary, presented to and discussed by the Executive Committee and the Board of Directors, before being reflected in the business activities of the business execution departments.



Expectations for Evolving Sustainability Management

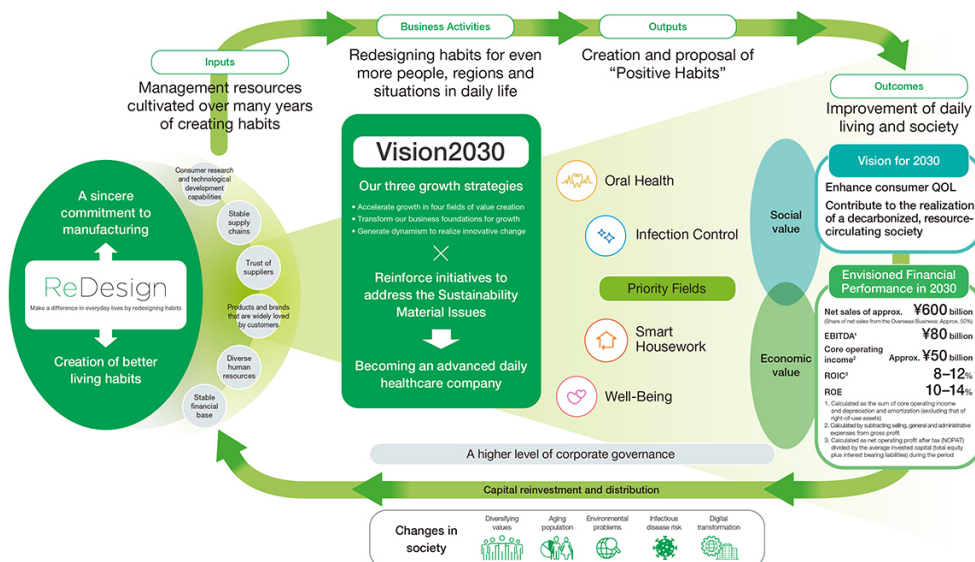
The Audit & Supervisory Board makes sustainability a priority theme each fiscal year. I have been working in the field of sustainability for many years. As such, I look at how issues related to the environment (E) as well as people and society (S) are decided upon in the Lion Group (i.e., governance (G)), including decisions by the Board of Directors. The Sustainability Promotion Council is an extremely important body as it gives specific instructions with regard to sustainability issues and demonstrates leadership in dealing with investments, risk and progress management, among other issues. The president, the director in charge of sustainability, directors responsible for other areas and executive officers in charge of operations are all driven by the same purpose. As they are serious about their work, conflict can sometimes arise. However, I am encouraged by the fact that the more often we meet, the more often we are able to come up with various innovative ideas. Going forward, there is urgent need to disclose non-financial information more effectively. This is due to the growing realization that addressing ESG-related issues is directly connected to corporate value over the medium to long term. Our challenge will be to convey to society and the market what it is that Lion does and the ways in which it contributes to a sustainable society by redesigning habits.



Atsuko Suzuki
External Audit & Supervisory
Board Member

Value Creation Process

In fulfilling its purpose, Lion has built up a portfolio of management resources over many years of sincere dedication to manufacturing and redesigning habits for the better. To achieve our management vision for 2030, “Becoming an advanced daily healthcare company,” we will create positive habits for even more people, regions and situations in daily life, with a focus on our four fields of value creation, which emphasize positive habits. Our aim is to increase corporate value by helping to make daily living and society better.



Sustainability Material Issues and Objectives for 2030

Identifying Material Issues

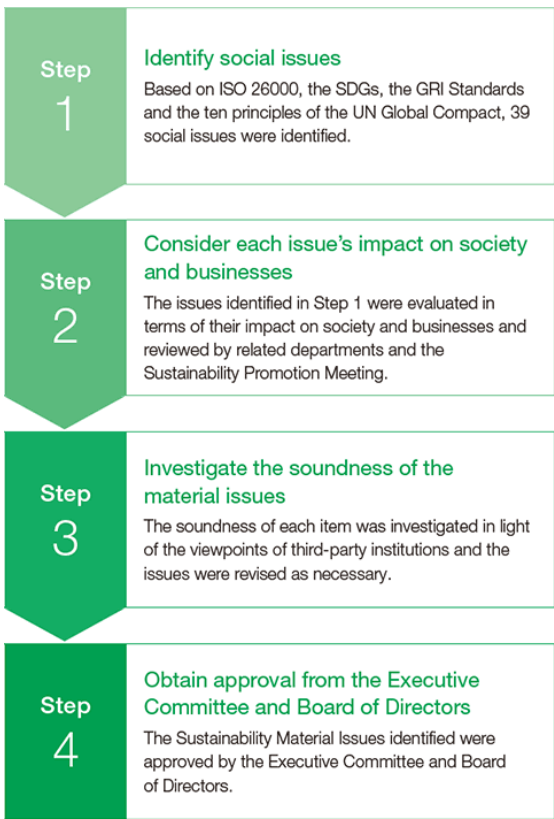
In 2020, the Lion Group applied the steps below to revise its list of Sustainability Material Issues to address over the coming decade in order to achieve its goals for 2030, including the realization of the management vision and contributing to the realization of the SDGs. These Sustainability Material Issues are relevant to both the Lion Group and society at large and, with the goal of helping to realize a healthy future for people and the planet, their choice was informed by broad business, environmental and social sustainability perspectives. In identifying these issues, we comprehensively considered the entire value chain and interests of Lion's stakeholders in order to understand the risks and opportunities each represents.

In particular, we have positioned “Creating Healthy Living Habits” and “Promoting Environmental Initiatives for a Sustainable Planet” as top priority material issues that we must invest management resources toward to secure a competitive advantage. In addition, we revised our objectives and other indicators in 2021 due to the COVID-19 pandemic and drastic changes in the social environment.

Our Approach to Identifying Sustainability Material Issues

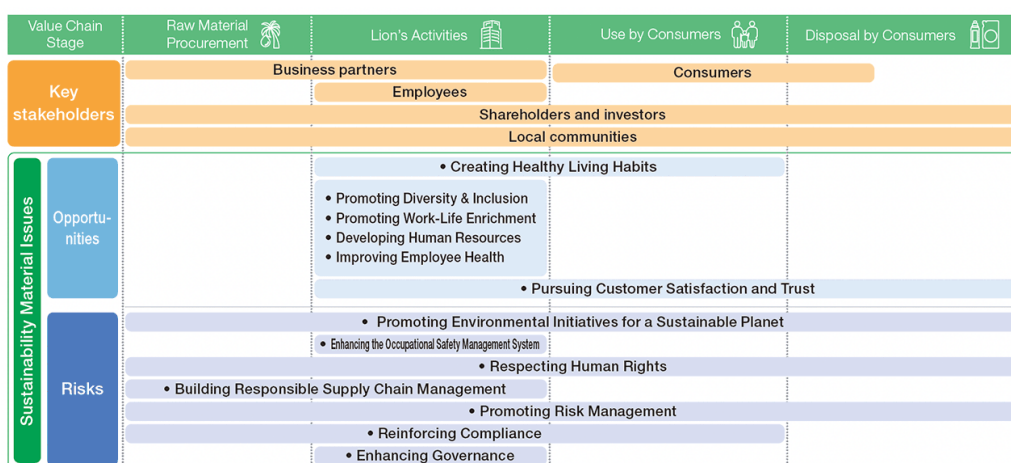


Steps for Identifying Sustainability Material Issues



Risks and Opportunities Related to Sustainability Material Issues in the Value Chain

Lion has classified its Sustainability Material Issues as presenting either risks or opportunities based on considerations of the entire value chain and its stakeholders.



The Lion Group Sustainability Material Issues and Objectives for 2030

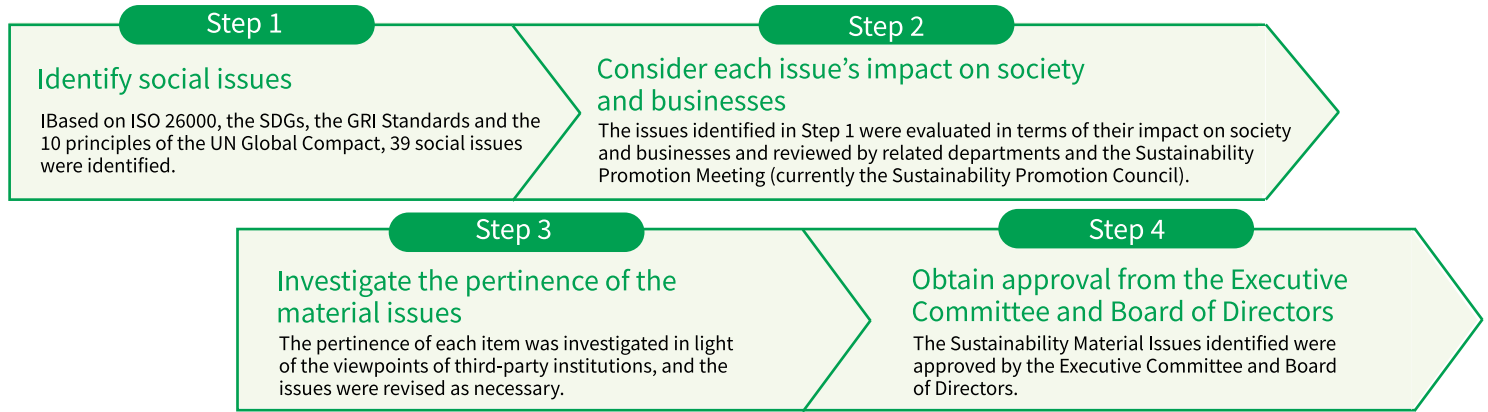
With an eye to achieving its management vision of “Becoming an advanced daily healthcare company” by 2030 and contributing to the Sustainable Development Goals (SDGs), a set of shared global goals for 2030, the Lion Group has established the Lion Group Sustainability Material Issues and objectives for 2030.

The Lion Group believes that it is crucial to take a longer-term perspective in order to ensure that it can continue to meet the needs of society and customers and grow its businesses. In 2021, in light of the COVID-19 pandemic and changes in the social environment, we revised our objectives and indicators. Aiming for a higher level of achievement, the 2030 objectives include quantitative indicators for evaluating our progress.

Taking an integrated approach that incorporates sustainability into management strategy, the Lion Group aims to contribute to the realization of a sustainable society and achieve further business growth.

Initiatives to Address the Sustainability Material Issues

Steps for Identifying Sustainability Material Issues



Sustainability Material Issues, 2030 Objectives and Indicators, 2022 Results and Measures to 2030

We conducted activities toward achieving the 2030 objectives for each Sustainability Material Issue. In particular, under Globally Common Measures each overseas Group company made progress in its activities. We will continue to introduce further initiatives.

	Material Issues	Objectives	Indicators (2030)	Progress (2022 Results)	Globally Common Measures to 2030
E	Promoting Environmental Initiatives for a Sustainable Planet Link	Reduce CO2 emissions throughout business activities.	• CO2 emissions throughout business activities ⇒Down 55% compared with 2017 levels (Absolute quantity)	• Down 13% compared with 2017 (Figure after deducting purchases of carbon credits. 4% reduction if not deducted.)	• Reduce energy usage through energy-saving activities. • Purchase electricity generated by renewable energy sources.
		Reduce CO2 emissions throughout product lifecycles.	• CO2 emissions throughout product lifecycles ⇒Down 30% compared with 2017 levels (Absolute quantity)	• Up 12% compared with 2017	• Reduce household CO2 emissions from product use through the provision of environmentally friendly products and services and the promotion of environmentally friendly habits. • Reduce CO2 emissions at the stage of procurement through supplier engagement and the purchase of raw materials that generate low CO2 emissions.
		Achieve a CO2 emissions reduction effect in excess of Lion's own emissions to help society become carbon negative.	• Contribute to a CO2 emission reduction effect in excess of Lion's own emissions (Japan)	• Plan to formulate actions and KPIs and verify their effectiveness	• Reduce society's overall CO2 emissions through collaboration with other industry actors and companies. • Reduce household CO2 emissions through provision of environmentally friendly products and services.
		Actively promote the 3Rs (reduce, reuse, recycle) and renewable resource activities.	• Petrochemical-derived plastic use rate ⇒70% or less	• 97% (Japan) Rate of containers and other packaging using sustainable materials: 3.2%	• Reduce usage of petrochemical-derived materials through the increased use of recycled plastic and biomass materials in products, containers and packaging. • Continuously promote reduced use and reuse of plastic in products, containers and packaging.
		Reduce water usage throughout product lifecycles.	• Water usage throughout product lifecycles ⇒Down 30% compared with 2017 levels (Per unit of net sales)	• Down 7% compared with 2017	• Reduce water usage by consumers through the provision of water-saving products.
S	Creating Healthy Living Habits Link	Provide opportunities for everyone to practice oral care whenever necessary and foster oral care habits to promote health for all.	• Total number of persons provided with products, services and information aimed at creating healthy living habits ⇒1 billion (Oral care habits: 500 million people, Cleanliness and hygiene habits: 500 million people)	Oral care habits: 300 million* Spreading Awareness of Preventive Dentistry Habits (Japan) • Began services supporting the oral care habits of corporate customers and senior citizens (Okuchi Plus You and ORAL FIT) (Overseas) • Conducted educational and awareness activities to promote the formation of good tooth brushing habits among kindergarten and elementary school children • Participated in oral care improvement support program sponsored by the Ministry of Economy, Trade and Industry • Conducted educational and awareness activities to promote oral care during pregnancy	• Increase range of products and services that promote the creation of better oral care habits. • Reinforce educational and awareness activities aimed at establishing preventive dentistry and better oral care habits. • Promote activities to address personal and social challenges through oral care. (Inclusive Oral Care)

Material Issues		Objectives	Indicators (2030)	Progress (2022 Results)	Globally Common Measures to 2030
S	Creating Healthy Living Habits Link		<ul style="list-style-type: none"> Total number of persons provided with products, services and information aimed at creating healthy living habits ⇒1 billion (Oral care habits: 500 million people, Cleanliness and hygiene habits: 500 million people) 	Putting Preventive Dentistry Habits into Practice (Japan) <ul style="list-style-type: none"> Promoted greater frequency of tooth brushing 35% of population brushed teeth after lunch (target for 2030: 50%) Promoted greater use of products other than toothpastes and toothbrushes 31% of population used dental floss products (target for 2030: 50%) * Source: Lion survey	
		Promote the establishment of cleanliness and hygiene habits that prevent bacteria and viruses from entering the body across all aspects of daily living, so that everyone can stay healthy.		Cleanliness and hygiene habits: 120 million* Promoting and Establishing Cleanliness and Hygiene Habits through Educational Institutions (Lion Group) <ul style="list-style-type: none"> Conducted educational and awareness activities at preschools, kindergartens and elementary schools to promote hand washing habits Received 24,250 entries in the My Bottle Sticker Drawing Contest from 8 countries and regions where we do business Broadening Coverage of Activities to Support the Establishment of Cleanliness and Hygiene Habits (Japan) <ul style="list-style-type: none"> Conducted the Relay Project for Cleanliness in collaboration with shopping districts, local governments and elementary schools Conducted a project to promote “HAND WASH & HYGIENE before meals” at hotels and restaurants * Source: Lion survey	<ul style="list-style-type: none"> Provide products and services that support the establishment of hand cleanliness and hygiene habits in daily living. Provide new customer experiences in all aspects of daily living through the provision of products and services that protect customers from bacteria and viruses. Implement educational and awareness activities to establish cleanliness and hygiene habits in all aspects of daily living.
	Promoting Diversity and Inclusion Link	Enable human resources with diverse values and ideas to fully express their individuality and abilities and succeed professionally.	<ul style="list-style-type: none"> Ratio of women in management ⇒30% or more Employees who feel that employees with diverse values are able to succeed professionally ⇒ 80% or more 	<ul style="list-style-type: none"> Ratio of women in management: 20% Employees who feel so: 54% (Japan) 	<ul style="list-style-type: none"> Provide opportunities for employees to deepen their understanding of diverse values. Create systems and mechanisms for diverse human resources to succeed professionally.
	Promoting Work-Life Enrichment Link	Create an environment that helps employees fulfill their ambitions through synergy between work and private life.	<ul style="list-style-type: none"> Employees who feel that life outside of work (role at home and activities outside the office) has a positive impact on work ⇒75% or more 	<ul style="list-style-type: none"> 53% (Japan) 	<ul style="list-style-type: none"> Create an environment that enables employees to fulfill their life ambitions and achieve their ideal lifestyles.
	Developing Human Resources Link	Foster human resources who generate dynamism to realize innovative change by creating environments that allow all employees to exercise their diverse abilities to the fullest and embrace challenges.	<ul style="list-style-type: none"> Employees who are using diverse educational programs (Lion Career Village) for individualized skill acquisition and ability development ⇒100% 	<ul style="list-style-type: none"> 57% 	<ul style="list-style-type: none"> Introduce e-learning system and curriculum that meet the needs of overseas Group companies. Create mechanisms that will be used to provide contents for learning opportunities on an ongoing basis.
	Improving Employee Health Link	Support mental and physical healthcare for employees to reinforce Group human resources and achieve sustainable corporate growth.	<ul style="list-style-type: none"> Employees getting dental checkups ⇒100% Absenteeism ⇒Improve from the 2021 leveldevelopment 	<ul style="list-style-type: none"> Employees getting dental checkups: 88% (Japan) Note: Support for dental checkups is provided (Overseas) Absenteeism: 0.7% (Lion Corporation in Japan; unchanged from 2021) Note: Calculation method under consideration (Overseas) 	<ul style="list-style-type: none"> Use a self-administered daily oral care program and regular dental checkups to create an environment that allows all employees to implement a PDCA cycle and to provide information and learning opportunities regarding oral self-care. Provide opportunities for management to learn about checking the mental health of subordinates and for all employees to learn about caring for their own mental health. Improve health literacy by providing information that helps employees understand their own health conditions and future risks, as well as what preventative actions to take in their daily lives.
	Enhancing the Occupational Safety Management System Link	Enhance systems to ensure compliance with occupational safety and health laws and regulations and to enforce safety awareness thoroughly for the safety and peace of mind of employees and outside partners working on site.	<ul style="list-style-type: none"> Participation in safety education and training ⇒Implement as planned (100%) at work sites Compliance with occupational safety and health laws and regulations Serious accidents and incidents ⇒ Zero 	<ul style="list-style-type: none"> Participation in training: 100% as planned Serious accidents and incidents: Zero 	<ul style="list-style-type: none"> Provide opportunities to learn about safety and disaster prevention, and implement activities to promote understanding of basic safety activities. Build mechanisms for exchanging safety information, and proactively disclose information on levels of workplace safety based on the management of records of occupational accident frequency.

	Material Issues	Objectives	Indicators (2030)	Progress (2022 Results)	Globally Common Measures to 2030
S	Respecting Human Rights Link	Ensure respect for the human rights of all stakeholders affected by Group business activities, in line with the LION Human Rights Policy.	<ul style="list-style-type: none"> Human rights due diligence implementation for material human rights issues ⇒100% 	<ul style="list-style-type: none"> Human rights due diligence implementation Lion Group: 100% Suppliers: 68% 	<ul style="list-style-type: none"> Build a mechanism for addressing human rights issues. Identify material human rights risks and verify how those affected are negatively impacted. Execute and monitor measures for addressing human rights risks that have been identified. Proactively disclose status of response to human rights due diligence implementation.
	Building Responsible Supply Chain Management Link	Implement sustainable procurement with zero tolerance for human rights and labor problems (including child labor and forced labor) or environmental destruction in line with the Sustainable Material Procurement Policy and Lion Group Supplier CSR Guidelines.	<ul style="list-style-type: none"> Procurement of third-party certified paper and pulp (FSC, PEFC, etc.) and palm oil, palm kernel oil and their derivatives (RSPO, etc.) ⇒100% Procurement of third-party certified paper and pulp (FSC, PEFC, etc.) and palm oil, palm kernel oil and their derivatives (RSPO, etc.) from suppliers that support efforts aimed at zero deforestation ⇒100% 	<ul style="list-style-type: none"> Ratio of certified raw materials procurement Japan: Certified paper and pulp: 65% (item ratio) Certified palm oil and palm kernel oil derivatives: 99% (based on key raw materials) Lion Group: Certified paper and pulp: 17% (item ratio) Certified palm oil and palm kernel oil derivatives: 48% (based on key raw materials) Ratio of suppliers supporting zero deforestation Japan: 48%, Lion Group: 39% 	<ul style="list-style-type: none"> Create and promote a sustainable procurement system in cooperation with suppliers.
	Pursuing Customer Satisfaction and Trust Link	Promote and reinforce customer-oriented business activities by improving customer support quality and the value of products and services.	<ul style="list-style-type: none"> Reflection of customer opinions in all products and services so that customers will continue to choose them 	<ul style="list-style-type: none"> To promptly respond to customer comments on social media, we launched a social media risk management manual in January 2022 and conducted training to deal with online flaming in May 2022 (Japan) We improved the accessibility of the corporate website through a site renewal in June 2022 (Japan) 	<ul style="list-style-type: none"> Evolve the activities of customer response departments by steadily promoting three steps: Understand the current situation, formulate plans, and promote activities Create an environment for improving customer relationships and expanding the range of problem resolution methods. Create and implement a system for reflecting customer feedback in products and services.
G	Promoting Risk Management Link	Build a comprehensive and exhaustive risk management system for identifying and quickly and appropriately dealing with risks to achieve sustainable corporate growth.	<ul style="list-style-type: none"> Disclosure of the results of monitoring significant business risks and progress in implementing reduction measures ⇒ At least once a year 	<ul style="list-style-type: none"> Disclosed once 	<ul style="list-style-type: none"> Build and raise awareness of a management system that includes overseas Group companies. Use a consistent format for investigating risks and implement countermeasures. Share information on progress of response through reports to the Board of Directors once a year.
	Reinforcing Compliance Link	Reinforce effective initiatives to instill compliance awareness and thus earn and maintain the trust of society.	<ul style="list-style-type: none"> Participation in compliance education and training ⇒ Implement as planned (100%) at work sites Serious compliance violations ⇒ Zero 	<ul style="list-style-type: none"> Participation in training: 100% as planned Serious compliance violations: Zero 	<ul style="list-style-type: none"> Build and enhance a compliance system that includes overseas Group companies. Further inculcate compliance through ongoing implementation of management and employee training and questionnaires, etc. Improve Group-wide risk perception and accelerate risk response by designating compliance managers at overseas Group companies and building a global hotline.
	Enhancing Governance Link	Build a sound, fair, transparent and highly effective governance system to enable sustainable corporate value enhancement.	<ul style="list-style-type: none"> Disclosure of the results of the establishment and operation of the internal control system ⇒ At least once a year Improvement in evaluations from external organizations ⇒ Continuously improve from 2020 onward 	<ul style="list-style-type: none"> Disclosed once As in 2021, we continued activities to improve evaluation results 	<ul style="list-style-type: none"> Evaluate and disclose results of the operation of the current internal control system. Clarify status of establishment of internal control systems at overseas Group companies and evaluate their operation. Continuously and proactively disclose governance-related non-financial information.

Note: The Sustainability Material Issues and objectives published in 2022 have been partially revised.

Sustainability Material Issues, 2030 Objectives and Indicators, 2022 Results and Measures to 2030

- ✓ 1. Promoting Environmental Initiatives for a Sustainable Planet ✓ 2. Creating Healthy Living Habits
- ✓ 3. Promoting Diversity & Inclusion ✓ 4. Promoting Work-Life Enrichment
- ✓ 5. Developing Human Resources ✓ 6. Improving Employee Health
- ✓ 7. Enhancing the Occupational Safety Management System ✓ 8. Respecting Human Rights
- ✓ 9. Building Responsible Supply Chain Management ✓ 10. Pursuing Customer Satisfaction and Trust
- ✓ 11. Promoting Risk Management ✓ 12. Reinforcing Compliance ✓ 13. Enhancing Governance

Promoting Environmental Initiatives for a Sustainable Planet

Material Issue 1

Environment

Top-Priority Material Issues



Objectives

- 1 Reduce CO₂ emissions throughout business activities.
- 2 Reduce CO₂ emissions throughout product lifecycles.
- 3 Achieve a CO₂ emissions reduction effect in excess of Lion's own emissions to help society become carbon negative.
- 4 Promote actively the 3Rs (reduce, reuse, recycle) and renewable activities.
- 5 Reduce water usage throughout product lifecycles.

1 Objectives

Reduce CO₂ emissions throughout business activities.

Indicators (2030)	CO ₂ emissions throughout business activities ⇒Down 55% compared with 2017 levels (Absolute quantity)
Progress (2022 results)	<ul style="list-style-type: none"> Down 13% compared with 2017 (Figure after deducting purchases of carbon credits. 4% reduction if not deducted.)
Globally Common Measures to 2030	<ul style="list-style-type: none"> Reduce energy usage through energy-saving activities. Purchase electricity generated by renewable energy sources.



Details

> Together with the Environment

> Reduce CO₂Emissions throughout Business Activities

> ESG Data

2 Objectives

Reduce CO₂ emissions throughout product lifecycles.

Indicators (2030)	CO ₂ emissions throughout product lifecycles ⇒Down 30% compared with 2017 levels (Absolute quantity)
Progress (2022 results)	<ul style="list-style-type: none">Up 12% compared with 2017
Globally Common Measures to 2030	<ul style="list-style-type: none">Reduce household CO₂ emissions from product use through the provision of environmentally friendly products and services and the promotion of environmentally friendly habits.Reduce CO₂ emissions at the stage of procurement through supplier engagement and the purchase of raw materials that generate low CO₂ emissions.



Details

[> Together with the Environment](#)

[> Reduce CO₂Emissions throughout Product Life Cycles](#)

[> ESG Data](#)

3 Objectives

Achieve a CO₂ emissions reduction effect in excess of Lion's own emissions to help society become carbon negative.

Indicators (2030)	Contribute to a CO ₂ emission reduction effect in excess of Lion's own emissions (Japan)
Progress (2022 results)	Plan to formulate actions and KPIs and verify their effectiveness
Globally Common Measures to 2030	<ul style="list-style-type: none">Reduce society's overall CO₂ emissions through collaboration with other industry actors and companies.Reduce household CO₂ emissions through provision of environmentally friendly products and services.



Details

[> Together with the Environment](#)

[> Reduce CO₂Emissions throughout Business Activities](#)

[> ESG Data](#)

4 Objectives

Actively promote the 3Rs (reduce, reuse, recycle) and renewable resource activities.

Indicators (2030)	Petrochemical-derived plastic use rate⇒70% or less
Progress (2022 results)	<ul style="list-style-type: none">97% (Japan)Rate of containers and other packaging using sustainable materials: 3.2%
Globally Common Measures to 2030	<ul style="list-style-type: none">Reduce usage of petrochemical-derived materials through the increased use of recycled plastic and biomass materials in products, containers and packaging.Continuously promote reduced use and reuse of plastic in products, containers and packaging.



Details

[> Together with the Environment](#)

[> Recycling Resources](#)

[> ESG Data](#)

5 Objectives

Reduce water usage throughout product lifecycles

Indicators (2030)	Water usage throughout product lifecycles ⇒Down 30% compared with 2017 levels (Per unit of net sales)
Progress (2022 results)	Down 7% compared with 2017
Globally Common Measures to 2030	Reduce water usage by consumers through the provision of water-saving products.



Details

[> Together with the Environment](#)

[> Reducing Water Use](#)

[> ESG Data](#)

Creating Healthy Living Habits

Material Issue 2

Health

Top-Priority Material Issues



Objectives

- 1 Provide opportunities for everyone to practice oral care whenever necessary and foster oral care habits to promote health for all.
- 2 Promote the establishment of hygienic habits that prevent bacteria and viruses from entering the body across all aspects of daily living.

1 Objectives

Provide opportunities for everyone to practice oral care whenever necessary and foster oral care habits to promote health for all.



Indicators (2030)	Total number of persons provided with products, services and information aimed at creating healthy living habits ⇒500 million
Progress (2022 results)	<p>Oral care habits: 300 million*</p> <p>Spreading Awareness of Preventive Dentistry Habits</p> <p>Japan:</p> <ul style="list-style-type: none"> • Began services supporting the oral care habits of corporate customers and senior citizens (<i>Okuchi Plus You</i> and <i>ORAL FIT</i>) <p>Overseas:</p> <ul style="list-style-type: none"> • Conducted educational and awareness activities to promote the formation of good tooth brushing habits among kindergartens and elementary school children • Participated in oral care improvement support program sponsored by the Ministry of Economy, Trade and Industry • Conducted educational and awareness activities to promote oral care during pregnancy <p>Putting Preventive Dentistry Habits into Practice</p> <p>Japan:</p> <ul style="list-style-type: none"> • Promoted greater frequency of tooth brushing. 35% of population brushed teeth after lunch (target for 2030: 50%) • Promoted greater use of products other than toothpastes and toothbrushes. 31% of population used dental floss products (target for 2030: 50%) <p>*Source: Lion survey</p>
Globally Common Measures to 2030	<ul style="list-style-type: none"> • Increase range of products and services that promote the creation of better oral care habits. • Reinforce educational and awareness activities aimed at establishing preventive dentistry and better oral care habits. • Promote activities to address personal and social challenges through oral care(Inclusive Oral Care).

Details

> Creating Healthy Living Habits

> Initiatives to Establish Oral Care Habits

> ESG Data

2 Objectives

Promote the establishment of cleanliness and hygiene habits that prevent bacteria and viruses from entering the body across all aspects of daily living, so that everyone can stay healthy.



Indicators (2030)	Total number of persons provided with products, services and information aimed at creating healthy living habits ⇒500 million
Progress (2022 results)	<p>Cleanliness and good hygiene habits: 120 million*</p> <p>Promoting and Establishing Cleanliness and Good Hygiene Habits through Educational Institutions</p> <p>Lion Group:</p> <ul style="list-style-type: none">• Conducted educational and awareness activities at preschools, kindergartens and elementary schools to promote hand washing habits• Received 24,250 entries in the My Bottle Sticker Drawing Contest from 8 countries and regions where we do business <p>Broadening Coverage of Activities to Support the Establishment of Cleanliness and Hygiene Habits</p> <p>Japan:</p> <ul style="list-style-type: none">• Conducted the Relay Project for Cleanliness in collaboration with shopping districts, local governments and elementary schools• Conducted a project to promote “HAND WASH & HYGINE before meals at hotels and restaurants”. <p>*Source: Lion survey</p>
Globally Common Measures to 2030	<ul style="list-style-type: none">• Provide products and services that support the establishment of hand cleanliness and hygiene habits in daily living.• Provide new customer experiences in all aspects of daily living through the provision of products and services that protect customers from bacteria and viruses.• Implement educational and awareness activities to establish cleanliness and hygiene habits in all aspects of daily living.

Details

> Creating Healthy Living Habits

> Initiatives to Establish Cleanliness and Hygiene Habits

Promoting Diversity & Inclusion

Material Issue 3

Employee



Objectives

Enable human resources with diverse values and Ideas to fully express their individuality and abilities and succeed professionally.

Indicators (2030)	<ul style="list-style-type: none"> Ratio of women in management ⇒ 30% or more Employees who feel that employees with diverse values are able to succeed professionally ⇒ 80% or more
Progress (2022 results)	<ul style="list-style-type: none"> Ratio of women in management: 20% Employees who feel so: 54% (Japan)
Globally Common Measures to 2030	<ul style="list-style-type: none"> Provide opportunities for employees to deepen their understanding of diverse values. Create systems and mechanisms for diverse human resources to succeed professionally.



Details

> Together with Employees

> Promoting Diversity & Inclusion

> ESG Data

Promoting Work-Life Enrichment

Material Issue 4

Employee



Objectives

Create an environment that helps employees fulfill their ambitions through synergy between work and private life.

Indicators (2030)	Employees who feel that life outside of work (role at home and activities outside the office) has a positive impact on work ⇒ 75% or more
Progress (2022 results)	53% (Japan)
Globally Common Measures to 2030	Create an environment that enables employees to fulfill their life ambitions and achieve their ideal lifestyles.



Details

> Together with Employees

> Promoting Work-Life Enrichment

> ESG Data

Developing Human Resources

Material Issue 5

Employee



Objectives

Foster human resources who generate dynamism to realize innovative change by creating environments that allow all employees to exercise their diverse abilities to the fullest and embrace challenges.

Indicators (2030)	Employees who are using diverse educational programs (Lion Career Village) for individualized skill acquisition and ability development⇒100%
Progress (2022 results)	57%
Globally Common Measures to 2030	<ul style="list-style-type: none"> Introduce e-learning system and curriculum that meet the needs of overseas Group companies. Create mechanisms that will be used to provide contents for learning opportunities on an ongoing basis.



Details

> Together with Employees

> Developing Human Resources

> ESG Data

Improving Employee Health

Material Issue 6

Employee



Objectives

Support mental and physical healthcare for employees to reinforce Group human resources and achieve sustainable corporate growth.

Indicators (2030)	<ul style="list-style-type: none"> Employees getting dental checkups ⇒100% Absenteeism ⇒Improve from the 2021 level
Progress (2022 results)	<ul style="list-style-type: none"> Employees getting dental checkups: 88% (Japan) Note: Support for dental checkups is provided (Overseas) Absenteeism: 0.7% (Lion Corporation in Japan; unchanged from 2021) Note: Calculation method under consideration (Overseas)
Globally Common Measures to 2030	<ul style="list-style-type: none"> Use a self-administered daily oral care program and regular dental checkups to create an environment that allows all employees to implement a PDCA cycle and to provide information and learning opportunities regarding oral self-care. Provide opportunities for management to learn about checking the mental health of subordinates and for all employees to learn about caring for their own mental health. Improve health literacy by providing information that helps employees understand their own health conditions and future risks, as well as what preventative actions to take in their daily lives.



Details

> Together with Employees

> Improving Employee Health

> ESG Data

Enhancing the Occupational Safety Management System

Material Issue 7

Employeee



Objectives

Enhance systems to ensure compliance with occupational safety and health laws and regulations and to enforce safety awareness thoroughly for the safety and peace of mind of employees and outside partners working on site.

Indicators (2030)	<ul style="list-style-type: none"> Participation in safety education and training ⇒Implement as planned (100%) at work sites Compliance with occupational safety and health laws and regulations Serious accidents and incidents ⇒Zero
Progress (2022 results)	<ul style="list-style-type: none"> Participation in training: 100% as planned Serious accidents and incidents: Zero
Globally Common Measures to 2030	<ul style="list-style-type: none"> Provide opportunities to learn about safety and disaster prevention, and implement activities to promote understanding of basic safety activities. Build mechanisms for exchanging safety information, and proactively disclose information on levels of workplace safety based on the management of records of occupational accident frequency.



Details

> Together with Employees

> Enhancing the Occupational Safety Management System

Respecting Human Rights

Material Issue 8

Human Rights



Objectives

Ensure respect for the human rights of all stakeholders affected by Group business activities, in line with the LION Human Rights Policy

Indicators (2030)	Human rights due diligence implementation for material human rights issues ⇒100%
Progress (2022 results)	<ul style="list-style-type: none"> Human rights due diligence implementation Lion Group: 100% Suppliers: 68%
Globally Common Measures to 2030	<ul style="list-style-type: none"> Build a mechanism for addressing human rights issues. Identify material human rights risks and verify how those affected are negatively impacted. Execute and monitor measures for addressing human rights risks that have been identified. Proactively disclose status of response to human rights due diligence.



Details

> Respect for Human Rights

> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)

Building Responsible Supply Chain Management

Material Issue 9

Supply Chain



Objectives

Implement sustainable procurement with zero tolerance for human rights and labor problems (including child labor and forced labor) or environmental destruction in line with the Sustainable Material Procurement Policy and Lion Group Supplier CSR Guidelines.

Indicators (2030)	<ul style="list-style-type: none"> Procurement of third-party certified paper and pulp (FSC, PEFC, etc.) and palm oil, palm kernel oil and their derivatives (RSPO, etc.) ⇒100% Procurement of third-party certified paper and pulp (FSC, PEFC, etc.) and palm oil, palm kernel oil and their derivatives (RSPO, etc.) from suppliers that support efforts aimed at zero deforestation ⇒100%
Progress (2022 results)	<ul style="list-style-type: none"> Ratio of certified raw materials procurement <ul style="list-style-type: none"> Japan: Certified paper and pulp: 65% (item ratio) Certified palm oil and palm kernel oil derivatives: 99% (based on key raw materials) Lion Group: Certified paper and pulp: 17% (item ratio) Certified palm oil and palm kernel oil derivatives: 48% (based on key raw materials) Ratio of suppliers supporting zero deforestation <ul style="list-style-type: none"> Japan: 48% Lion Group: 39%
Globally Common Measures to 2030	Create and promote a sustainable procurement system in cooperation with supplier



[Details](#)

[> Together with Supply Chains](#)

[> Aiming for Sustainable Raw Material Procurement](#)

[> ESG Data](#)

Pursuing Customer Satisfaction and Trust

Material Issue 10

Customer



Objectives

Promote and reinforce customer-oriented business activities by improving customer support quality and the value of products and services.

Indicators (2030)	Reflection of customer opinions in all products and services so that customers will continue to choose them
Progress (2022 results)	<ul style="list-style-type: none"> To promptly respond to customer comments on social media, we launched a social media risk management manual in January 2022 and conducted training to deal with online flaming in May 2022 (Japan) We improved the accessibility of the corporate website through a site renewal in June 2022 (Japan)
Globally Common Measures to 2030	<ul style="list-style-type: none"> Evolve the activities of customer response departments by steadily promoting three steps: Understand the current situation Formulate plans Promote activities Create an environment for improving customer relationships and expanding the range of problem resolution methods. Create and implement a system for reflecting customer feedback in products and services.



Details

> Ensuring Product Safety and Reliability

> Initiatives to Respond to Our Customers

Promoting Risk Management

Material Issue 11

Governance



Objectives

Build a comprehensive and exhaustive risk management system for identifying and quickly and appropriately dealing with risks to achieve sustainable corporate growth.

Indicators (2030)	Disclosure of the results of monitoring significant business risks and progress in implementing reduction measures ⇒At least once a year
Progress (2022 results)	Disclosed once
Globally Common Measures to 2030	<ul style="list-style-type: none"> Build and raise awareness of a management system that includes overseas Group companies. Use a consistent format for investigating risks and implement countermeasures. Share information on progress of response through reports to the Board of Directors once a year.



Details

> Risk Management

Reinforcing Compliance

Material Issue 12

Governance



Objectives

Reinforce effective initiatives to instill compliance awareness and thus earn and maintain the trust of society.

Indicators (2030)	<ul style="list-style-type: none"> Participation in compliance education and training ⇒ Implement as planned (100%) at work sites Serious compliance violations ⇒ Zero
Progress (2022 results)	<ul style="list-style-type: none"> Participation in training: 100% as planned Serious compliance violations: Zero
Globally Common Measures to 2030	<ul style="list-style-type: none"> Build and enhance a compliance system that includes overseas Group companies. Further inculcate compliance through ongoing implementation of management and employee training and questionnaires, etc. Improve Group-wide risk perception and accelerate risk response by designating compliance managers at overseas Group companies and building a global hotline.



[Details](#)

[Compliance](#)

[ESG Data](#)

Enhancing Governance

Material Issue 13

Governance



Objectives

Build a sound, fair, transparent and highly effective governance system to enable sustainable corporate value enhancement.

Indicators (2030)	<ul style="list-style-type: none"> Disclosure of the results of the establishment and operation of the internal control system ⇒ At least once a year Improvement in evaluations from external organizations ⇒ Continuously improve from the 2020 onward
Progress (2022 results)	<ul style="list-style-type: none"> Disclosed once As in 2021, continued activities to improve evaluation results
Globally Common Measures to 2030	<ul style="list-style-type: none"> Evaluate and disclose results of the operation of the current internal control system. Clarify status of establishment of internal control systems at overseas Group companies and evaluate their operation. Continuously and proactively disclose governance-related non-financial information.



[Details](#)

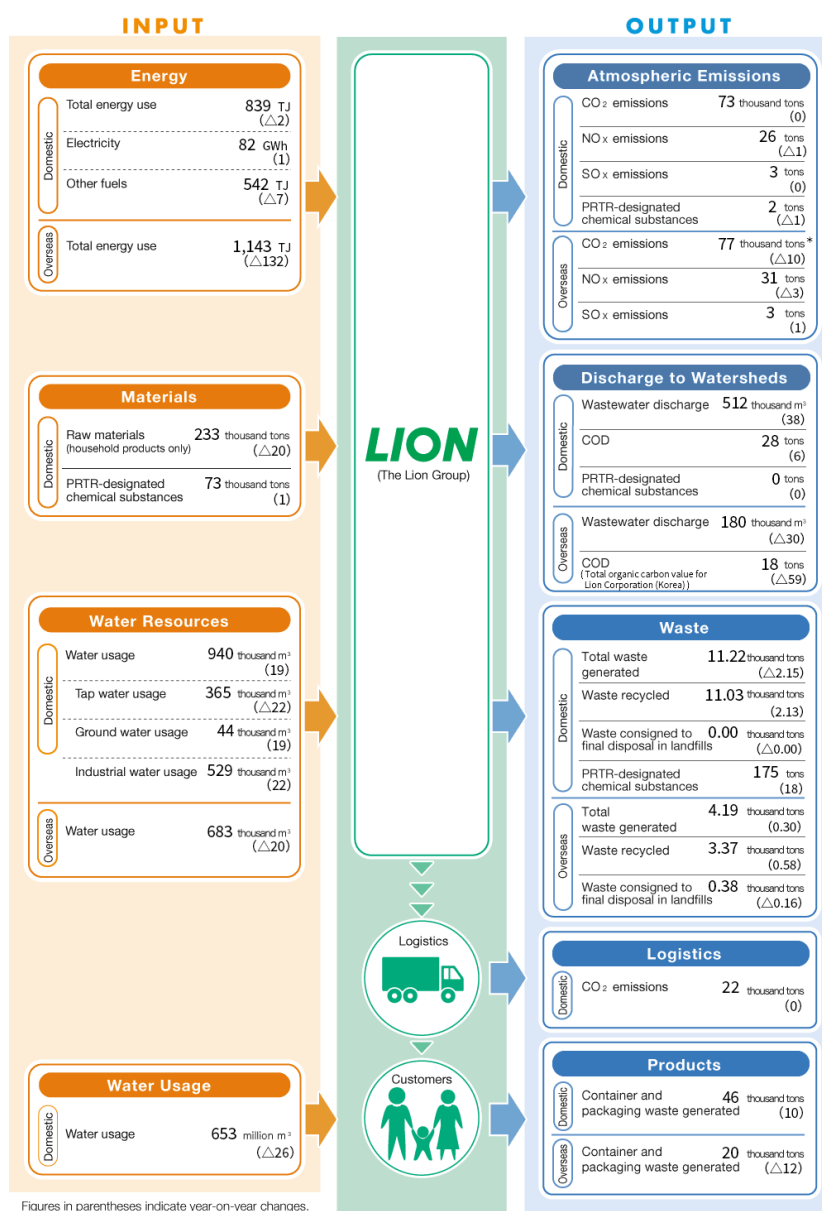
[Basic Approach to Corporate Governance](#)

ESG Data and Third-Party Verification

- ✓ Environmental Data
- ✓ Third-Party Verification (Environment)
- ✓ Social Data
- ✓ Third-Party Verification (Society)
- ✓ Governance Data

Environmental Data

Overview of Environmental Burden Created by Business Activities



[Scope of Data] Lion and consolidated subsidiaries

[Period Covered] January 2022 to December 2022: However, data for PRTR-designated chemical substances is for April 2022 to March 2023

CO₂ Emissions from Business Activities

Domestic	Unit	2017	2019	2020	2021	2022
Absolute quantity	Thousand t-CO ₂	77	70	67	74	73
Reduction from 2017	%	—	—	—	5	5

Overseas	Unit	2017	2019	2020	2021	2022
Absolute quantity	Thousand t-CO ₂	94	93	96	86	77 ^{*1}
Reduction from 2017	%	—	—	—	8	19

*1 Excludes carbon credit purchases. Including these, the amount is 92,000 tons, a 2% reduction.

Domestic and overseas total	Unit	2017	2019	2020	2021	2022
Absolute quantity	Thousand t-CO ₂	171	163	163	160	150 ^{*2}
Reduction from 2017	%	—	—	—	7	13

*2 Excludes carbon credit purchases. Including these, the amount is 165,000 tons a 4% reduction.

> More about related initiatives

Total Energy Consumption in Business Activities

	Unit	2018	2019	2020	2021	2022
Domestic	TJ	840	817	799	841	839
Overseas		1,183	1,118	1,139	1,275	1,143
Domestic and overseas total	TJ	2,509	2,404	2,409	2,632	2,507

> More about related initiatives

Total renewable and Non-Renewable Energy Consumption in Business Activities

		Unit	2018	2019	2020	2021	2022	Target for 2022
Total non-renewable energy consumption	Domestic	GWh	233	227	222	233	232	—
	Overseas		329	310	316	313	316	—
	Domestic and overseas total	GWh	562	537	538	546	549	540
Total renewable energy consumption	Domestic	GWh	0.04	0.04	0.04	0.18	0.45	—
	Overseas		0	0.01	0.01	42	1	—
	Domestic and overseas total	GWh	0.04	0.05	0.05	42	1.8	—
Total renewable energy consumption/ total energy consumption	Domestic and overseas total	%	0.01	0.01	0.01	7.12	0.33	—

Greenhouse Gas Emissions throughout the Supply Chain

		Unit	2017	2019	2020	2021	2022
Scope 1		%	1.6	1.6	1.5	1.7	1.5
Scope 2		%	2.1	2.1	1.9	1.5	1.8
Scope 3	Purchased goods and services	%	21.8	20.4	23.1	23.5	23.7
	Capital goods	%	0.8	1.3	2.5	1.1	1.2
	Fuel- and energy-related activities not include in Scope 1 or Scope 2	%	0.5	0.4	0.6	0.6	0.6
	Upstream transportation and distribution	%	3.4	4.6	4.3	3.8	3.9
	Waste generated in operations	%	0.1	0.1	0.3	0.4	0.1
	Business travel	%	0.1	0.1	0.1	0.0	0.0
	Employee commuting	%	0.1	0.1	0.0	0.1	0.0
	Downstream transportation and distribution	%	0.1	0.2	0.2	0.2	0.2
	Processing of sold products	%	5.3	2.6	1.8	2.0	2.2
	Use of sold products	%	54.2	55.8	52.8	54.5	54.3
	End-of-life treatment of sold products	%	9.5	10.4	10.2	9.9	10.0
	Investments	%	0.4	0.6	0.7	0.6	0.5
Total		Million t-CO ₂	4.62	4.50	4.83	4.92	5.03

> More about related initiatives

Notes: Scope: Lion and domestic and overseas consolidated subsidiaries

Scope 1: Direct emissions from operating sites

Scope 2: Indirect emissions from the generation of purchased energy (electricity generation, etc.)

Scope 3: Emissions from the supply chain not included in Scope 1 or Scope 2

Scope 1 and 2 Greenhouse Gas Emissions from Operating Sites

Domestic	Unit	2017	2019	2020	2021	2022
Scope 1	Thousand t-CO ₂	22	21	19	21	21
Scope 2 (location basis)		55	52	50	52	51
Scope 1 + 2 (location basis) total	Thousand t-CO ₂	77	73	70	73	72
Scope 2 (market basis)	Thousand t-CO ₂	55	50	48	52	52
Scope 1 + 2 (market basis) total	Thousand t-CO ₂	77	70	67	74	73
Amount of carbon credits purchased	Thousand t-CO ₂	0	0	0	0	0

Overseas	Unit	2017	2019	2020	2021	2022
Scope 1	Thousand t-CO ₂	51	50	54	64	56
Scope 2 (location basis)		43	43	42	22	36
Scope 1 + 2 (location basis) total	Thousand t-CO ₂	94	93	96	86	92
Scope 2 (market basis)	Thousand t-CO ₂	43	43	42	22	36
Scope 1 + 2 (market basis) total	Thousand t-CO ₂	94	93	96	86	92
Amount of carbon credits purchased	Thousand t-CO ₂	0	0	0	0	16

Domestic and overseas total	Unit	2017	2019	2020	2021	2022	Target for 2022
Scope 1	Thousand t-CO ₂	73	70	73	85	76	85
Scope 2 (location basis)		98	95	93	74	88	74
Scope 1 + 2 (location basis) total	Thousand t-CO ₂	171	165	166	160	164	—
Scope 2 (market basis)	Thousand t-CO ₂	98	93	90	74	89	74
Scope 1 + 2 (market basis) total	Thousand t-CO ₂	171	163	163	160	165	—
Amount of carbon credits purchased	Thousand t-CO ₂	0	0	0	0	0	16

Notes: Scope 1: Direct emissions from operating sites

Scope 2: Indirect emissions from the generation of purchased energy (electricity generation, etc.)

Raw Material Usage (Domestic Household Products)

	Unit	2018	2019	2020	2021	2022
Raw material usage	Thousand tons	251	245	250	252	233

[➤ More about related initiatives](#)

Container and Packaging Material Usage (Domestic Household Products)

	Unit	2018	2019	2020	2021	2022
Plastic	Thousand tons	18	20	20	19	18
Corrugated cardboard		24	26	27	27	27
Cardboard		6	6	5	5	5
Glass		6	6	5	6	6
Metals		0.2	0.2	0.1	0.1	0.1
Total	Thousand tons	54	57	58	57	56

[➤ More about related initiatives](#)

Container and Packaging Material Usage (Domestic and Overseas Total Household Products)

	Unit	2018	2019	2020	2021	2022
Plastic	Thousand tons	34	37	42	43	36
Corrugated cardboard		56	57	59	58	56
Cardboard		8	9	13	13	7
Glass		6	6	5	6	6
Metals		0.2	0.2	0.1	0.1	0.1
Total	Thousand tons	105	110	119	120	105

Water Usage (Water Withdrawal) in Business Activities

	Unit	2017	2019	2020	2021	2022
Domestic	Thousand m ³	917	862	823	920	940
Overseas		670	706	713	704	683
Total	Thousand m ³	1,586	1,568	1,536	1,624	1,623

[➤ More about related initiatives](#)

Water Usage (Water Withdrawal) by Source

		Unit	2017	2019	2020	2021	2022
Tap water	Domestic	Thousand m ³	339	353	343	387	365
	Overseas		645	681	690	689	655
	Total	Thousand m ³	983	1,033	1,033	1,076	1,020
Industrial water	Domestic	Thousand m ³	538	507	479	507	529
	Overseas		25	25	23	15	28
	Total	Thousand m ³	563	532	502	522	557
Groundwater	Domestic	Thousand m ³	38	0	0	25	44
	Overseas		0	0	0	0	0
	Total	Thousand m ³	38	0	0	25	44
Rain water	Domestic	Thousand m ³	1	2	2	2	2
	Overseas		0	0	0	0	0
	Total	Thousand m ³	1	2	2	2	2

Wastewater Discharge in Business Activities

	Unit	2017	2019	2020	2021	2022
Domestic	Thousand m ³	526	448	428	474	512
Overseas		172	190	183	211	180
Total	Thousand m ³	699	638	611	684	692

Wastewater Discharge by Destination

		Unit	2021*	2022
Sewage systems	Domestic	Thousand m ³	302	322
	Overseas		64	74
	Total	Thousand m ³	366	396
Sea area	Domestic	Thousand m ³	118	130
	Overseas		0	0
	Total	Thousand m ³	118	130
River	Domestic	Thousand m ³	53	60
	Overseas		44	5
	Total	Thousand m ³	97	65
Other (industrial park treatment facilities)	Domestic	Thousand m ³	0	0
	Overseas		103	101
	Total	Thousand m ³	103	101

* Disclosed from 2021

Breakdown of Water Use over the Life Cycles of Lion Products

	Unit	2019	2020	2021	2022
Raw material procurement	%	19.3	19.3	19.4	19.8
Production	%	0.1	0.1	0.1	0.1
Transport	%	0.0	0.0	0.0	0.0
Use by consumers	%	76.8	76.2	76.2	75.8
Disposal by consumers	%	3.8	4.4	4.3	4.3

* Scope: Lion and domestic and overseas consolidated subsidiaries

> More about related initiatives

Water Use over the Life Cycles of Lion Products

	Unit	2017	2019	2020	2021	2022
Water Usage	million m ³	2,178	2,230	2,273	2,291	2,303
Usage intensity per unit net sales	thousand m ³ /million yen	6.36	—	—	6.26	5.91
Decrease in usage intensity per unit net sales from 2017	%	0	—	—	2	7

Total Waste Generation, Total Waste Consigned to Final Disposal in Landfills and Total Resources Recovered

Domestic	Unit	2018	2019	2020	2021	2022
Total Waste Generation	Thousand tons	8.29	8.59	10.43	9.08	11.22
Total Waste Consigned to Final Disposal in Landfills		0.01	0.01	0.01	0.01	0.00
Total Resources Recovered		3.16	4.05	3.13	3.73	3.22

Overseas	Unit	2018	2019	2020	2021	2022
Total Waste Generation	Thousand tons	4.49	4.15	3.96	3.89	4.19
Total Waste Consigned to Final Disposal in Landfills		2.83	1.04	0.74	0.54	0.38
Total Resources Recovered		3.59	2.76	3.13	3.22	3.15

Domestic and overseas total	Unit	2018	2019	2020	2021	2022
Total Waste Generation	Thousand tons	12.79	12.74	14.39	12.97	15.41
Total Waste Consigned to Final Disposal in Landfills		2.83	1.05	0.75	0.54	0.38
Total Resources Recovered		6.75	6.81	6.26	6.95	6.37

> More about related initiatives

Waste Disposal by Method (Domestic + Overseas)

	Unit	2018	2019	2020	2021	2022
Recycled or reused	Thousand tons	12.93	14.55	16.38	15.15	17.56
Landfill		2.83	1.05	0.81	0.65	0.38
Incinerated (with energy recovery)		3.42	3.64	3.22	3.49	3.20
Incinerated (without energy recovery)		0.14	0.09	0.13	0.46	0.44
Disposal method unknown		0.00	0.00	0.00	0.00	0.00

Management of Chemical Substances

PRTR-Designated Substance Emissions (Domestic)

	Unit	2018	2019	2020	2021	2022
PRTR-Designated Substance Emissions	Tons	18	2	2	3	2

Emissions of Nitrogen Oxides (NO_x), Sulfur Oxides (SO_x) and Particulate Matter

Domestic	Unit	2018	2019	2020	2021	2022
Emissions of Nitrogen Oxides (NO _x)	Tons	28	25	29	27	26
Emissions of Sulfur Oxides (SO _x)		4	3	4	3	3
Particulate Matter		1	1	1	1	1

Overseas	Unit	2018	2019	2020	2021	2022
Emissions of Nitrogen Oxides (NO _x)	Tons	57	107	71	33	31
Emissions of Sulfur Oxides (SO _x)		1	1	2	1	3
Particulate Matter		13	13	8	58	26

Domestic and overseas total	Unit	2018	2019	2020	2021	2022
Emissions of Nitrogen Oxides (NO _x)	Tons	85	132	100	60	56
Emissions of Sulfur Oxides (SO _x)		5	5	6	5	6
Particulate Matter		14	15	9	59	28

VOC Emissions (Domestic)

	Unit	2018	2019	2020	2021	2022
Volatile organic compound (VOC) emissions	Tons	78	67	68	69	57

COD in Business Activities

	Unit	2018	2019	2020	2021	2022
Domestic	Tons	14	18	20	22	28
Overseas		38	41	76	77	18
Total	Tons	52	59	96	100	47

* Total organic carbon value for Lion Corporation (Korea) in and after 2021.

[➤ More about related initiatives](#)

Environmental Accounting

Based on the Ministry of the Environment's guidelines, every year we calculate and disclose the environmental conservation cost and the economic benefits (real effect) of environmental conservation measures for the entire domestic Lion Group. (January 2022 to December 2022)

Breaking down total environmental conservation cost in 2022, although investment (capital expenditure) decreased approximately ¥1,34 billion year on year, overall cost decreased approximately ¥1,21 billion.

Environmental Conservation Cost

(Millions of yen)

Category	Key activity	January 2022 to December 2022	
		Investment	Cost
Business area cost	Pollution prevention	18	273
	Global environmental conservation	361	3,632
	Resource recycling	41	400
	Environmentally friendly products	2,982	2,990
Upstream/downstream cost	Container/packaging recycling	—	782
Administration cost	ISO 14001 registration, environmental education	0	658
R&D cost	R&D of environmentally friendly products, etc.	64	983
Social activity cost	Environmental improvement measures, donations to organizations	0	8
Environmental remediation cost	Pollution burden duties, etc.	0	5
Domestic Group total		3,466	9,732
	YoY	-1,340	1,209

Economic Benefit Associated with Environmental Conservation Measures

(Millions of yen)

Effects	YoY reduction
Cost reduction due to energy saving	-1,102.8
Cost reduction due to resource saving	47.0
Reduced water utility cost	-3.6
Waste disposal reduction*	-73.9

* Includes cost of sales of valuable waste

Environmental Efficiency

Every year, Lion calculates its environmental efficiency using the formula below to evaluate how efficient its business activities are in terms of the environmental burden they create. We continually strive to improve environmental efficiency.

$$\text{Environmental efficiency} = \frac{\text{Results of business activities (net sales)}}{\text{Environmental impact* (monetary value of environmental burden calculated using LIME)}}$$

* Environmental impact (harm) is calculated as a monetary amount using the Life-cycle Impact assessment Method based on Endpoint modeling (LIME).

Environmental Efficiency and Monetary Value of Environmental Burden (comparison with 2005)

	Unit	2018	2019	2020	2021	2022
Monetary value of environmental burden (comparison with 2005)	%	74	79	84	84	90
Environmental efficiency		374	350	340	344	326

* The monetary value of environmental burden was calculated using the LIME2 integrated coefficient list (July 1, 2010 version).

Production Site Environmental Data

> [Lion and domestic consolidated subsidiaries](#)  (PDF:7KB)

> [Overseas consolidated subsidiaries](#)  (PDF:60KB)

Certification under ISO 14001 (2015 Version)

Domestic	8 locations
Overseas	5 locations

> [More about related initiatives](#)

Conducting Third-Party Verification (Environment)

To ensure the transparency and accuracy of its environmental data, the Lion Group obtains third-party verification opinions regarding data on its greenhouse gas emissions (Scope 1 and Scope 2 and Scope 3 some categories), energy consumption, and water withdrawal and discharge from SGS Japan Inc. Most recently, the Group obtained third-party opinions regarding its environmental data for 2022.

Going forward, we will seek to put third-party opinions to good use and enhance accuracy.

Verification Opinion		SGS																												
23 May 2023 Opinion No. 20230349 Mr. Masayuki Tatemori Representative Director, President and Executive Officer Lion Corporation 1-3-28 Kuratane, Itabashi-ku, Tokyo		23 May 2023 Opinion No. 20230349																												
Objective SGS Japan Inc. (hereinafter referred to as "SGS") was commissioned by Lion Corporation (hereinafter referred to as "the Organization") to conduct independent verification based on Criteria of Verification (SGS1686-1: 2018) and the SGS verification protocol regarding the data prepared by the Organization on the scope of verification (hereinafter referred to as "the Statement"). The objective of the verification is to confirm that the statement in the Organization's report is accurate and that the data is reliable. The Organization is responsible for the preparation and fair presentation of the statement.		The details of the scope of verification																												
Scope The scope of verification is Scope 1 and 2 emissions, Scope 3 emissions, energy consumption, water usage, water withdrawal and discharge, and CO2 emissions. The period subject to report is from 1 January 2022 to 31 December 2022. Refer to the attached sheet for the detailed scope of verification and the period subject to report.		<table><tr><th>The scope</th><th>The boundary</th><th>The statement</th></tr><tr><td>1 Scope 1 and 2 Energy consumption</td><td>4 domestic plants of the Organization, 4 domestic and 4 overseas plants of its Group Companies (12 Plants in total)*</td><td>Energy related carbon dioxide emissions Scope 1: 41,888 tCO₂ Scope 2: 82,686 tCO₂ GHG emissions other than energy related carbon dioxide 1,232 tCO₂</td></tr><tr><td colspan="3">* 1 The boundary of verification of the Organization is based on the Rational Use and Proper Management of Resources in total: 4 domestic plants of the Organization, 4 domestic and 4 overseas plants of its Group Companies (12 Plants in total).</td></tr><tr><td>2 Carbon Credit</td><td>4 domestic plants of the Organization, 4 domestic and 4 overseas plants of its Group Companies (12 Plants in total)</td><td>15,844 tCO₂</td></tr><tr><td>3 Scope 3 Category 1</td><td>12 Lion Corporation (Plant) Ltd. owned 13,844 tCO₂, 1102 carbon credit issued from water power</td><td>384,795 tCO₂</td></tr><tr><td>4 Scope 3 Category 11</td><td>Raw materials and packaging materials for general consumer goods and for the Organization's General consumer goods sold by the Organization</td><td>1,116,554 tCO₂</td></tr><tr><td>5 Scope 3 Category 12</td><td>General consumer goods sold by the Organization</td><td>171,374 tCO₂</td></tr><tr><td>6 Water usage (water withdrawal) including the water source of city water, industrial water, underground water and rainwater</td><td>4 domestic plants of the Organization, 4 domestic and 4 overseas plants of its Group Companies (12 Plants in total)</td><td>Water usage (water withdrawal) 1,507 thousand m³ Water discharge 827 thousand m³</td></tr><tr><td>7 Water discharge including the industrial effluent, public waters and others</td><td>4 domestic plants of the Organization, 4 domestic and 3 overseas plants of its Group Companies (11 Plants in total)</td><td>461</td></tr></table>		The scope	The boundary	The statement	1 Scope 1 and 2 Energy consumption	4 domestic plants of the Organization, 4 domestic and 4 overseas plants of its Group Companies (12 Plants in total)*	Energy related carbon dioxide emissions Scope 1: 41,888 tCO ₂ Scope 2: 82,686 tCO ₂ GHG emissions other than energy related carbon dioxide 1,232 tCO ₂	* 1 The boundary of verification of the Organization is based on the Rational Use and Proper Management of Resources in total: 4 domestic plants of the Organization, 4 domestic and 4 overseas plants of its Group Companies (12 Plants in total).			2 Carbon Credit	4 domestic plants of the Organization, 4 domestic and 4 overseas plants of its Group Companies (12 Plants in total)	15,844 tCO ₂	3 Scope 3 Category 1	12 Lion Corporation (Plant) Ltd. owned 13,844 tCO ₂ , 1102 carbon credit issued from water power	384,795 tCO ₂	4 Scope 3 Category 11	Raw materials and packaging materials for general consumer goods and for the Organization's General consumer goods sold by the Organization	1,116,554 tCO ₂	5 Scope 3 Category 12	General consumer goods sold by the Organization	171,374 tCO ₂	6 Water usage (water withdrawal) including the water source of city water, industrial water, underground water and rainwater	4 domestic plants of the Organization, 4 domestic and 4 overseas plants of its Group Companies (12 Plants in total)	Water usage (water withdrawal) 1,507 thousand m ³ Water discharge 827 thousand m ³	7 Water discharge including the industrial effluent, public waters and others	4 domestic plants of the Organization, 4 domestic and 3 overseas plants of its Group Companies (11 Plants in total)	461
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Procedure of Verification The statement was verified in accordance with Criteria of Verification, and the following processes were implemented as a third-party verification: • Verification of the statement: On-site verification and review of documents compiled at Lion Chemical Co., Ltd. Fine Chemical Division and Lion Specialty Chemicals Co., Ltd. On-site Plant, and analytical procedures, and interviews for the other sites in the scope of verification carried out at the Organization's Headquarters. The criteria for this review are based on, Act on the Rational Use of Energy, Act on the Rational Use and Proper Management of Resources, GHG Emissions Calculation and Reporting Manual Ver. 4.4 and the protocol specified by the Organization.																														
Conclusion Within the scope of the verification activities employing the methodologies mentioned above, nothing has come to our attention that caused us to believe that the Organization's Statement was not compiled and reported in accordance with the criteria. SGS Japan Inc. affirms our independence from the Organization, being free from bias and conflicts of interest with the Organization.																														
For and on behalf of SGS Japan Inc. Toshio Nakano, PwC Audit System 1 104, Sando-cho, Nishi-Shinjyuku-ku, Tokyo 160-8502 Representative Director, President and Executive Officer SGS Japan Inc.		Toshi Takahashi 1/2																												

Verification Opinion

➤ [Verification Opinion](#)  (PDF:750KB)

PRTR-Designated Substance Emissions

➤ [2022 PRTR-designated substance emissions data for production sites \(domestic group companies\)](#) 

Industrial Waste Disposal Facility Maintenance and Management Data

Chiba Plant

➤ [2023 Maintenance and Management Data \(updated July 26, 2023\)](#)  (PDF:88KB) [Japanese]

➤ [2022 Maintenance and Management Data \(updated May 19, 2023\)](#)  (PDF:88KB) [Japanese]

➤ [2021 Maintenance and Management Data \(updated April 26, 2022\)](#)  (PDF:98KB) [Japanese]

➤ [2020 Maintenance and Management Data \(updated April 23, 2021\)](#)  (PDF:107KB) [Japanese]

Social Data

Employee Data

Scope: Lion Corporation + employees on loan / the Lion Group (Lion Corporation + domestic and overseas Group companies; employees on loan from Lion Corporation are counted only for Lion Corporation). All as of December 31.

Diversity & Inclusion

		2018	2019	2020	2021	2022
		Employees				
Lion Corporation (including employees on loan)	Male	2,827	2,237	2,355	2,347	2,317
	Female	1,062	1,044	1,205	1,238	1,270
Lion Group	Male	-	-	-	4,454	4,425
	Female	-	-	-	2,944	2,979
		Female employee ratio				
Lion Corporation (including employees on loan)		27.3%	31.8%	33.8%	34.5%	35.4%
Lion Group		-	-	-	39.8%	40.2%
		Ratios of employees by age group				
Lion Corporation (including employees on loan)	Below 30 y/o	-	-	16%	16%	16%
	30-50 y/o	-	-	47%	46%	46%
	Over 50 y/o	-	-	37%	38%	38%
Lion Group	Below 30 y/o	-	-	21%	20%	19%
	30-50 y/o	-	-	52%	53%	53%
	Over 50 y/o	-	-	27%	27%	28%
		New hires (new graduates)				
Lion Corporation (including employees on loan)	Male	63	42	54	46	35
	Female	33	34	33	38	30
		Ratio of companies with an independent trade union or collective bargaining agreements				
Lion Group	%	-	-	86.4%	86.4%	86.4%
		Ratio of employees represented by an independent trade unions or covered by collective bargaining agreements				
Lion Corporation (including employees on loan)	%	-	-	66.2%	77.9%	65.9%
Lion Group	%	-	-	73.4%	75.1%	72.9%
		Re-hired retirees				
Lion Corporation (including employees on loan)	Number	210	207	243	293	343
	%	6.6%	6.3%	6.8%	8.2%	9.6%
		Temporary employees				
Lion Corporation (including employees on loan)		512	400	196	130	104
		Employees with disabilities				
Lion Corporation (excluding employees on loan)	Number	76	77	75	77	79
	%	2.8%	2.8%	2.7%	2.7%* ¹	2.8%* ¹
Lion Group	Number	-	-	94	127	131
	%	-	-	1.3%	1.7%	1.8%

		2018	2019	2020	2021	2022
		Average service years (excluding rehired retirees)				
Lion Corporation (including employees on loan)	Male	19.6	20.1	19.7	19.5	19.6
	Female	16.8	15.1	14.0	14.1	14.2
		Total employee turnover rate*2				
Lion Corporation (including employees on loan)		-	4.6%	2.4%	2.8%	3.3%
		Voluntary employee turnover rate				
Lion Corporation (including employees on loan)		-	-	1.2%	2.3%	1.6%
Lion Group		-	-	3.0%	4.9%	5.5%
		Employees who resigned within three years of entering the Company				
Lion Corporation (including employees on loan)	Number	2	8	10	4	6
	%	0.80%	3%	4%	1.60%	2.42%
		Women in all management positions*3				
Lion Corporation (including employees on loan)	Number	76	81	83	93	98
	%	7.4%	9.2%	9.1%	10.3%	11.1%
Lion Group	Number	-	-	-	289	267
	%	-	-	-	20.4%	19.6
		Women in top management positions				
Lion Corporation (including employees on loan)	Number	-	-	-	2	2
	%	-	-	-	12.5%	9.1%
Lion Group	Number	-	-	-	47	44
	%	-	-	-	40.2%	38.9%
		Women in low- and mid-level management positions				
Lion Corporation (including employees on loan)	Number	-	-	-	91	96
	%	-	-	-	10.3%	11.2%
Lion Group	Number	-	-	-	242	223
	%	-	-	-	18.6%	17.8%
		Women in junior management positions*4				
Lion Corporation (including employees on loan)	Number	-	-	-	163	180
	%	-	-	-	27.8%	31.4%
Lion Group	Number	-	-	-	232	231
	%	-	-	-	28.1%	30.2%
		Women in management positions with revenue-generating functions				
Lion Corporation (including employees on loan)	Number	-	-	-	36	37
	%	-	-	-	9.9%	10.5%
Lion Group	Number	-	-	-	154	147
	%	-	-	-	24.0%	23.1%
		Women in STEM-related positions				
Lion Corporation (including employees on loan)	Number	-	-	-	19	19
	%	-	-	-	11.8%	12.3%
Lion Group	Number	-	-	-	39	40
	%	-	-	-	16.8%	16.3%

		2018	2019	2020	2021	2022
		The percentage of average salary of female employees against that of male employees (gender pay gap)				
Lion Corporation (including employees on loan)	Male directors	-	-	100%	100%	100%
	Female directors	-	-	-	-	-
	Male external directors	-	-	100%	100%	100%
	Female external directors	-	-	100%	100%	100%
	Male employees in management positions	-	-	100%	100%	100%
	Female employees in management positions	-	-	89%	89%	93%* ⁵
	Male employees in non-management positions	-	-	100%	100%	100%
	Female employees in non-management positions	-	-	76%	79%	79%* ⁵
Lion Group	Male employees in management positions	-	-	100%	100%	100%
	Female employees in management positions	-	-	88%	93%	97%
	Male employees in non-management positions	-	-	100%	100%	100%
	Female employees in non-management positions	-	-	90%	91%	89%
		Regionally based employees				
	Users	17	17	2	0	8

*1 Uses the standard calculation for the domestic hiring rate

*2 Total employee turnover rate number should be the sum of the Voluntary employee turnover and the involuntary employee turnover rate (such as retirement, end of term, death)

*3 Total of those in top-level (equivalent to Executive General Managers, Deputy Executive General Managers, etc., excluding the CEO and directors) and mid-level and low-level (equivalent to General Managers, managers, etc.) management positions

*4 Equivalent to supportive roles, such as assistant managers, etc.

*5 [Verified by a third party](#)

[➤ More about related initiatives](#)

Work-Life Enrichment

		2018	2019	2020	2021	2022
		Employees who took childcare leave				
Lion Corporation (including employees on loan)	Male	16	13	32	54	55
	Female	53	61	78	84	77
		Employees who took shorter work hours for childcare				
Lion Corporation (including employees on loan)	Male	0	0	0	0	0
	Female	64	66	77	78	65
		Average overtime per month [hours]				
Lion Corporation (including employees on loan)		13.7	11.2	9.2	12.5	13.8
		Annual paid leave used				
Lion Corporation (including employees on loan)		60.3%	74.0%	68.0%	65.9%	69.2%
		Volunteer leave used				
Lion Corporation (including employees on loan)	Users	13	15	0	0	0
	Days taken	16	19	-	-	-
		Employee Awareness and Behavior Survey Employees who take pride in their work*				
Lion Corporation (excluding employees on loan)	Overall response rate	91.5%	85.8%	83.0%	84.3%	89.5%
	Overall	96.2%	95.7%	97.3%	80.5%	77.1%
	Male	97.2%	96.5%	97.5%	84.3%	78.2%
	Female	94.5%	94.3%	96.8%	77.0%	78.1%
	Below 30 y/o	94.1%	94.0%	95.3%	74.9%	71.9%
	30–39 y/o	94.8%	93.9%	96.7%	78.9%	76.9%
	40–49 y/o	95.3%	96.1%	96.8%	79.0%	75.9%
	50–59 y/o	97.7%	95.7%	97.9%	84.6%	79.5%
	60 y/o and above	98.1%	98.0%	97.2%	85.4%	82.1%
	Non-management positions	95.1%	94.4%	96.6%	77.5%	74.9%
	Management Positions (Including officers)	98.5%	98.7%	98.8%	89.6%	85.1%

* Because the rate of employees answering that they took pride in their work neared 100% in 2020, the survey options were changed to enable Lion to gather data to seek further improvement

[➤ More about related initiatives](#)

Developing Human Resources

		2018	2019	2020	2021	2022
		Average hours per FTE of training and development				
Lion Corporation (including employees on loan)		-	-	14.6	52.8* ¹	58.1
Lion Group		-	-	12.1	31.0* ¹	34.9
		Average hours per FTE of training and development breakdown				
Lion Corporation (including employees on loan)	Employees below 30 y/o	-	-	-	97.7	93.1
	Employees 30–50 y/o	-	-	-	49.3	55.2
	Employees 50 y/o and above	-	-	-	54.5	46.3
	Male	-	-	-	49.2	66.9
	Female	-	-	-	59.8	41.9
	Top management positions	-	-	-	39.7	281.5
	Low- and mid-level management positions	-	-	-	83.3	128.5
	Junior management positions	-	-	-	42.9	18.7
Lion Group	Employees below 30 y/o	-	-	-	44.2	44.1
	Employees 30–50 y/o	-	-	-	26.3	31.7
	Employees 50 y/o and above	-	-	-	36.6	34.1
	Male	-	-	-	30.1	40.9
	Female	-	-	-	30.3	26.1
	Top management positions	-	-	-	21.1	63.8
	Low- and mid-level management positions	-	-	-	60.4	95.0
	Junior management positions	-	-	-	33.4	16.8
		Average amount spent per FTE on training and development				
Lion Corporation (including employees on loan)		-	-	¥52,300	¥67,100	¥94,800
Lion Group		-	-	¥29,300	¥36,700	¥51,400
		Average amount spent per FTE on training and development breakdown				
Lion Corporation (including employees on loan)	Employees below 30 y/o	-	-	-	¥67,100	¥288,300
	Employees 30–50 y/o	-	-	-	¥107,700	¥82,900
	Employees 50 y/o and above	-	-	-	¥24,100	¥27,700
	Male	-	-	-	¥70,800	¥98,300
	Female	-	-	-	¥60,000	¥87,500
	Top management positions	-	-	-	¥65,000	¥643,500
	Low- and mid-level management positions	-	-	-	¥105,000	¥176,600
	Junior management positions	-	-	-	¥44,000	¥182,900
Lion Group	Employees below 30 y/o	-	-	-	¥43,500	¥120,000
	Employees 30–50 y/o	-	-	-	¥46,700	¥40,700
	Employees 50 y/o and above	-	-	-	¥16,900	¥20,400
	Male	-	-	-	¥41,300	¥55,900
	Female	-	-	-	¥29,200	¥41,900
	Top management positions	-	-	-	¥33,700	¥108,200
	Low- and mid-level management positions	-	-	-	¥76,800	¥127,600
	Junior management positions	-	-	-	¥33,500	¥139,200

		2018	2019	2020	2021	2022
		Type of individual performance appraisal				
Coverage of the MBO system* ² at Lion Corporation	Top management positions	-	-	○	○	○
	Low- and mid-level management positions	-	-	○	○	○
	Junior management positions	-	-	○	○	○
	Employees in non-management positions	-	-	○	○	○
Coverage of the MBO system: % of all employees	Top management positions	-	-	55.7%	57.3%	53.3%
	Low- and mid-level management positions	-	-	95.4%	95.5%	94.8%
	Junior management positions	-	-	94.6%	94.9%	94.4%
	Employees in non-management positions	-	-	62.1%	63.6%	66.2%
		Percentage of open positions filled by internal candidates (internal hires)* ³				
Lion Corporation (including employees on loan)		-	-	88.5%	69.0%	89.1%
Lion Group		-	-	49.2%	55.7%	67.6%

*1 Figures for 2021 increased due to the inclusion of divisional training and development hours

*2 MBO: Management by Objectives

*3 Percentage of internal hires: Internal hires / (external mid-career hires + internal hires)

[➤ More about related initiatives](#)

Key Health Indicators

			2020	2021	2022
Lion Corporation (including employees on loan)	Physical health	Rate of employees getting regular health checkups	100.0%	100.0%	99.9%
		Rate of employees getting necessary follow-up examinations	58.0%	59.6%	59.4%
		Rate of employees requiring specific health guidance related to metabolic syndrome (ages 40 and over)	17.8%	16.8%	*
		Rate of employees getting specific health guidance related to metabolic syndrome (ages 40 and over)	74.9%	83.6%	*
		Rate of employees maintaining a healthy body weight	69.4%	66.9%	67.9%
	Living habits	Employee smoking rate	18.5%	17.0%	17.0%
		Rate of employees who habitually exercise	23.7%	24.5%	25.8%
		Proportion of employees who are sufficiently rested after sleep	66.0%	67.6%	67.9%
		Proportion of employees who eat breakfast habitually	80.7%	74.9%	74.5%
		Rate of employees who habitually drink alcohol	17.7%	14.8%	16.4%
	Mental health	Stress level check implementation rate	98.2%	99.5%	98.8%
		Rate of employees with high stress levels	7.9%	9.0%	8.9%
	Health history	Proportion of employees who respond that they “mostly understand” or “understand well” their health checkup results	89.8%	89.3%	91.3%
		Proportion of employees who respond that they “know what to do” or “mostly know what to do” to improve their health based on their health checkup results	86.3%	86.6%	88.6%

* Planned to be updated in August 2023

Productivity and Professional Fulfillment Indicators

			2020	2021	2022
Lion Corporation (including employees on loan)	Productivity	Performance ^{*1}	74.5%	87.0%	86.3%
		Rate of absence due to illness or poor health ^{*2}	0.8%	0.7%	0.8%
	Professional fulfillment ^{*3}	Work engagement	2.7	2.6	2.6
		Proportion of employees that respond that they are “satisfied” or “mostly satisfied” with their jobs	74.3%	71.4%	70.5%
		Proportion of employees that respond “Yes” to the statement “My job is professionally fulfilling”	76.3%	74.5%	74.3%

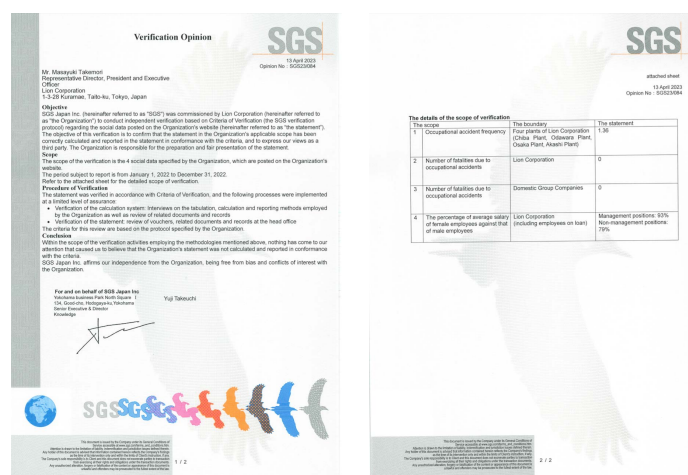
*1 Presenteeism: Measured using the SPQ (University of Tokyo single-item version)

*2 Absenteeism: Absence rate = Days absent/Total work days

*3 Measured using stress level check tests (work engagement: average of responses to two questions answered on a four-point scale)

Conducting Third Party Verification (Society)

To ensure the transparency and accuracy of Lion’s social data (rate of occupational accidents, number of deaths due to occupational accidents, and average compensation ratio between men and women), the Company has undergone third-party verification by SGS Japan Inc. The results of this verification are disclosed on the Lion website. Going forward, we will enhance the reliability of this data by expanding the scope of verification. In addition, we will utilize third-party verification and work continuously to improve accuracy.



Verification written opinion

> [Verification opinion PDF](#) (PDF:3.85MB)

Supply Chain

| Switching rate to RSPO-certified products for key raw materials (Domestic)

All as of December 31.

2019	2020	2021	2022
14%	93%	93%	99%

| Procurement rate of third-party certified paper from domestic paper manufacturers for key products

All as of December 31.

2019	2020	2021	2022
96%	98%	98%	99%

[➤ More about related initiatives](#)

| Number of Suppliers Evaluated and Response Rate

	2018	2019	2020	2021	2022
Number of suppliers	610	585	574	502	474
Response Rate	98%	99%	100%	100%	96%

[➤ More about related initiatives](#)

| Key Suppliers

	2018	2019	2020	2021	2022
Number of key suppliers	90	90	90	90	90
Portion of all primary suppliers that are key suppliers	14.8%	15.4%	15.7%	17.9%	17.9%
Portion of purchasing that is from key suppliers (monetary basis, among all primary suppliers)	87%	80%	89%	89%	89%

[➤ More about related initiatives](#)

Governance Data

Scope: Lion Corporation + domestic Group companies

Compliance E-learning Participation Rate

2018	2019	2020	2021	2022
100%	100%	99.5%	99.2%	98.1%

[➤ More about related initiatives](#)

The AL Heart Hotline Recognition Rate Among Employees

2018	2019	2020	2021	2022
98.5%	98.6%	99.5%	99.0%	99.4%

AL Heart Hotline Consultations and Reports

	2018	2019	2020	2021	2022
Harassment	15	11	8	12	13
Personnel and labor management issues	6	11	7	5	9
Others	2	3	58	2	3

[➤ More about related initiatives](#)

Product recalls* from consumers or distributors

Scope: Lion Corporation

2018	2019	2020	2021	2022
0	0	0	0	0

* Recalls accompanied by company notice on a national newspaper

Initiatives and External Evaluations

- ✓ Participation in Initiatives
- ✓ Status of Inclusion in SRI Indices
- ✓ Evaluations and Certifications


Participation in Initiatives

The United Nations Global Compact (UNGC) is a global initiative in which companies and organizations take action as upstanding members of society by exercising responsible, productive leadership to realize sustainable growth. Participating companies and organizations are asked to uphold and put into action ten principles in the four areas of “Human Rights,” “Labour,” “Environment” and “Anti-Corruption.”



The Ten Principles of the UN Global Compact

Human Rights	Principle 1: Business should support and respect the protection of internationally proclaimed human rights; and
	Principle 2: Make sure that they are not complicit in human rights abuses.
Labour	Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining;
	Principle 4: The elimination of all forms of forced and compulsory labour;
	Principle 5: The effective abolition of child labour; and
	Principle 6: The elimination of discrimination in respect of employment and occupation.
Environment	Principle 7: Business should support a precautionary approach to environmental challenges;
	Principle 8: Undertake initiatives to promote greater environmental responsibility; and
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10: Business should work against corruption in all its forms, including extortion and bribery.

Lion announced its support for the UNGC in 2009 and takes part in related initiatives. Furthermore, Lion is a member of the [Global Compact Network Japan \(GCNJ\)\[Japanese\]](#) , a local network of the UNGC. The GCNJ has subcommittees aimed at promoting the CSR activities of its member companies. Lion participates in the Supply Chain, Environmental Management, HRDD and SRI/ESG subcommittees. The subcommittees share information on the latest CSR-related developments through lectures by experts and examples of initiatives at participating companies. They also prepare various publications to support the CSR efforts of diverse corporate actors based on the experience of the participating companies across a wide range of industries.

Publications Lion Has Helped Prepare

◎Supply Chain Subcommittee

 [Introductory text on CSR procurement \(bringing CSR to the supply chain\) \[Japanese\]](#)

 [CSR procurement self-assessment tool set \[Japanese\]](#)

Others

> [Participation in External Environmental Initiatives](#)

> [Participation in Pharmaceutical Product Safety Initiatives](#)

> [Participation in External Supply Chain Initiatives](#)

> [Participation in External Human Rights Initiatives](#)

Status of Inclusion in SRI Indices

In addition to financial considerations, Lion works to address environmental, social and governance issues. Lion has been selected for inclusion in leading socially responsible investing (SRI) indices in and outside Japan, namely the FTSE4Good Global Index (based in the UK) and the Dow Jones Sustainability Asia/Pacific Index (U.S.A. and Switzerland).

We are also included in the ESG indices used by Japan's Government Pension Investment Fund (GPIF): the FTSE Blossom Japan Index, the FTSE Blossom Japan Sector Relative Index, MSCI Japan ESG Select Leaders Index, MSCI Japan Empowering Women Index (WIN), S&P/JPX Carbon Efficient Index and Morningstar Japan ex-REIT Gender Diversity Tilt Index. Inclusion in these indices indicates that Lion is recognized globally as a highly trustworthy company that meets high standards of corporate ethics and corporate social responsibility.

As of July 2023

2023

July 2023



FTSE4Good Global Index



An index developed by U.K.-based FTSE Russell that evaluates companies' sustainability from ESG perspectives and selects companies that meet its standards.

Lion has been included in this index for 16 consecutive years beginning in 2008.

 [FTSE4Good Global Index](#)

> [News Release](#)

July 2023

FTSE Blossom Japan Index



An index developed by U.K.-based FTSE Russell that selects Japanese companies with outstanding ESG performance. Lion has been included in this index for seven consecutive years beginning in 2017.

[FTSE Blossom Japan Index](#)

[News Release](#)

July 2023

FTSE Blossom Japan Sector Relative Index



An index developed by U.K.-based FTSE Russell that reflects the performance of Japanese companies that demonstrate strong ESG practices relative to their respective sectors. Lion was included in this index for second consecutive years beginning in 2022.

[FTSE Blossom Japan Sector Relative Index](#)

[News Release](#)

FTSE Russell (registered trademark of FTSE International Limited and Frank Russell Company) hereby confirms that Lion Corporation has been independently assessed and found to satisfy the requirements for inclusion in the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is widely used in the creation and evaluation of sustainable investment funds and other financial products.

July 2023

MSCI Japan Empowering Women Index (WIN)

2023 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

THE INCLUSION OF LION CORPORATION IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF LION CORPORATION BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

An index developed by U.S.-based MSCI that selects for Japanese companies that promote the professional participation and advancement of woman and earn high gender diversity scores. Lion has been included in this index for seven consecutive years beginning in 2017.

[🔗 MSCI Japan Empowering Women Index \(WIN\)](#)

[➤ News Release](#)

July 2023

S&P/JPX Carbon Efficient Index



An index comprising the companies in the Tokyo Stock Price Index (TOPIX) that weights said companies based on their disclosure of environmental data and carbon efficiency (carbon emissions per unit of net sales). Japan's Government Pension Investment Fund (GPIF) has used this index since 2018. Lion has been included in this index since its establishment in 2018.

[🔗 S&P/JPX Carbon Efficient Index](#)

[➤ News Release](#)

June 2023

SOMPO Sustainability Index



An index operated by Sompo Asset Management Co., Ltd. Every year, approximately 300 companies are selected for this index, which Sompo Asset Management uses for its SOMPO Sustainable Management investment product. Lion was selected for inclusion in the SOMPO Sustainability Index in recognition of its ESG initiatives for three consecutive years beginning in 2021.

[🔗 SOMPO Sustainability Index \[Japanese\]](#)

Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)

MORNINGSTAR GenDi J

Japan ex-REIT Gender Diversity
Tilt Index

TOP CONSTITUENT 2023

Morningstar, Inc., and/or one of its affiliated companies (individually and collectively, "Morningstar") has authorized Lion Corporation to use of the Morningstar Japan ex-REIT Gender Diversity Tilt Logo ("Logo") to reflect the fact that, for the designated ranking year, Lion Corporation ranks in the top quintile of companies comprising the Morningstar® Japan ex-REIT Gender Diversity Tilt IndexSM ("Index") on the issue of gender diversity in the workplace. Morningstar is making the Logo available for use by Lion Corporation solely for informational purposes. Lion Corporation use of the Logo should not be construed as an endorsement by Morningstar of Lion Corporation or as a recommendation, offer or solicitation to purchase, sell or underwrite any security associated with Lion Corporation. The Index is designed to reflect gender diversity in the workplace in Japan, but Morningstar does not guarantee the accuracy, completeness or timeliness of the Index or any data included in it. Morningstar makes no express or implied warranties regarding the Index or the Logo, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index, any data included in it or the Logo. Without limiting any of the foregoing, in no event shall Morningstar or any of its third party content providers have any liability for any damages (whether direct or indirect), arising from any party's use or reliance on the Index or the Logo, even if Morningstar is notified of the possibility of such damages. The Morningstar name, Index name and the Logo are the trademarks or services marks of Morningstar, Inc. Past performance is no guarantee of future results.

An index developed with the help of Netherland-based Equileap that reflects the performance of Japanese companies that have strong gender diversity policies embedded in their corporate culture and that ensure equal opportunities to employees, irrespective of gender.

Lion was included in this index for the first time in 2023.

[🔗 Morningstar Japan ex-REIT Gender Diversity Tilt Index](#)

2022



2021



2020



2019



Evaluations and Certifications

Our environmental, logistics and human resources initiatives have been highly evaluated by governmental and other external institutions.

As of March 2023

2023

March 2023



SBT Initiative

Environment



A collaborative international initiative established in 2015 by the CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). Lion's greenhouse gas reduction targets for 2030 were validated by the initiative as being based on sound scientific grounds and aligned with the target of limiting global warming to 1.5°C.

[> News Release](#)

March 2023

CDP Supplier Engagement Rating

Environment



The CDP is an international NGO based in the United Kingdom that encourages companies to disclose data on their initiatives to combat environmental problems and surveys and evaluates such disclosure. The Supplier Engagement Rating (SER) is based on the CDP climate change questionnaire items about governance, targets, value chain (scope 3) emission calculations and supplier engagement strategies. As one of the companies that received the highest ratings, Lion was listed on the Supplier Engagement Leaderboard for a fourth consecutive year.

[> News Release](#)

March 2023

The Health & Productivity Stock Selection

Human Resources



Under this program, the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange recognize enterprises engaging in particularly outstanding efforts to promote health and productivity management.

Lion has been selected under this program for the first time in 2023.

[> News Release \[Japanese\]](#)

March 2023

White 500 Company under the Certified Health & Productivity Management Outstanding Organizations Recognition Program

Human Resources



Under this program, the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi recognize enterprises engaging in outstanding efforts to promote health and productivity management.

Lion has been selected under this program for seven consecutive years, since its establishment in 2017.

[> News Release \[Japanese\]](#)

February 2023

Japan Sports Agency's Sports Yell Company

Overall CSR



A certification program created by the Japan Sports Agency in 2017 to recognize companies that support or promote sports activities to improve their employees' health.

Lion was certified under the Japan Sports Agency's Sports Yell Company 2023 program.

[> News Release \[Japanese\]](#)

January 2023

Sustainability Site Awards

Overall CSR

The Association for Sustainability Communication of Japan awards companies with outstanding sustainability websites based on the quality of their sustainability information provision.

Lion received the Silver Award, in the Sustainability Site Awards 2023.

2022



2021



2020



2019



Stakeholder Engagement

✓ Approach ✓ Lion's Main Stakeholders ✓ Stakeholder Engagement ✓ Stakeholder Dialogue

Approach

The Lion Group recognizes the importance of meeting the expectations and demands of stakeholders. To that end, mutual understanding with our stakeholders is essential for us to continue our sustainable growth. We strive to actively engage stakeholders in dialogue and collaboration by through various forms of communication.

We value and take seriously our stakeholders' opinions and suggestions. After analyzing and reviewing them internally, we incorporate them into our future corporate activities to further improve our sustainability efforts.

Lion's Main Stakeholders

Lion considers its main stakeholders to be its shareholders, investors, customers (consumers) and business partners, as well as municipalities, governments, non-profit organizations, local communities and employees.



Stakeholder Engagement

To ensure that it will be able to continue to contribute to society, Lion listens carefully to the opinions of stakeholders and promotes stakeholder engagement* via the following communication methods. The opinions we receive are reported to management and the relevant departments and are utilized in our business activities.

* The process in which a company actively engages with its stakeholders through dialogue and other means to achieve mutually acceptable outcomes in order to fulfill its corporate social responsibility (see the Japan Business Federation's Implementation Guidance on Charter of Corporate Behavior, 7th Edition)

Main Stakeholder Communication Methods

Putting Our Purpose into Practice: “Make a difference in everyday lives by redesigning habits: ReDesign”

Stakeholder	Major responsibilities	Main engagement opportunities
Shareholders and investors	<ul style="list-style-type: none"> • Business growth (sales and profit) • Returning profits to shareholders • Sound and transparent management • Accountability and constructive dialogue • Effective corporate governance 	<ul style="list-style-type: none"> • Annual Meeting of Shareholders, Annual Meeting of Shareholders convocation notice • Financial results briefings • Briefings for individual investors and institutional investors • IR tours: Individual interviews with overseas institutional investors and analysts
	<ul style="list-style-type: none"> • Enhancing disclosure content • Timely disclosure of management-related information 	Website: Investor Relations and News Release sections
	Proactive disclosure of financial and non-financial information	Integrated Report
Customers (consumers)	Redesigning habits	Promotional activities and exhibition events
	Safe and reliable manufacturing	Factory tours
	Product development emphasizing the consumer's perspective	Consumer research: group interviews, monitoring surveys
	Supplying superior products and services useful for everyday living	Commercials, in-store shopping, online shopping
	Promoting information useful for everyday living	Lion's website and social media
	Appropriate, sincere customer service	Customer support

Stakeholder	Major responsibilities	Main engagement opportunities
Business partners	<ul style="list-style-type: none"> ● <u>Suppliers (raw material manufacturers, production contractors)</u> • Establishing supply chain management that takes human rights and the environment into consideration • Responsible raw material procurement 	<ul style="list-style-type: none"> • Self-checks/feedback based on the Lion Group Supplier CSR Guidelines • Compliance consultation and whistle-blowing system (AL Heart Hotline)
	<ul style="list-style-type: none"> ● <u>Retail stores, wholesalers</u> • Building relationships of trust through fair and equitable trade • Stable supply of products • Proposing value-added products and services that meet consumer needs • Contributing to the revitalization of markets in each category 	<ul style="list-style-type: none"> • New product briefings, product seminars • Lion network, wholesaler meetings • Sales floor strategy proposal meetings, merchandising meetings • Collaborative events and fairs • Collaborative environmental initiatives
Governments and municipalities	Appropriate dialogue with supervisory authorities	Councils, committees, opinion exchange meetings, personnel exchanges
	Collaboration to resolve local social issues	Conclusion of agreements, collaborative events and initiatives
	Building and maintaining equitable and sound relationships	Debriefings and information exchange meetings
Non-profit organizations	Collaborative, cooperative support for solving social and environmental issues	<ul style="list-style-type: none"> • Conclusion of agreements, collaborative events and initiatives • Opinion exchange meetings • Support through monetary and product donations
Local communities	Solving social and economic issues	Social contribution activities and participation in the local community
	Contributing to regional revitalization and development and collaboration with local communities	Connecting with local residents through events
	<ul style="list-style-type: none"> • Promoting health and educating the next generation on hygiene and cleanliness • Proposing educational curriculums • Environmental education 	<ul style="list-style-type: none"> • Health seminars • Disaster relief • Supporting science classes • Forest maintenance activities
	Consideration for the natural environment	Environmental beautification activities
	Biodiversity conservation	Conservation activities with local residents

Stakeholder	Major responsibilities	Main engagement opportunities
Employees	<ul style="list-style-type: none"> • Providing a comfortable working environment for employees. • Support for job satisfaction 	<ul style="list-style-type: none"> • Internal communications through the Group intranet, etc. • Employee awareness and behavior surveys • Compliance Awareness Survey
	<ul style="list-style-type: none"> • Building good relationships • Fostering an organizational culture that encourages innovation 	<ul style="list-style-type: none"> • Roundtable with the President to exchange ideas with management • Creating new businesses through the new value creation program
	<ul style="list-style-type: none"> • Fair evaluation and treatment • Improving the employee benefits system 	<ul style="list-style-type: none"> • Labor-management meetings • Individual interviews
	Utilizing and developing human resources	<ul style="list-style-type: none"> • Various educational programs and training for skills acquisition and ability development • Rank-specific training
	Promoting occupational safety and health	<ul style="list-style-type: none"> • Workplace accident prevention program • e-learning training
	Promoting and managing health	Health checkups, dental checkups
	Respecting human rights	<ul style="list-style-type: none"> • Compliance consultation and whistle-blowing system (AL Heart Hotline)
	Respecting diversity	<ul style="list-style-type: none"> • e-learning training

Stakeholder Dialogue

Lion regards dialogue with stakeholders as a valuable opportunity for seeing how its aspirations as a company compare with society's demands and calibrating its sense of balance as a good corporate citizen.

In recent years, in light of the growing importance of responding to new demands from society, we hold study meetings for management as part of our stakeholder dialogues. These meetings bring together outside experts with Lion's top management to discuss sustainability topics directly related to corporate operations. The suggestions and opinions expressed in these dialogues are reflected in Lion's operations and used to further promote sustainability activities.

In May 2022, we held a study meeting on the topic of respect for human rights, which has been attracting attention as a major social issue in recent years. At this meeting, an outside expert specializing in human rights served as an instructor, leading discussion with Lion's chairman, president, directors, Audit & Supervisory Board members and executive officers.

We will continue working to understand and meet the needs of our customers and society through a variety of forms of dialogue with stakeholders.

Implemented	Participating stakeholders	Theme
2022	Outside experts	Respect for human rights (United Nations Guiding Principles on Business and Human Rights)—Why it is crucial to strengthen initiatives to ensure respect for human rights now
2021	An NPO	The Okuchikarada Project for children (Inclusive oral care)
	Outside experts, employees	Spreading awareness of sustainability
2020	Outside experts	ESG-oriented management
2019	Outside experts	Promoting sustainability-oriented management

Social Contribution Activities

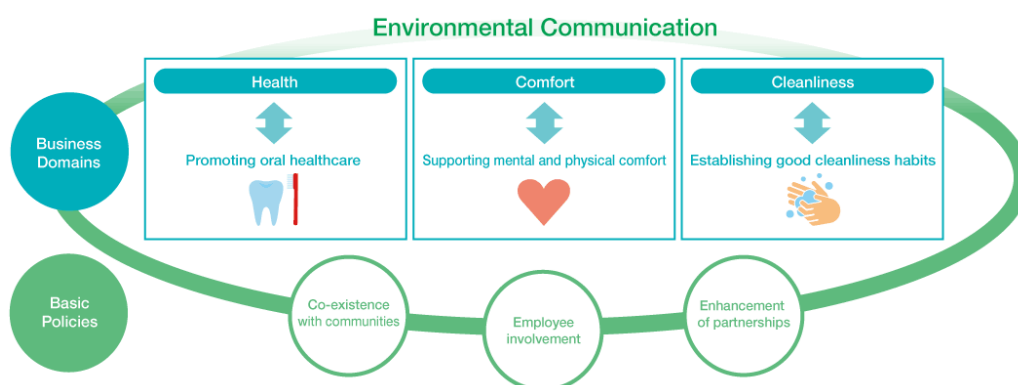
- ✓ Approach
- ✓ Overview
- ✓ Initiatives with Local Governments
- ✓ Initiatives Supporting Education
- ✓ Sports Promotion Activities
- ✓ Working towards Gender Equality
- ✓ Collaboration with Local Communities
- ✓ Donation Activities (Philanthropy)
- ✓ Overseas Social Contribution Activities

Approach

Since its founding, Lion has sought to help consumers enjoy healthy living through the provision of products while carrying out educational activities and communication aimed at creating better living habits.

In Japan and other Asian countries, Lion is engaged in initiatives that contribute to the sustainable development of society and the global environment through the areas of health, comfort and cleanliness. We believe that our continued business viability depends on co-existing harmoniously with the communities in which we are involved, such as those where Lion facilities are located. We therefore strive to help solve issues in and invigorate local communities by strengthening partnerships with local residents, government agencies and citizens' groups. In addition, by increasing opportunities for every employee to get involved in business-related educational activities, we foster human resources that create new value informed by a high level of social and environmental awareness.

Overview



Initiatives with Local Governments

Ishinomaki City, Miyagi Prefecture

Lion's founder, Tomijiro Kobayashi, had close ties to Ishinomaki City. Honoring this connection, Lion has pursued recovery support initiatives in the city on a continuous basis since the Great East Japan Earthquake in 2011.

In January 2019, Lion formed a comprehensive collaboration agreement with the city to promote the health of city residents and revitalize the area using its accumulated health improvement expertise. One initiative under the agreement is tree planting at Ishinomaki Minamihama Tsunami Memorial Park, and Lion staff, partners and Ishinomaki locals have teamed up to plant trees every year. We will continue to implement a variety of initiatives based on employee participation.



A group photo of a tree planting event at Ishinomaki Minamihama Tsunami Memorial Park



Lion's initiatives to promote recovery from the Great East Japan Earthquake

Yamanashi City, Yamanashi Prefecture

Since October 2006, in accordance with an agreement with Yamanashi City, Lion has been involved in the maintenance of a city-owned forest, the first of the Company Forest Promotion Projects being promoted by Yamanashi Prefecture. Our goal is to increase employee awareness of the environment through the experience of caring for the forest, which serves as a water source. In the future, we would like to focus on environmental education and offer a venue for interaction and exchange with a diverse group of people, including local residents.



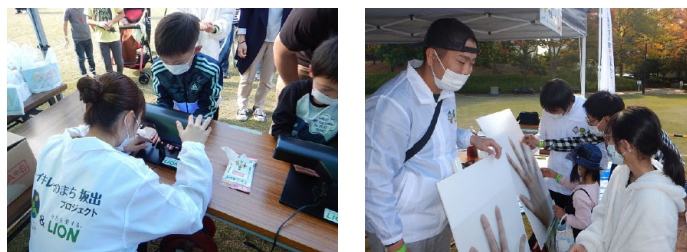
Forest maintenance activities



Lion Forest in Yamanashi

Sakaide City, Kagawa Prefecture

The *KireiKirei* City-Sakaide Project is an initiative implemented through a partnership agreement signed in 2014 by Sakaide City, the Lion Chemical Co., Ltd. Oleochemical Production Site and Lion that aims to improve the health of the citizens of Sakaide City by educating them about healthy habits such as hand washing and tooth brushing.



Hand washing awareness activities at the Furusato no Oyako Festival



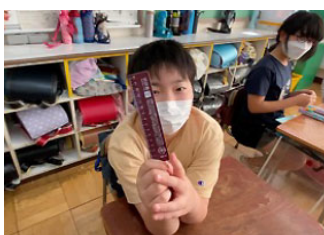
Sumida-ku, Tokyo

In 2020, Lion formed an agreement with the municipality of Sumida-ku, where our headquarters were formerly located, to collect and recycle used toothbrushes with the aim of recovering plastic resources.

Between April 2020 and March 2021, used toothbrushes were collected from elementary schools and other organizations (many of which are educational institutions), recycled into rulers, and returned to the collecting organizations.



A visit to a participating elementary school



An elementary school student showing off his new ruler



15 cm rulers incorporating recycled toothbrush plastic

Taito-ku, Tokyo

In March 2023, we concluded an agreement with the municipality of Taito-ku to collaborate and cooperate in the promotion of local residents' health and to contribute to community development for the realization of a sustainable society and our harmonious coexistence with the community.

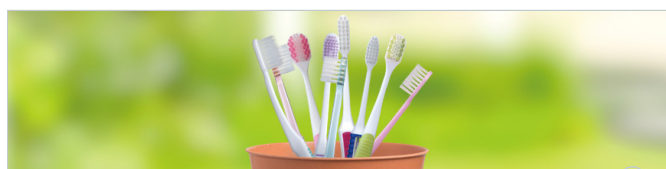
Based on this agreement, in the following month we began toothbrush recycling initiatives to recycle plastic resources. Collected toothbrushes will be processed by a recycling company chosen by Lion and then returned to Taito-ku locals in the form of useful plastic goods.



Signing Ceremony for the Comprehensive Collaborative Agreement



A collection box at the entrance of the main building of the Taito-ku City Office



Toothbrush Recycling Program [Japanese]

Initiatives Supporting Education

Employee Participation

Since 2014, as part of Lion's training program, junior employees go to kindergartens and preschools across Japan to teach children about the importance of hand washing habits through a set of fun song and dance activities. In 2021, the program was extended to include elementary schools, with lessons delivered using simple-to-follow instructional videos and other visual aids. In addition to providing products, our employees play a helpful role in promoting self-directed cleanliness and hygiene habits.

Lion is proactively implementing these activities, which not only serve communities, but contribute to human resource development. By participating in these initiatives, employees learn about social issues through direct contact with communities and improve their problem-solving skills, teamwork skills and empathy in addition to increasing their awareness of the importance of contributing to society.



A video is shown during an event at an elementary school



Events held in kindergartens and preschools

Supporting Science Education

| “Rico-Challe” Training Event Participation

Since 2019, Lion has been holding events to support “Rico-Challe,” a campaign to support female junior high, high school and university students choosing STEM fields being implemented by the Gender Equality Bureau Cabinet Office, the Ministry of Education, Culture, Sports, Science and Technology Education Policy Bureau and the Japan Business Federation.



Education Support Activities for Science Students

One example of how Lion supports science education is by conducting experience-based lessons for high school students from Super Science High School designated schools,* helping these students to deepen their knowledge, and by offering tours of the Research and Development Headquarters that cover the history of Lion's technological development, the motivations of the developers and the technologies used in Lion products in order to foster their interest in science. Because students are able to hear from researchers directly, these events help students develop a sense of what it is like to work in research.

* The Ministry of Education, Culture, Sports, Science and Technology has implemented the Super Science High School program since 2002 to carry out research and development focused on math and science education with the goal of developing future international scientists and engineers. Under the program, upper secondary schools providing advanced math and science education are designated as Super Science High Schools and receive special support.

Volunteer Researchers Conduct Science Classes

Edogawa-ku, where Lion's Hirai Research Center is located, has been conducting an ongoing science education center project for more than 50 years in which the ward, schools, and local residents collaborate to teach children about the fascinating scientific phenomena happening around them. For more than 15 years, we have been holding science classes for elementary school students to familiarize them with interface science, which is the foundation of Lion's products, and to help them become familiar with science in their daily lives.

[Click here for more research institute activities \[Japanese\]](#)

Sports Promotion Activities

Activities of Lion's Rugby Club

Lion's rugby club is celebrating its 51st anniversary in 2023. We would like to take this opportunity to thank the many people who have continued to support us and help us achieve this milestone. We would like to express our sincere gratitude. Every spring, the club holds the Lion Rugby Festival at the Chiba Plant sports field to build relationships with local residents, children of a local rugby school, coaching staff and many parents. To prevent the spread of COVID-19, club activities were suspended in 2020, but resumed in spring 2022. At the rugby classes held here, our current players, who go by the team name "Lion Fangs" teach rugby skills in an easy-to-understand manner to ruggers ranging from kindergarteners to upper elementary students.

In addition, since 2012, as part of Lion's project to promote recovery from the Great East Japan Earthquake, the rugby club has been holding rugby classes in the city of Ishinomaki, as well. From 2020, these activities were suspended due to the COVID-19 pandemic, but will resume for the first time in four years in 2023.

Through rugby, we will continue to participate in a variety of community and social contribution activities.

Rugby Lesson Participants

		2018	2019	2020	2021	2022	2023
Participants	Chiba	Approx. 500	Approx. 700	Suspended	Suspended	Approx. 600	Approx. 700
	Ishinomaki	Approx. 80	Approx. 90	Suspended	Suspended	-	Scheduled for August



Activities at the Chiba Plant (April 2023)



Activities in Ishinomaki (2019)



Lion Fangs [Japanese]



Other Sports Events Supported by Lion



RCC Hiroshima Women's Ekiden (long-distance relay race) [Japanese]



RKK Women's Ekiden (long-distance relay race) [Japanese]



All Japan IAIDO TAIKAI (kendo tournament) [Japanese]



Walking Event [Japanese]

Recognized as a Sports Yell Company 2023 by the Japan Sports Agency

Lion was recognized by the Sports Agency as a Sports Yell Company in 2023 for its efforts to promote sports activities among its employees and its active support in the field of sports.

[News Release \[Japanese\]](#)



Working towards Gender Equality

Kaji × Kaji Happy Share Project

Lion is promoting the Kaji × Kaji Happy Share Project in partnership with municipalities and companies across Japan with the aim of eliminating the “chore gap” in households. By helping foster smoother relations within households in the communities where we promote this project, we are supporting the resolution of a variety of social issues, such as women’s participation in the labor force and the low birth rate. Through this project, we are working with municipalities to provide useful information not only to married couples, but broadly throughout communities.



Household chore seminar in Akashi City



Collaboration with Local Communities

Plant Tours

Lion considers plant tours to be an important contact point between customers and the Company. So that customers can get to know Lion products and witness the extremely high priority the Company places on safety and environmental conservation in its operations, we welcome many visitors to the plants every year. Plant tours were suspended from February 2020 to prevent the spread of COVID-19 but have gone back to a regular schedule in 2023.



Odawara Plant (2019)



Odawara Plant (2019)



Chiba Plant (2019)



Akashi Plant (2019)

2020 Plant Tours
(January 1, 2020 to December 31, 2020)

Plant	Chiba	Odawara	Osaka	Akashi	Total
Plant tours	3	11	5	7	26
Participants	50	231	126	150	557

> [Chiba Plant](#)

> [Odawara Plant](#)

> [Osaka Plant](#)

> [Akashi Plant](#)

Environmental Beautification Activities

Cleanup Activities Near Plants and Offices

Valuing communication with local communities, Lion Group plants and offices proactively engage in cleanup activities not just within their own grounds, but in the surrounding areas, as well.



Cleanup activities near the Akashi Plant



Cleanup activities near the Odawara Plant



Cleanup activities near the Chiba Plant



Cleanup activities at a seaside park near the Fukuoka Office

In addition to those shown above, Lion is implementing cleanup activities around the Sapporo Office, Tokyo Office, Nagoya Office, Osaka Plant, Lion Chemical Co., Ltd. Fine Chemical Production Site and Oleochemical Production Site, and Lion Specialty Chemicals Co., Ltd. Ono Plant and Yokkaichi Plant.

| Sekiguchi River Cleanup Participation (Odawara Office Site)

The Odawara City Kouzu Ward Neighborhood Association holds an annual cleanup of the Kouzu Coast. Lion employees in Odawara have been participating in the cleanup activities since 2003. In 2008, the location of the cleanup was changed to the nearby Sekiguchi River. We have continued participating in the cleanup every year. However, the activity has been suspended since 2020 to prevent the spread of COVID-19. Though the activity was resumed in 2022, it was cancelled in 2023 due to heavy rain.



Employees engaged in cleanup activities

	2018	2019	2020	2021	2022	2023
Participants	43	36	Suspended	Suspended	32	Suspended

Kamisu City Coastal Cleanup Activities (Lion Chemical Corporation Fine Chemical Production Site)

The Lion Chemical Corporation Fine Chemical Production Site has been conducting cleanup activities with employees and local residents on the Kamisu City coastline (Hikawa and Hasaki beaches) every June since 2009 as part of our community contribution activities.



Wearing matching green T-shirts during cleanup activities



Employees engaged in cleanup activities

	2017	2018	2019	2020	2021
Participants	51	46	46	Suspended	Suspended

Biodiversity Conservation Activities at Lion's Operating Sites

Lion provides a wide variety of products that support daily living based in significant part on value derived from nature.

In addition to striving to use resources in a sustainable manner, Lion is engaged in **biodiversity conservation**, aiming for each employee of Lion's operating sites to proactively contribute to the realization of a society in harmony with nature.



Biodiversity Conservation Initiatives [Japanese]

Other Events Supported by Lion



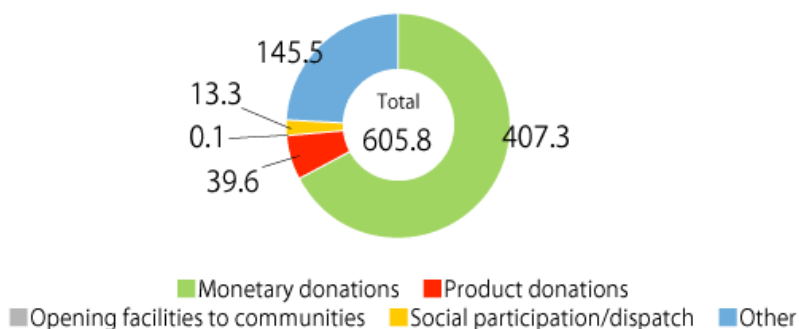
Lion Chura Action [Japanese]

Donation Activities (Philanthropy)

Every year, Lion surveys the domestic Group on the implementation status of social contribution activities to collect and manage data on monetary and product donations for and spending on each activity.

The total amount spent on social contribution activities in fiscal 2022 was approximately ¥605.8 million.

Fiscal 2022 expenditure on social contribution activities (Millions of yen)



* Monetary donations include donations to the [Lion Foundation for Dental Health \(LDH\)](#)[\[Japanese\]](#)[\[Link\]](#)

Social Contribution Activity Expenditure

2018	2019	2020	2021	2022
655million yen	519million yen	1,041million yen	778.2million yen	605.8million yen

Hours Volunteered by Employees During Working Hours

2018	2019	2020	2021	2022
7,426hours	5,956hours	1,923hours*	1,053hours*	2,826hours

* In 2020 and 2021, volunteer hours were decreased to prevent the spread of COVID-19 pandemic.

Overseas Social Contribution Activities



Initiatives at overseas Group companies

Lion's SDG-Related Initiatives

Since its foundation, Lion has been promoting awareness-raising activities and information provision for consumers while developing products that support healthier daily living and proposing the creation of better living habits. Deeply aware that the pollution of the global environment is a worldwide issue, we have long strived to respond to environmental concerns, for example, by developing environmentally friendly products.

Responding to evolving social issues while contributing to each new day in order to create a brighter future for all—this is the unique contribution Lion can make to the achievement of the Sustainable Development Goals (SDGs).*

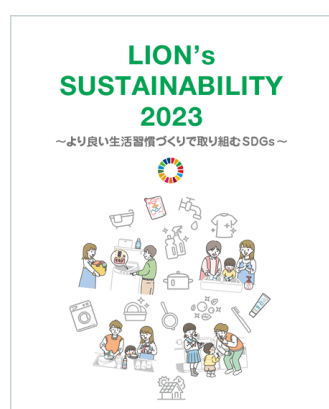
Lion alone can only contribute so much to the achievement of the SDGs. In promoting activities, we work to solve problems through partnerships with a wide range of stakeholders, including consumers, other companies, NGOs, NPOs, government agencies and municipalities.



* The SDGs are the 17 goals for the period from 2016 to 2030 described in the “2030 Agenda for Sustainable Development” adopted by 193 participating countries at the United Nations Summit in September 2015. (Based on information from the website of the United Nations Information Centre)

Lion's Sustainability 2023: SDG-Related Initiatives

In August 2023, Lion published “Lion's Sustainability 2023: SDG-Related Initiatives.” This document highlights Lion's activities from an SDG-centric perspective.



[> A3-size LION's SUSTAINABILITY 2023 \(for viewing\) \[Japanese\]](#)  (10.8MB)

[> A4-size LION's SUSTAINABILITY 2023 \(for printing\) \[Japanese\]](#)  (11.0MB)

*Click URLs in the PDF to jump to related videos and web pages.

2022 Previous Issue

[> Lion's Sustainability: SDG-Related Initiatives 2022 \[Japanese\]](#)  (11.0MB)

2021 Previous Issue

[> Lion's Sustainability: SDG-Related Initiatives 2021 \[Japanese\]](#)  (6.8MB)

SDGs: Lessons for the Future

The YouTube channel SDGs MIRAI KAIGI features videos that explain the SDGs for children. The channel includes a series of videos called “SDGs: Lessons for the Future,” beginning with a video explaining what the SDGs are and explaining each of the 17 SDGs in an easy-to-understand way.



The channel also offers a series of videos highlighting companies implementing SDG-related initiatives. These videos are aimed at helping children understand the SDGs as something familiar and relevant to their lives and help them think about their own futures by showing actual initiatives being undertaken by companies to solve social issues. Lion's initiatives regarding SDGs are featured as follows.



Video about Lion's SDG-Related Initiatives [Japanese]
Efforts to Achieve Gender Equality through Housework Sharing



Video about Lion's SDG-Related Initiatives [Japanese]
Initiatives to create a healthy future from oral health



Video about Lion's SDG-Related Initiatives[Japanese]
Initiatives to reduce plastics and the importance of hand washing habits

Lion's SDG-Related Initiatives

Creating Healthy Living Habits

Lion is advancing the goal of creating healthy living habits, the foundation of health, in order to help achieve health, comfort and cleanliness in everyday living.

① Promoting oral healthcare

Lion is working to promote the establishment of good oral healthcare habits. To this end, in addition to developing and providing products and services, we implement activities to promote oral healthcare at all stages of life, from infancy to old age.

Main Activities

- Preventive Dentistry (Self-Care/ Professional Care)
- Oral Health Event of Tooth Brushing for Children (since 1932)
- 🔗 Inclusive Oral Care

② Promoting cleanliness and hygiene habits

Aiming to realize health, comfort and cleanliness in everyday living for consumers, Lion implements initiatives in coordination with national and local governments, focusing mainly on promoting proper hand washing habits.

Main Activities

- Establishing Cleanliness and Hygiene Habits
- Hygiene and Health Care in Times of Disaster
- Hand Hygiene Management for Professionals

Promoting Environmental Initiatives for a Sustainable Planet

Driven by our purpose, we work with consumers to create environmentally friendly habits in order to continuously offer planet-friendly lifestyles that make living more sustainably easy, striving to contribute to the environment not only in Japan but across Asia.

③ Environmental protection activities

Lion's products, used for such purposes as tooth brushing and washing, are deeply connected to environmental issues in areas related to CO₂, plastics and water resources. Accordingly, to realize a decarbonized, resource-circulating society, Lion proactively carries out environmental protection activities.

Main Activities

- Water Resource Conservation Activities (Forest Maintenance Activities at the Lion Forest in Yamanashi)
- Toothbrush Recycling
- Biodiversity Conservation Activities (Promoting Various Activities at Business Locations)
- Chura Action (Support for Eco-Activities of Children Nurturing the Future of Okinawa)
- Lion's Environmentally Friendly Products

Related Information

-  [News Release: Lion Exhibits at SDGs AICHI EXPO 2022, One of Japan's Largest SDG-Promotion Events \[Japanese\]](#)
-  [News Release: Lion Launches Inclusive Oral Care Activities Aimed at Addressing Social and Environmental Issues via Oral Care and Achieving the SDG "Ensure Healthy Lives and Promote Well-Being for All at All Ages" \[Japanese\]](#)
- [Ad highlighting Lion's SDG-related initiatives \(Japanese; printed in the December 20, 2020 Yomiuri Shimbun national edition\) \(1,273 KB\)](#) 

Creating Healthy Living Habits

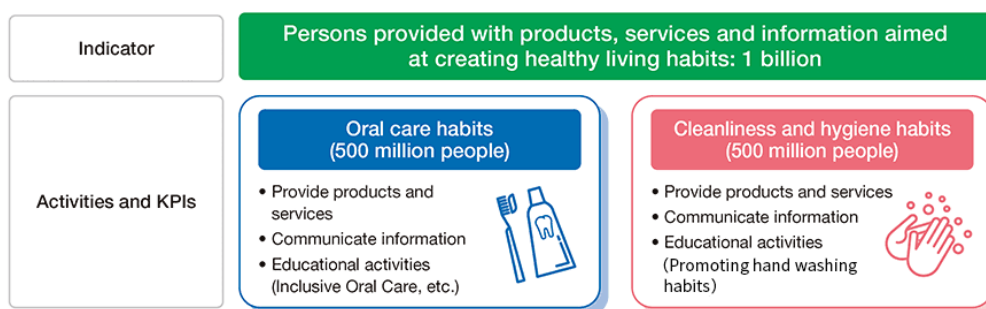
Sustainability Material Issue

Creating Healthy Living Habits



Basic Approach

The Lion Group plays an important role in society as a provider of daily necessities and services, and we believe that the starting point for value creation is the establishment of lifestyle habits directly related to health, such as brushing teeth and washing hands. Our purpose is “Make a difference in everyday lives by redesigning habits: ReDesign.” Based on this purpose, by providing healthy living habits to the 1 billion people in our business areas, we will seek to contribute to better everyday lives and expand our businesses.



The Lion Group's initiatives leading up to 2030

Initiatives



Initiatives to Establish Oral Care Habits



Initiatives to Establish Cleanliness and Hygiene Habits



The Lion Group's Social Contribution Activities



Initiatives to Establish Oral Care Habits

Sustainability Material Issue 2 Creating Healthy Living Habits



- ✓ Approach
- ✓ Preventive Dentistry (Self-Care)
- ✓ Preventive Dentistry (Professional-Care)
- ✓ Inclusive Oral Care
- ✓ Research and Academia (Preventive Dentistry Research)

Approach

To date, the Lion Group has worked to establish tooth brushing habits to maintain and improve overall oral health, including the prevention of cavities and gum disease. With the theme of “realizing healthy minds and bodies,” we will strive to evolve the idea of preventive dental habits through self-care that can be done at home as well as professional care through the guidance of dentists and dentistry experts. We will make use of AI and IoT to promote enjoyable preventive dentistry* habits, while also broadening our solutions in other ways to benefit the lives of people. Furthermore, we will work with local governments to promote preventive dentistry habits with people whom we previously have not been able to focus on. By providing people with opportunities to engage in proper oral care, we will realize “Creating healthy living habits.”

* The idea is that preventive dentistry focuses not on waiting to treat cavities until after they form, but preventing them before they can occur.



Preventive Dentistry (Self-Care)

- ✓ Self-Care (Self-Implemented Preventive Dentistry)
- ✓ Tooth Brushing Song, Videos and Posters
- ✓ Promoting After-Lunch Tooth Brushing
- ✓ Promoting the Use of Dental Floss
- ✓ Promotion of Periodic Toothbrush Replacement and Recycling
- ✓ Development of Products and Services Using IoT and AI
- ✓ Educational Activities to Promote Oral Care at Specific Life Stages
- ✓ Developing Oral Healthcare Leaders
- ✓ Corporate Wellbeing Support Service

Self-Care (Self-Implemented Preventive Dentistry)

Even if you take care to brush your teeth carefully, without the proper knowledge and techniques, you can still end up leaving plaque behind. Establishing daily self-care habits in line with the principles of preventive dentistry is key to effectively managing and maintaining oral health.

The Lion Group is implementing a range of initiatives to promote brushing techniques that effectively remove plaque along with new habits that help foster awareness of preventive dentistry based on an understanding of one's own oral conditions.

Tooth Brushing Song, Videos and Posters

In order to help elementary school-aged children acquire correct and thorough tooth brushing habits in a fun way, Lion has created a tooth brushing song with lyrics about the steps of tooth brushing, videos featuring the song as well as posters with the brushing steps. One of the videos is instructional and teaches children the proper brushing method and steps, and another is a fun animated version for children to watch once they have learned how to brush.

| “Ee, Ha” Tooth Brushing Song Lyrics and Composition: Yoshida Yamada

> [Download the lyrics \[Japanese\]](#) 

Video (instructional version) [Japanese]

A dental hygienist teaches key points and demonstrates the brushing steps while following along with the song.

* Recommended for children who are still learning how to brush.



Video (animated version)

This animated video is designed to help children enjoy forming tooth brushing habits.

* Recommended for children who have already learned how to brush.



Art: Yoshitaka Yamada (Yoshida Yamada)

Tooth Brushing Steps Poster

Children can check the steps and key points of tooth brushing with the lyrics on the poster.

Character design: Yoshitaka Yamada (Yoshida Yamada)



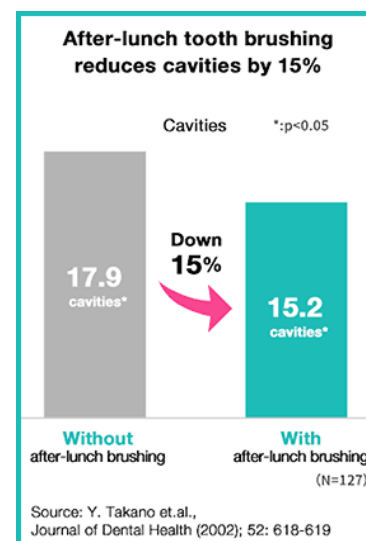
Download [A1 version \[Japanese\]](#) [A3 version \[Japanese\]](#)

Promoting After-Lunch Tooth Brushing

Lion is advancing initiatives to promote after-lunch tooth brushing, aiming to help establish the habit of brushing three times a day.

With more women entering the workforce, the employed population in Japan has been steadily rising. Today, approximately 60% of those over the age of 15 are employed (Fiscal 2018 Labour Force Survey, Japan Statistics Bureau). While many consumers spend their afternoons in the workplace, only 40% of workers in offices and similar environments report regularly brushing their teeth after lunch, while another 22% report wanting to but not actually doing so (Lion survey).

To address the needs of working people, Lion launched **MIGACOT**, an oral care set designed for tooth brushing at the office that includes a cup. Lion is promoting this product along with educational activities to spread the mindset that brushing one's teeth after lunch is a normal part of the workday among as many people as possible.



> **Related Information:** Co-Creation Space: point 0 marunouchi (Demonstration 1: Office toothbrush set)

Promoting the Use of Dental Floss

Under the theme "Taking preventive dentistry a step forward," we promote initiatives to communicate the necessity and benefits of preventive dentistry.

One of the key points of effective oral self-care is to completely remove all dental plaque. Only about 60% of the plaque that forms between the teeth can be removed using a toothbrush alone. The combination of toothbrush and dental floss, however, improves plaque removal by 50%.

In addition to providing products for children old enough to floss (those in elementary school and above) and other consumers who may not be used to using dental floss, Lion carries out activities to promote the necessity of using dental floss and correct flossing techniques.*



* Lion holds the Oral Health Event of Tooth Brushing for Children every year to provide a fun opportunity for elementary school students to learn how to use dental floss and brushing techniques suited to the arrangement of their own teeth.

CLINICA ADVANTAGE Dental Floss

Promotion of Periodic Toothbrush Replacement and Recycling

Contributing to the SDGs by realizing “Good for the mouth!” and “Good for the Planet!”

Since its founding, Lion has worked to promote healthy oral care habits among consumers. In recent years, marine plastics have become a major social issue. As a leader in oral care and a manufacturer, Lion recognizes that it has a duty to address the issue of plastic recycling. By focusing on toothbrushes, which account for more plastic use than any other Lion product, we are working to contribute to the formation of healthy consumer living habits while helping to reduce environmental impact.



Instituting Toothbrush Replacement Day

Over time, regular use of a toothbrush causes the bristles to splay apart, reducing the brushing efficacy. According to a Lion survey, only about 40% of consumers replace their toothbrushes every month.* Those that do not give such reasons as “It’s wasteful to throw it out,” and “I wasn’t aware that the brushing effectiveness diminishes.”

* Although the exact timing may vary by individual, we generally recommend replacing your toothbrush every month.

Splayed Bristles and Plaque Removal Rate



In February 2018, we designated the 8th of every month Toothbrush Replacement Day* and started calling for monthly toothbrush replacement.

To expand this program, we are collaborating with business partners by developing in-store point-of-purchase displays to remind consumers to replace their toothbrushes on the 8th of every month and creating posters promoting periodic toothbrush replacement for use in dental clinics.

Lion will continue these activities to promote toothbrush replacement with our business partners and dental clinics so that monthly toothbrush replacement becomes a regular habit.



* This day was registered and certified by the Japan Anniversary Association on December 27, 2017, and has been established as a new annual event.

> News release: New Habit! Start Your Own Personalized “My Brush Day” on the First Day of the Month! [Japanese]

Promoting Toothbrush Recycling

There is a concern that an increase in the frequency of toothbrush replacement due to the promotion of toothbrush replacement could lead to a rise in waste.



Addressing this concern, and in light of problem of marine plastics in recent years, Lion initiated its Toothbrush Recycling Program,* a first in Asia, to collect and recycle used toothbrushes, which had previously just been thrown away, in cooperation with TerraCycle Japan. Furthermore, in 2020, we launched a toothbrush recycling initiative in coordination with municipal garbage collection operations, a first in Japan. Adopting the perspective that each consumer who participates in toothbrush recycling is an important partner, we are moving forward with the aim of realizing a resource-circulating society.



Toothbrush recycling activities

Collection points
1,332

Toothbrushes collected
Approx. 1,311,000

(As of June, 2023)

Development of Products and Services Using IoT and AI

Oral Fitness Service *ORAL FIT*

In November 2022, we launched *ORAL FIT*, a service that proposes the new habit of oral fitness. The aim is to maintain and improve oral fitness to prevent the loss of muscle strength around the mouth, which can lead to choking, difficulty speaking, difficulty chewing, and other problems. This app-based service proposes a two-month program with ten minutes of oral exercise a day to prevent deterioration of and improve oral functions.



Children's Development Support Service *Okuchi-iku*

In April 2023, we launched the *Okuchi-iku* oral care program via a dedicated e-commerce site. The aim of the program is to support the development of proper tooth brushing habits and the creation of a strong foundation for straight teeth in line with children's varying stages of growth. As the first step, we are offering *Okuchi-iku Kamotto!* for children whose baby teeth are in the process of being replaced by adult teeth, an important period for establishing a foundation for straight teeth. This three-item set includes gummies for daily consumption to develop chewing strength, chewing gum for monthly use to check chewing strength, and an AI app to check teeth alignment via the *Okuchi-iku* members website.



Gum Health Assessment Tool *HAGUKI CHECKER*

Aiming to increase awareness of preventive dentistry, in 2019, we launched *HAGUKI CHECKER*,^{*1} an online tool that checks the state of users' teeth and gums. Users simply use a smartphone or other device to take photos of the inside of their mouths, including the teeth and gums, and upload them to *HAGUKI CHECKER*. The online service then uses AI to identify individual teeth and check the state of the gums around each tooth (receding, dullness, swelling). Since its launch, approximately 16,000 people^{*2} have used the service.

In February 2022, we have signed a comprehensive partnership agreement with Koshi City in Kumamoto Prefecture to provide citizens with opportunities to think about their own oral health by answering a simple questionnaire, either at home or on the go. We plan to use technologies that leverage machine learning to process data on gum conditions from the smart app *HAGUKI CHECKER*, as well as health checkup data, to visualize participants' level of oral health.

By helping consumers see and understand their own oral environments, *HAGUKI CHECKER* sparks greater interest in the state of their gums. Periodic use over time can help consumers see the effects of changes in their oral care habits by for example, making changes to their gums more readily apparent.

> News release: Comprehensive Partnership Agreement with Koshi City, Kumamoto Prefecture, for Community Development

^{*1} Developed based on Lion's data and expertise, and created using the AI image analysis technology of Automagi Inc. and the service development technology of MTI Ltd.

^{*2} Figure for July 22, 2019 to December 26, 2019.

Items Checked

HAGUKI CHECKER provides an analysis of the state of the user's gums around each tooth, evaluating the following three factors on a three-point scale.

- Gum recession
- Gum dullness
- Gum fullness

The service also provides information about care methods, oral care products and other aspects of oral care in line with the analysis results.



Check results for each individual tooth

[!\[\]\(cbe2492b119e39e02a1dab2af4a4b296_img.jpg\) HAGUKI CHECKER](#)



Educational Activities to Promote Oral Care at Specific Life Stages

Daily oral care is an important habit that affects lifelong health. Forming healthy oral care habits from a young age is crucial. Lion believes that practicing self-care at all life stages is important. In order to firmly establish healthy oral care habits appropriate to the needs of specific life stages, Lion is advancing initiatives in cooperation with external organizations, including government bodies, schools, hospitals and dental clinics. In addition, Lion supports the oral care promotion activities of The Lion Foundation for Dental Health (LDH).

* Established in 1964, the Lion Foundation for Dental Health (LDH) changed its status to a public interest incorporated foundation in 2010. Lion fully supports LDH's activities to promote oral care awareness and education. LDH coordinates with the Japan Dental Association, universities, governmental bodies and other partners to help maintain and improve the dental and oral health of consumers through its three projects. By doing so, LDH stays at the forefront of oral health, contributing to society by helping to improve the quality of life of all people.

[!\[\]\(4fe57c3593bf1b21d272ae7ac8dfaf77_img.jpg\) The Three Projects of LDH](#)

| Maternity

Lion runs the dentistry information website *ORALcom*, where it offers answers to common questions about issues related to the oral health of expectant mothers and infants.

| Infancy

Promoting Preventive Dentistry from Age 0

Lion aims to help establish preventive dentistry habits from as early in a child's life as possible. To this end, in terms of product development, we are enhancing our *CLINICA Kid's* series, which enables preventive dentistry from age 0. Samples of *CLINICA Kid's Gel* Toothpaste are offered at 18-month checkups.

We believe that time spent on parent-assisted brushing is a valuable opportunity for deepening parent-child bonds. Therefore, in terms of making this information more prevalent, we are providing information through the website "HA!HA!HA! Park," which encourages preventive dentistry efforts for children, and includes videos designed to spread empathy.

As for the services provided, as part of an initiative to promote collaboration between the Japan Dental Association and the Japan Society of Obstetrics and Gynecology, Lion is collaborating in the creation of preventive dentistry content for the *Baby Plus* app for expectant and nursing mothers provided by the Society, under the supervision of the Japan Dental Association, which positions the app as a guide to preventive dentistry for expectant and nursing mothers.

| Elementary school students

The Oral Health Event of Tooth Brushing for Children—Reaching a Cumulative Total of More Than 2,460,000 Children in and Outside Japan

The Oral Health Event of Tooth Brushing for Children, started in 1932, is held every year for elementary school students during Dental/Oral Health Week (June 4th to 10th). For the 79th event in 2022, participating schools chose a date to participate and took part by watching an approximately 40-minute long educational DVD. Approximately 250,000 elementary school students attending a total of 4,585 schools participated in 2022, including students in Japan and other Asian countries. The theme of the 2022 event was "Brush Up Your Teeth and Yourself." Prepared with editorial supervision from Toshikazu Yasui of Meikai University, the program focuses on the gums, including learning about individual oral conditions and using dental floss. In addition to promoting understanding of preventive dentistry, the program taught students about the importance of consistency through oral care, a central part of healthy living habits.

Cumulative participants: 2,460,000



The Oral Health Event of Tooth Brushing for Children in Japan and other Asian countries.

> The Oral Health Event of Tooth Brushing for Children in Japan and other countries (mainly in Asia)

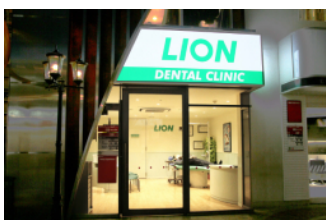


KidZania

Lion has been providing dental clinic-themed pavilions at KidZania Tokyo since 2006, at KidZania Koshien since 2009 and at KidZania Fukuoka since 2022. These pavilions have been popular with kids. At them, children can choose from two activities: the “Dentist” experience or the “Dental Hygienist” experience. These allow them to experience what it is like to work in these jobs.

At the pavilions, kids first undergo “training” as dentists or dental hygienists, learning about the importance of teeth taking care of their own oral health and hygiene. Then, they use tools that are nearly identical to the real things, including polishers and dental vacuums, to treat cavities and apply fluoride treatments to patients (training mannequins used in dentistry schools) in the dentist’s chair. For completing their work, they receive a salary paid in the official currency of KidZania, usable at other pavilions.

After their work experience, kids have commented that “treating cavities seemed really difficult,” that they “learned the proper way to brush teeth” and that they were “happy to protect teeth by getting rid of plaque.” The dental clinic pavilions thus appear to be effective in communicating the importance of cavity prevention and oral health.



The Dental Clinic pavilion at KidZania Tokyo



Kids treating a patient with a cavity



The Dental Clinic pavilion at KidZania Koshien



Kids undergoing training



The Dental Clinic pavilion at KidZania Fukuoka



Kids learn how to hold and use dental tools

Developing Oral Healthcare Leaders

Lion seeks to promote preventive dentistry practices that consumers can perform themselves. To this end, in communities with which we have formed partnerships, we hold oral healthcare leader development lectures to empower local governments, as oral healthcare leaders, to provide residents with tooth brushing information and practical techniques that can be beneficial to overall health. We are currently carrying out these activities in the cities of Ishinomaki and Sakaide.

[> Ishinomaki \[Japanese\]](#)

[> Sakaide \[Japanese\]](#)



Oral healthcare leader development lecture in October 2022 in a meeting room at Sakaide City Hall

Corporate Wellbeing Support Service

Lion offers oral care seminars and five-minute saliva tests for corporate employees and municipal employees to ascertain their oral conditions. We strive to promote oral health care by helping people develop healthy habits starting with the mouth.



Preventive Dentistry (Professional-Care)

- ✓ Professional Care (Preventive Dentistry Implemented by Dentistry Specialists)
- ✓ Salivary Multi Test (SMT)
- ✓ Supporting the Implementation of Preventive Dentistry at Dental Clinics: L-Support

Professional Care (Preventive Dentistry Implemented by Dentistry Specialists)

The alignment of the teeth and other oral conditions are unique to each individual. Receiving professional care from dentists or dental hygienists is crucial—not just to treat dental problems, but to prevent issues like cavities and gum disease before they arise. Such care includes fluoride treatments and instruction on brushing methods suited for one's own oral conditions. In addition, it is best to get regular checkups at a dental clinic two to three times per year to check the state of your oral conditions, including the health of the teeth and gums. Lion promotes the habit of receiving regular professional care.

Salivary Multi Test (SMT)

SMT is a five-minute testing system that can measure the levels of six analytes related to dental and gum health (cariogenic bacteria, acidity, buffer capacity, leucocytes, proteins and ammonia) in saliva collected by rinsing the mouth with 3 ml of distilled water. This allows dentists or dental hygienists to provide immediate feedback to their patients as part of a dental checkup. Knowing objectively their oral health conditions helps motivate patients to engage in preventive dentistry.

Furthermore, as part of Lion's efforts to promote preventive dentistry, this test is incorporated into the Company's internal dental checkups and utilized to establish good oral care habits among employees. Dental checkups with SMT are currently suspended due to COVID-19.



Collecting a saliva sample after rinsing



Measured with test paper and special equipment



Share measurement results

Supporting the Implementation of Preventive Dentistry at Dental Clinics: L-Support

Lion Dental Products Co., Ltd.* operates L-Support, a program to support the implementation of preventive dentistry at dental clinics.

The L-Support program provides information and services useful for regular patient care to registered clinics so that they can effectively focus on preventive dentistry. The program offers seminars, video content and a dedicated website for dentistry professionals, providing opportunities to gain a broad range of preventive dentistry knowledge, including about oral care products for dental clinics.



A preventive dentistry seminar



Using video content

[🔗 *Lion Dental Products Co., Ltd. \[Japanese\]](#)

Inclusive Oral Care

To ensure that anyone can develop effective oral care habits, we are increasing opportunities for people to learn about oral care through the Inclusive Oral Care project as a way to tackle social issues. In Japan, the relative poverty rate among children (13.5%^{*1}) is becoming a public concern. Children of economically disadvantaged families have inferior health habits^{*2} and fewer beneficial experiences^{*3} than the children of more affluent households. In particular, the percentage of children with five or more cavities is nearly double.

Since 2021, based on the “Dental and Oral Health” concept, Lion has developed an experience-based program called the Okuchikarada Project. We are working with NPOs and local governments at children’s cafeterias to promote preventive dentistry habits and boost children’s self-esteem. We are also creating opportunities for Lion employees to participate in these activities to experience these social issues directly, thus promoting understanding of the importance of the direction the Group’s direction is aiming for and of contributing to putting our purpose into practice.

Furthermore, in 2022, we verified the effectiveness of the experiential program conducted in collaboration with partners in industry, government and academia in Okinawa Prefecture, which has the highest percentages of child poverty and children with cavities in Japan. Results showed the signs that the experiences helped children to form oral care habits and boost self-esteem. We will use the knowledge we gained from this verification to provide even more effective experiential programs.



Dental and Oral Health Program



Dental plaque buildup before and after the experiential program
(The dyed areas indicate plaque buildup.)

*1 Source: Ministry of Education, Culture, Sports, Science and Technology, 2020 School Health Survey Statistics

*2 Source: Department of Social Medicine, National Institute of Child Health and Development, Adachi City and Adachi City Board of Education (FY2016)

*3 Receiving praise from others, communicating with adults, acquiring life skills, etc.



Research (Preventive Dentistry Research)

✓ Partnerships in Industry and Academia ✓ The Lion Award

Partnerships in Industry and Academia

Our society and ways of living are changing rapidly as we face such increasingly serious social issues as low birth rates, an aging population, declining population and the depletion of resources on the one hand and dramatic technological progress in such areas as AI and IoT on the other. In order to keep up with these changes and continue supporting the public's health, we are focusing on not just providing goods but offering new value to our customers. Open innovation through partnerships with external organizations, such as government agencies and other companies, is key to this endeavor.

In the oral health field, we are investigating the status of dental alignment in the children of elementary schools of Kuroishi City in Aomori Prefecture and students of Hirosaki University, a Designated National University, to confirm the relationship between dental alignment and living habits. In addition, in collaboration with Hitachi Ltd. and Hitachi Health Center, Lion has confirmed the benefits of dental health checkups in the workplace on a 10,000-person scale, as well as obtained useful data that will lead to healthier employees. By acquiring and disseminating this new information and utilizing it in the development of products and services, we are able to derive value for the creation of healthier living habits.

The Lion Award

Lion established the [Lion Award](#) in 2001 to support the activities of academic associations and the development of young researchers. The prize is awarded via the International Association for Dental Research, the world's largest dental research association, as well as, in Japan, the Japanese Society of Pediatric Dentistry, Japanese Society for Oral Health, Japanese Society of Gerodontology, Japanese Association for Oral Biology and Japanese Society of Periodontology. In the 21 years since its establishment, the prize has been awarded to 219 researchers.

[> Lion Award](#)

Initiatives to Establish Cleanliness and Hygiene Habits

Sustainability Material Issue 2 Creating Healthy Living Habits



- ✓ Approach
- ✓ Activity Policy
- ✓ Establishing Proper Cleanliness and Hygiene Habits
- ✓ Hygiene and Health Care in Times of Disaster
- ✓ Hand Hygiene Management for Professionals

Approach

Since the 1890s, Lion has implemented educational activities aimed at spreading the practice of washing with soaps and detergents. Furthermore, since the 1990s, when group infections through food poisoning came to be seen as a social problem in Japan, Lion has advanced the unique concept that washing with antibacterial hand soap can be fun, promoting the formation of proper hand washing habits alongside its products.

We can work together to keep germs and viruses off of us and keep from bringing them into the places we live, work and play. The first step is to wash our hands and gargle as soon as we get home. To help realize healthy living for all, Lion seeks to help firmly establish basic habits like these. Lion has long carried out activities to this end in Japan and across Asia.

Activity Policy

To establish cleanliness and hygiene habits, Lion's policy is to foster proper habits that can be practiced anywhere, anytime. In addition to fostering proper cleanliness and hygiene habits in everyday life with a focus on children, Lion promotes hand cleanliness care that can be practiced when there is insufficient water for washing and the establishment of cleanliness and hygiene practices for food service professionals, such as those working at restaurants and hotels. In doing so, we seek to go to consumers where they are under the *KireiKirei* banner, partnering with local communities, including government bodies and schools, to advance employee-led activities together.

Establishing Proper Cleanliness and Hygiene Habits

Employee Participation

Lion carries out activities to promote proper hand washing habits as part of junior employee training. Every year, around 100 junior employees work in teams to teach children at kindergartens and preschools around Japan the importance of hand washing.

Furthermore, we are helping increase awareness among employees through activities in coordination with retailers and by incorporating activities to promote proper hand washing habits at kindergartens and preschools into the training of junior employees. We are advancing initiatives with trading partners around the country, such as Sugiyama Drugs Co., Ltd., in Nagoya.



Activities to promote proper hand washing habits as part of junior employee training (2019)

In 2021, we expanded the scope of employees' activities to promote proper hand washing to include elementary schools. To minimize the number of visitors to elementary schools and thereby lower virus infection risk, the employees leading the activities conducted hybrid class visits that could be joined online. Since 2022, we have been shifting toward holding the events in person.

The theme of the classes was “learning proper hand washing to protect our health and the health of those we care about.” In the classes, the employees worked to instill understanding of hand washing and proper habits by encouraging the participating children to think about why hand washing is important and ways of protecting themselves from viruses and bacteria.



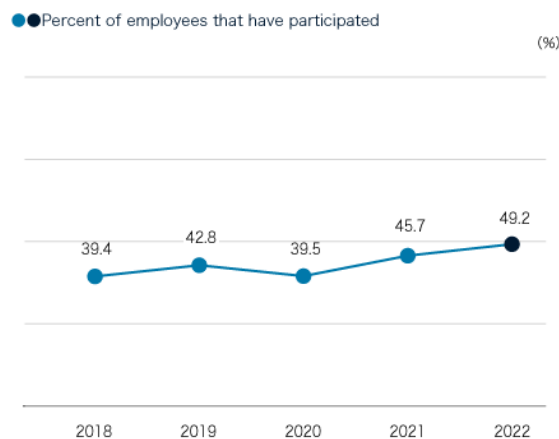
A hybrid class merging in-person and online learning (2021)



A school visit (2022)

Lion aims for all current employees to have participated in activities to promote good hand washing habits by 2050. From 2012 to 2022, 1,569 employees have participated (cumulative participation rate 49.2%). Over this period, approximately 39,000 children took part in these activities.

Percentage of All Current Employees That Have Participated in Activities to Promote Proper Hand Washing Habits



Preschoolers, Students and Faculty Participating in Activities to Promote Proper Hand Washing Habits

2018	2019	2020	2021	2022
5,900	4,100	200	1,300	2,300

Promotion through Our Businesses

The *KireiKirei* brand has continued implementing the Kirei Relay Project, which aims to realize a society full of human interaction by encouraging people to practice hygiene habits for the sake of the people they care about.

This project seeks to make everyday hand washing more fun. For example, one activity has participants create one-of-a-kind personalized *KireiKirei* hand soap bottles, and another involves holding a week-long hand washing challenge for preschools and elementary schools. Through these and other activities, the project is promoting the formation of proper hand washing and gargling habits.

Washing for at least 30 seconds is fundamental to the effective removal of viruses and germs from the hands. We are implementing fun activities to help foster proper habits like this even among small children.

In 2022, to prevent infection outside the home, the Lion Group collaborated with shopping districts and local governments to promote the habits of cleanliness and hygiene through the Relay Project for Cleanliness, and conducted a project to promote “HAND WASH & HYGIENE before meals at hotels and restaurants”. Moreover, in support of Global Handwashing Day on October 15, we hosted the Global My Bottle Sticker Drawing Contest, with the aim of establishing fun hand washing habits for the whole family. For the contest, children created their one-and-only *KireiKirei* bottles with their own drawings. We received more than 24,000 entries from children in Japan and seven other countries and regions in Asia.



Installation of automatic soap dispensers in toilets at Kakogawa City Hall in 2021
(Relay Project for Cleanliness)



Entries for the Global My Bottle Sticker Drawing Contest

- [\[\] HAND WASH & HYGIENE before meals at hotels and restaurants \[Japanese\]](#)
- [\[\] Proper Hand Washing, Gargling and Sanitizing Techniques \[Japanese\]](#)
- [\[\] The Secrets of the Bacterial Barrier \[Japanese\]](#)
- [\[\] Bacteria Battle! Project \[Japanese\]](#)
- [\[\] Let's Create Together! *KireiKirei* My Bottle Campaign \[Japanese\]](#)
- [\[\] Life Hygiene Information \(Lidea\) \[Japanese\]](#)



Local Communities

We are promoting proper hand washing habits at kindergartens, preschools, elementary schools and public facilities, mainly in areas across Japan where Lion facilities are located as well as in Ishinomaki City (Miyagi Prefecture), which was affected by the Great East Japan Earthquake and an area closely connected to our founder, and Sakaide City (Kagawa Prefecture), where *KireiKirei* Hand Soap is manufactured.

Specifically, we have been promoting proper hand washing habits at kindergartens and preschools in Ishinomaki City since 2012 as part of support for recovery from the Great East Japan Earthquake. Since 2015, junior employees at Lion's Sendai Office (also in Miyagi Prefecture) have taken part in these activities as part of their training.



Activities to promote proper hand washing habits in Sakaide City



Activities to promote proper hand washing habits in Ishinomaki City




今日を愛する。

& LION



KireiKirei City-Sakaide Project [Japanese]




Lion's initiatives to promote recovery from the Great East Japan Earthquake



Overseas Initiatives

Lion began marketing KireiKirei hand soaps overseas in 2005. Today, the brand is sold by Lion Corporation (Singapore) Pte Ltd, Lion Corporation (Thailand) Ltd., Southern Lion Sdn. Bhd., Lion Corporation (Korea), Lion Daily Necessities Chemicals (Qingdao) Co., Ltd., Lion Corporation (Hong Kong) Ltd. and Lion Home Products (Taiwan) Co., Ltd. Each company, alongside the provision of products, carries out activities to promote the formation of cleanliness and hygiene habits, aiming to increase awareness of cleanliness and hygiene. In Bangladesh, a new market for the Group, we will also contribute to the development of cleanliness and hygiene habits by providing educational materials through the Japan International Cooperation Agency (JICA) as a means of supporting children's hygiene education.



*Ai! Kekute** hand washing class in Lion Corporation (Korea)



Promoting hand washing habits in Lion Corporation (Thailand) Ltd.

* *Ai! Kekute* (literally, Oh! Clean!) is a hand soap brand marketed by Lion Corporation (Korea).

Lion Group's Social Contribution Activities

Hygiene and Health Care in Times of Disaster

In times of disaster, living in evacuation shelters, a limited water supply and other factors can increase hygiene-related risks in daily life, so keeping clean and taking care to stay healthy are extra important. In particular, maintaining oral hygiene and health—which is connected to one’s overall health—is crucial.

Lion has published a pamphlet covering oral and hand hygiene and health care in times of disaster as well as ways of preparing for such situations. In addition to providing information about hygiene and health in times of disaster, Lion participates in disaster readiness and other events around Japan to promote awareness and good practices.



“Hygiene and Health Care in Times of Disaster” pamphlet



“Hygiene and Health Care in Times of Disaster” book
Six-sheet version
Print out and fold stacked sheets down the center to make a book

➤ The “Hygiene and Health Care in Times of Disaster” pamphlet is available for download [here](#) (in English, Japanese, Simplified Chinese and Traditional Chinese)



Sumida-ku disaster preparedness fair
(Ryogoku area)



Edogawa-ku disaster drill
(Hirai area)



Kita-Harima business fair
(Ono City)

Hand Hygiene Management for Professionals

Professionals who handle food, be it in restaurants, hotels, food product factories or other industries, all want to provide the best service possible so that their customers will enjoy their food with peace of mind, have a good time, and make great memories.

Lion Hygiene Co., Ltd., as a comprehensive hygiene management company, helps create clean, safe and hygiene environments through products, hygiene assessments and other forms of support based on scientific insights in order to help food service professionals make their vision a reality. In particular, the foundation of hygiene management for professionals who handle food is thorough hand washing. As part of support efforts, Lion Hygiene provides hygiene management information that is important for such professionals, including not only hand washing techniques, but key points about hand washing timing and facilities, among other topics, through “Hygiene Tayori” fliers issued four times a year.

* “Hygiene Tayori” fliers offering hygiene management information



When to wash hands: handling food



Key points for hand washing facilities



Key points of hygienic hand washing



Infectious disease prevention: bathrooms

Supporting Hand Hygiene Management by Professionals (Lion Hygiene Co., Ltd.) [Japanese]









AI/IoT Cleanliness and Hygiene Initiatives

Related Information

- [Joint initiative with KireiKirei and teamLab \[Japanese\]](#)
- [KireiKirei × Sony ExploraScience joint workshop \[Japanese\]](#)
- [Lion and Hakuhodo i-studio jointly develop IoT device KireiKirei Push Connection \[Japanese\]](#)

Academic Research on Cleanliness and Hygiene Initiatives

Related Information

- > News Release: A simulation model that visualizes the risk of viral infection in a residence immediately after returning home was developed. [Japanese] 
- > News Release: Bacteria growth that finds its way to your hands before you know it is inhibited by hand wash containing soap ingredients! [Japanese] 
- > News Release: Results of hygiene awareness survey and handwashing behavioral observation against COVID-19 in 2021 — More than 60% of respondents want frequent handwashing to continue even after the pandemic ends! [Japanese] 
- > News Release: Around 90% of consumers say they wash their hands after returning home, but a simulation shows that people are spreading viruses before they wash their hands [Japanese] 
- > News Release: Bad breath and susceptibility to getting colds are correlated! The findings of a study of 4,491 men and women aged 20 to 69. [Japanese] 
- > News Release: Hygiene habits are shifting from something we need to do to something we want to do. We set up a “Cleanliness Voting Booth” for a limited time at Shinjuku Station as an experiment to encourage hygiene behavior among people out and about at the gateway to the city. [Japanese] 
- > News Release: Survey of actual hand washing during the COVID-19 pandemic [Japanese] 
- > News Release: Worried about germ transmission at the office? Places and things to watch out for and ways to brush your teeth that reduce risk at the office [Japanese] 
- [Lidea lifestyle information website \(content relating to handwashing, gargling, disinfection, etc.\) \[Japanese\]](#)

The Lion Group’s Social Contribution Activities

Basic Approach

The Lion Group believes that advancing initiatives to create healthy living habits by providing products and services as well as conducting educational activities and disseminating information is its social responsibility and a way of putting its purpose, “Make a difference in everyday lives by redesigning habits: ReDesign,” into practice. The Group is engaged in establishing oral care habits as well as cleanliness and hygiene habits in Asia. In addition, we have been involved with environmental conservation activities and donation activities at various business locations and in the regions served by our overseas Group companies. In carrying out such activities, our employees take the initiative, promoting the activities while working closely with local citizens, forming partnerships with local governments, retailers, schools, dental experts and communities.

Sustainable Activities Conducted by Overseas Group Companies

* Some activities have been cancelled or postponed to prevent the spread of COVID-19. The Lion Group is revising its activities, including the use of online technologies, as it continues working to create healthy living habits.



Lion Corporation (Singapore) Pte Ltd	Lion Corporation (Thailand) Ltd.	Southern Lion Sdn. Bhd.
PT. Lion Wings	Lion Corporation (Korea)	Lion Daily Necessities Chemicals (Qingdao) Co., Ltd.
Lion Corporation (Hong Kong) Ltd.	Lion Home Products (Taiwan) Co., Ltd.	

Activities Creating Healthy Living Habits as a Group



The Oral Health Event of Tooth Brushing for Children in Japan and other countries (mainly in Asia)



Promoting Cleanliness and Hygiene Habits

Activities at Lion Corporation (Singapore) Pte Ltd

✓ Oral Health Care ✓ Cleanliness ✓ Donation Activities

* Some activities have been cancelled or postponed to prevent the spread of COVID-19. The Lion Group is revising its activities, including the use of online technologies, as it continues working to create healthy living habits.

Oral Health Care

1 Participation in the Singapore Oral Health Conference 2022 in Collaboration with the National Dental Centre Singapore

The National Dental Centre Singapore (NDCS) celebrated its 25th anniversary in 2022. As part of the celebration, NDCS organized an online event titled “NDCS 25th Anniversary - Bridging the Past, Present and Future” that brought together dentists, general practitioners, specialists and researchers to exchange information on progress to date and expected future developments in academic and clinical dentistry.

The event included a virtual exhibition featuring the latest products related to oral health care and talks by prominent national and international dental experts. Lion Corporation (Singapore) Pte Ltd. (“LCS”) provided all 500 participants with a set of oral care products that included *Systema* and *NONIO* products. *Systema* & *NONIO* were also acknowledged during the online event and in the digital program booklet, with the brand logos & full page advertisement featured to expand brand recognition.



Online program booklet with full-page ad and logo for *Systema*

2 Educational Activities on Oral Health Care for the Silver Population

On August 22, 2022, NDCS collaborated with Singapore’s National Library Board (NLB) to hold an oral care seminar at the Jurong Regional Library to provide oral care tips and knowledge to participants aged 50 and above as part of the 8020 campaign (referring to having 20 teeth left at the age of 80). The aim of this seminar was to improve the oral health of those of advanced age in Singapore. LCS supported the event by providing *Systema* and *NONIO* products to be distributed to its 40 participants, along with LION gift sets as prizes during the Q&A session. In a post-seminar participant survey, the event received positive feedback, “I and the participants found this session fascinating and insightful.”

3 Partnership with Health Promotion Board in Afterschool Oral Care Program

Singapore's Health Promotion Board (HPB) launched the Afterschool Oral Care Program, a one-year program targeting children aged 3 to 5 at day-care centers and nursery schools with the aim of teaching the importance of oral care from a young age. The program entails dental clinic staff visiting day care centers and nursery schools to perform dental screenings and educate children about the importance of oral care. Through June 2022, LCS supported the program by providing 60,000 sets containing *KODOMO Toothpaste* and leaflets for distribution to the children.

4 Partnership with Health Promotion Board in Afterschool Oral Care Program

In August 2021, the Health Promotion Board (HPB) launched the Afterschool Oral Care Program, a one-year program targeting children aged 3-5 years at day-care centers and nursery schools with the aim of teaching the importance of oral care from a young age. The program entails dental clinic staff visiting day care centers and nursery schools to perform dental screenings and educate children about the importance of oral care. LCS provided 60,000 sets containing *KODOMO Toothpaste* and leaflets for distribution to the children after the conclusion of the program.



KODOMO brand pamphlets

5 Product Sponsorship to Smileworks Dental Clinic

LCS is working with Smileworks Dental Clinic to promote oral care habits so that patients can continue to take care of their oral health at home after receiving treatment.

The collaboration was continued in 2022 and 300 sets of *Systema* & *Kodomo* products were distributed to the patients from August to December.



Systema and *KODOMO* oral care sets

6 Promoting Good Oral Health through Dental Clinics

LCS supports Thomson Dental Centre, a dental clinic group in Singapore, in educating patients on good oral health habits. A dental care set containing *KODOMO* or *Systema* oral care products (products of LCS) is provided to first-time patients at Thomson Dental Centre. Dentists educate patients on correct tooth brushing and oral care habits using a dental care set (*KODOMO* Kid Set or *Systema* Gum Care Set) selected based on the patient's age and oral health conditions. Each dental set consists of an oral care information leaflet, a toothbrush and toothpaste. The *Systema* sets also include mouthwash. In 2022, a total of 10,100 patients from Thomson Dental Centre had received the dental care sets.



7 Community Dental Checkups for the Elderly in Collaboration with National Dental Centre Singapore

National Dental Centre Singapore (NDCS) has established a program of community dental checkups with the goal of raising awareness of the importance of oral health among the elderly. The checkups include the provision of guidance on the proper care of dentures and programs aimed at helping to provide treatment to relieve pain and maintain/restore patients' oral function.

This program was temporarily suspended to prevent the spread of COVID-19 but was resumed at the end of 2020. LCS distributed *Systema Toothpaste* to 200 people over the age of 40 and senior citizens who participated in the community dental checkups on October 16, 2022.

8 Educational Event Held by the PAP Community Foundation Sparkletots Preschool

22nd March is designated by the United Nations as World Water Day. In celebration of World Water Day in 2021, the PAP Community Foundation (PCF)* Sparkletots Preschool taught children about the importance of saving water in their daily routines, such as during tooth brushing. Lion Corporation (Singapore) Pte Ltd ("LCS") supported the event by providing 600 *KODOMO Toothbrush* and *KODOMO Toothpaste* sets for the preschool's 5- and 6-year-old pupils.



Newsletter distributed to parents

* PAP Community Foundation (PCF) is a charitable foundation founded by the Singapore People's Action Party (PAP) in 1986 and is committed to nurturing a multi-racial, fair, just and inclusive society through the provision of educational, welfare and community services.

9 Supported the Singapore Dental Association's Oral Health Awareness Campaign

In March 2021, the Singapore Dental Association (SDA) launched an integrated online communication campaign targeting consumers to raise awareness and correct misconceptions regarding oral care. The campaign comprised of the three parts shown below. Invited by SDA to participate the third part, LCS provided SG\$60 worth of *Systema* and *KODOMO* products to each of the 22 key opinion leaders.



Campaign card

- I. Survey of Singaporeans on their oral health habits: 500 respondents
- II. Solicitation of user generated content under the hashtag #toothtruths on Instagram to encourage Singaporeans to talk about their oral health journey
- III. 22 key opinion leaders received oral care gift boxes and talked about their oral health journey on their Instagram accounts

10 Singapore Oral Health Therapy Congress

The Singapore Oral Health Therapy Congress is an annual meeting of dentistry experts, where speakers discuss a wide range of topics that are not limited to oral hygiene, but also include total well-being and pediatric management.

Program was continued in 2021 on 17th & 24th October, with about 300 participants from dentistry experts.

LCS sponsored the event with cash support, but the event organizer suspended its planned distribution of products in order to maintain social distancing



Event poster



Event held online

Hygiene Care

1 Educational Hand Washing Activities at Elementary School

On September 22, 2022, 125 students from The Japanese School in Singapore attended a fun lesson on how to properly wash their hands, conducted by LCS in anticipation of Global Handwashing Day. The activity included an education session on the importance of hand washing, along with a fun quiz and the opportunity for the children to design their own hand soap bottle stickers to participate in a drawing contest. Through the activity, the children learnt the importance of hand washing while displaying their creativity through designing of the bottle stickers.



Children creating their own original soap bottle stickers



Children washing their hands using the correct hand-washing methods they learned



Children from a Japanese school in Singapore participate in an educational hand washing event

Teaching Correct Hygiene Habits in Collaboration with Manulife

Free Bee SG* tied up with insurance company Manulife to promote a “Prevent and Protect” program for infectious diseases such as hand-foot-and-mouth-disease.

This program was held in April 2019 and reached out to preschools in Singapore to provide information about insurance coverage for hand-foot-and-mouth disease and other diseases. Approximately 1,100 goodie bags, which included *KireiKirei* products, were distributed to families with young children. As part of the program, LCS visited preschools with the Lion mascot to educate children on hygiene tips and encourage good hygiene practices using *KireiKirei* brand hand soap and body soap marketed by LCS.

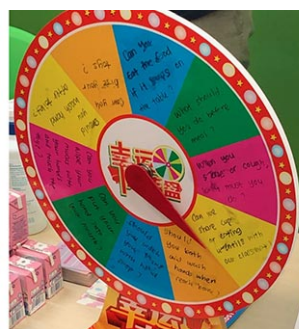
* Free Bee SG is a non-profit online community for parents to obtain information, freebies, etc., regarding pregnancy and parenting.



Poster to promote logo recognition during events



Facebook post to promote *KireiKirei* products



Hygiene-related Q&A during events



Lion mascot visits a preschool

Donation Activities

To fulfill its corporate social responsibility, LCS actively engaged in such corporate social responsibility activities as in-kind donations of hygiene products sold by the Company.

Donation Activities through Online Events

Collaboration with Centre for Domestic Employees (CDE) - May Day Domestic Employees Celebration

Period	June 2021
Outside collaborators	<ul style="list-style-type: none"> National Trades Union Congress (NTUC) Centre for Domestic Employees (CDE)
Donations	<i>Systema</i> and <i>Kyusoku Jikan</i> products
Details	The May Day Domestic Employees Celebration 2021 virtual live show was organized by the CDE, which is a unit under NTUC. The program was live-streamed to domestic employees in recognition of their hard work and contributions. 250 domestic employees took part in the program, and LCS supported the event by sponsoring products for the game show segment.



Slide showing appreciation for sponsors shown during the event
(featuring the *Systema* and *Kyusoku Jikan* logos)

Donation Activities Related to the COVID-19 Pandemic

Collaboration with Specialist Dental Group for oral kits to medical staff in Hospital

Period	November 2022
Outside collaborators	Mount Elizabeth Medical Centre
Donations	750 sets of oral care products including <i>NONIO</i> mouthwash
Details	LCS collaborated with Specialist Dental Group to distribute oral care sets to 750 health care workers at Mount Elizabeth Medical Centre as a token of appreciation.



Oral care kits provided to healthcare professionals

Activities at Lion Corporation (Thailand) Ltd.

- ✓ Oral Health Care
- ✓ Cleanliness
- ✓ Environmental Conservation Activity
- ✓ Donation Activities

* Some activities have been cancelled or postponed to prevent the spread of COVID-19. The Lion Group is revising its activities, including the use of online technologies, as it continues working to create healthy living habits.

Oral Health Care

1 Lion Oral Health Award

On July 22, 2022, Lion Corporation (Thailand) Ltd. (LCT) held a ceremony for the Lion Oral Health Award at the TK. Palace Hotel & Convention in Bangkok. In collaboration with Thailand's Ministry of Public Health, LCT has been supporting and fostering people by conducting studies and activities that are beneficial to preventive dentistry in Thailand since 2009.

For the 2022 Lion Oral Health Award, LCT bestowed six awards (first through third place and three consolation prizes) to dentists and dental nurses. About 180 people, including dentists and dental nurses, participated in the accompanying seminar, where Dr. Paiboon gave a lecture on oral care for the elderly.



Images from the awards ceremony

2 Improving the Oral Function of Senior Citizens in Cooperation with a Provincial Public Health Office

Phrae Province is a markedly graying area in northern Thailand. Since 2018, in cooperation with the Provincial Public Health Office, LCT has been promoting activities to increase senior citizens' quality of life by reducing incidents of choking, increasing chewing strength and improving dry mouth. The concept behind these activities was the topic of a talk given by a dental specialist at the Lion Oral Health Award 2016. Dentists of the Provincial Public Health Office regularly present lectures about oral care in communities with large concentrations of senior citizens. To prevent declines in the mouth's function and to maintain and improve the vitality of the area around the mouth, the dentists teach mouth exercises called "Kenkobi." These exercises were developed by Lion Foundation of Dental Health (LDH), a public interest incorporated foundation established by Lion Corporation in Japan. Most attendees see improvement within six months of starting the exercise program, and their difficulties with dry mouth and choking are reduced. LCT provides the province with "Kenkobi" brochures and display boards to help more senior citizens do the exercises.

In 2022, LCT implemented “*Kenkobi*” mouth exercises for medical volunteers and care givers from Laemchabang at LCT’s guest room in Sriracha on June 20, students at Thung Krad Elderly School in Sriracha on July 7, people at We Share Foundation in Bangkok on July 14 and students at Yannawa elderly school in Bangkok on October 7. A total of 168 senior citizens participated in the event.

LCT will continue to contribute to improving oral care for the citizens of Thailand in cooperation with the Provincial Public Health Office.



Participants practicing “*Kenkobi*” mouth exercises together

3 Collaboration with Provincial Hospitals, Health Offices and Retailers

Milk teeth sometimes receive less attention than adult teeth because they eventually fall out. However, implementing oral care from a young age is very important because oral health affects overall health.

With the aim of promoting proper oral health care and firmly establishing the concept of preventive dentistry,* LCT collaborates with provincial hospitals and health offices to carry out related activities, for example, offering dental checkups, treatment and instruction in proper brushing to children. At local schools this begins with local dental hygienists conducting dental checkups. Then, if cavities are found, a treatment called the “Smart Technique” is performed.

In 2018, LCT collaborated with local retailers to introduce correct brushing methods through a show for children aged 2 to 5 using the *KODOMO* brand. LCT provided discount coupons for LCT products viable only at the cooperating retailers. This initiative is aimed at encouraging children to continue to brush their teeth correctly at home.

In 2022, these activities were held at Banbanramung School on July 26 and a school in Laem Chabang on September 2, with 65 children and 10 dentists and dental assistants participating. LCT will expand this initiative to other areas to teach more people in Thailand about oral care.

*Lion Group companies overseas are collaborating with dental professionals and retailers on initiatives based on the concept of preventive dentistry. Working together with dental professionals, Lion strives to increase awareness and understanding of oral care by sharing information on good oral care and practical tooth brushing methods. In addition, Lion promotes good oral care habits by providing products that suit individuals’ specific oral care needs through retailers and other markets.



A dentist delivering a lecture to company officials



Dentists and dental hygienists performing a treatment

4 Oral Care and Health Education for Employees during Their Pregnancy

During pregnancy, the secretion of saliva tends to decrease due to an increase in the production of such hormones as estrogen, causing the risk of cavities and periodontal disease to rise.

LCT conducts seminars to communicate the importance of health and oral care during pregnancy to expectant employees at its Humanized Hall facility. Regarding health management, nurses from LCT's nurse office and doctors give lectures on necessary nutrition during pregnancy. With regard to oral care during pregnancy, they conduct lectures on how a mother's oral condition can affect her baby's oral health and teach correct tooth brushing practices.

In 2020, 10 employees who were either expecting or recent mothers participated in this seminar.



Presentation of proper toothbrushing technique by LCT staff



Attendants brushing their teeth after a lecture



Commemorative photo with attendants

5 Working with a Provincial Public Health Office in Southern Thailand to Reduce Cavities

Childhood cavities are a big problem in southern Thailand. To solve this problem, LCT has started a project aimed at reducing cavities among five local families in cooperation with the Provincial Public Health Office in Pattani Province. The issue in this area is that neither adults nor children are well educated about oral care. They do not know correct practices for preventing cavities. The idea for this project, called “preventive dentistry with the whole family,” was the topic of a lecture given by a dentist at the Lion Oral Health Award 2017.

The participating five families will practice correct self-care at their homes and go to see a dentist periodically for additional routine care. Their dentist will record their oral conditions using smartphones and use these records to give them feedback.

LCT will contribute to solving social issues in southern Thailand by establishing good oral care habits and reducing cavities through this project.



Routine care at the dentist's office



Recording oral conditions using a smartphone

6 Oral Care Promotional Activities in Cooperation with the Government

The Thai government has held an annual Health Fair since 2012 with the aim of increasing Thai citizens' awareness of health issues. The 2018 Health Fair was held at the Ao Udom Community Center in Laem Chabang, Sriracha district. The fair's events take place in local community centers, where medical facilities and health product retailers set up booths manned by volunteer physicians and nurses who provide checkups for participants and prescribe medicine. LCT ran a booth in this fair to introduce and practice “*Kenkobi*” mouth exercises with participants over 50 years old. LCT also gave participants products from its *GoodAge* and *SALZ* oral care brands for seniors. About 1,000 people participated in the Health Fair in 2018.



“*Kenkobi*” mouth exercises with participants

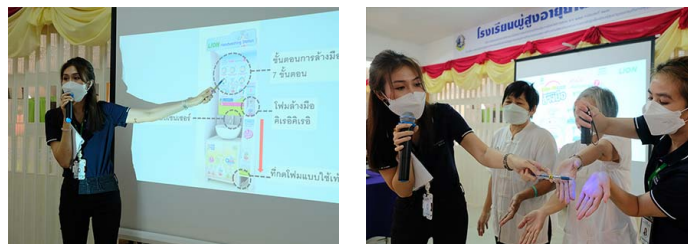
Cleanliness

1 Lion Hand Washing Stations

In accordance with LCT's commitment to building goodness in society and bringing good health to consumers, the company promotes hygiene by providing hand washing stations and educating the community on hygienic hand washing techniques. In 2022, *KireiKirei* hand washing stations, equipped with sponsored hand soap and hand soap dispensers as well as posters that promote proper hand washing techniques were set up at the Yannawa district's elderly school (Bangkok) on January 28, Ban Rai Nueng Elderly School (Sriracha) on May 18, Thai Kasikorn Songkrow School (Sriracha) on May 20 and Wat Dok Mai School (Bangkok) on June 6. Instructors use black lights to make it easy for participants—from first- and second-grade elementary school students to those over the age of 50—to see where hands are dirty or unwashed. The hand washing station allows everyone to wash their hands immediately after touching anything they use.



Holding bottles of *KireiKirei* hand soap, LCT staff members pose in front of hand washing stations



Learning about hand washing at Yannawa district's elderly school



A hand washing lesson at Ban Rai Nueng Elderly School



A hand washing lesson at Wat Dok Mai School



A hand washing lesson at Thai Kasikorn Songkrow School

2 Instruction on Healthy and Hygienic Living Habits at Elementary Schools

On December 1, 2022, LCT gave an extra-curricular lecture to first- and second-year students of Bangkok Christian College on tooth brushing and hand washing. 833 students participated in this event.



Students have fun while learning with LION-chan

3 ‘Happy Life Happy Home’ Programme at Elementary Schools

LCT held the Happy Life Happy Home program at elementary schools. This program taught the students techniques for keeping their bodies healthy and clean and for keeping their homes clean and comfortable. The program comprises two parts, Happy Life (covering tooth brushing, hand washing, face washing and showering) and Happy Home (covering laundry, dish washing and floor cleaning), and is aimed at increasing awareness of health, comfort and cleanliness through the use of LCT products.

In 2022, a total of 157 fourth grade students from both Bangkok’s Wat Dok Mai School on September 15 and Thai Kasikorn Songkrow School on September 27 were taught not only how to brush their teeth and wash their hands, but also how to wash and care for their clothes.

The children were very interested in the program and they have been practicing what they learned at home.



Learning about tooth brushing during the Happy Life portion of the program



Learning about laundry in a hands-on setting during the Happy Home portion of the program



A group photo with LION-chan after the program

4 The Public-Private Collaboration Project

LCT contributes to the Public-Private Collaboration Project being advanced by the government of Thailand. In 2019, oral health and hand-washing educational activities were held in Lamphun Province and at the Saha Group's Fair.* The theme of LCT's booth was the importance of proper oral health and hygiene practices.

At the Saha Industrial Park in Lamphun, LCT encouraged good hygiene practices using *KireiKirei* hand soap to teach the local students and provided education about “*Kenkobi*” mouth exercises for senior citizens.

At the Saha Group Fair, Saha Group companies meet each year and set up booths to exhibit their public-private collaboration projects. In 2019, LCT invited senior citizens from a senior club in Yannawa district, Bangkok, and Rai Nueng community center in Sriracha district, Chonburi, to join in “*Kenkobi*” mouth exercises training and provided instruction on proper tooth brushing methods at the booth. About 360 people from nearby communities participated this year.

* LCT is a joint venture of Lion Corporation and the Saha Group.



Encouraging good hygiene practices with *KireiKirei* hand soap at the Saha Industrial Park in Lamphun



Presentation on oral care at the Saha Industrial Park in Lamphun



“*Kenkobi*” mouth exercises for senior citizens at Saha Group Fair



Instruction on proper tooth brushing methods

Environmental Conservation Activity

1 Environmental Awareness for Communities near LCT

On November 25, 2022, LCT educated 42 seniors in the Yannawa area neighboring LCT's facilities on how to separate reusable and recyclable waste. LCT encourages environmentally friendly habits through a point system in which employees receive points by bringing in reusable waste and properly disposing of it.

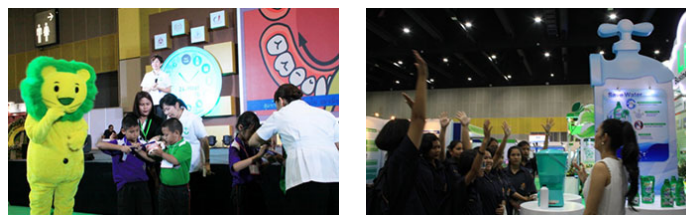


A lecture on properly sorting garbage

2 Tooth Brushing Lectures at an Environmental Fair

LCT operated a booth at the “Eco-Products International Fair 2016,” an environmental fair. The concept of the booth was that humans are part of the environment and that “people can harmonize with the environment as long as they are healthy.” The booth also featured the environmental efforts of LCT and Lion Corporation Japan.

On the event's main stage, LCT conducted tooth brushing seminars for elementary school students, teaching that one's overall health starts with oral health, in line with LCT's booth concept.



Tooth brushing lectures on the main stage

Students visiting LCT's booth

Donation Activities

To fulfill its corporate social responsibility, LCT, as a hygiene product manufacturer, actively engages in social contribution activities, such as in-kind donations of hygiene-related products sold by the company.

Activity 1 Supporting oral care for the elderly

Period	July 14 and August 18, 2022
Location	Thian Fah Foundation Hospital and the Weshare Foundation
Donations	<i>Ascor-10</i> dietary supplement tablets
Details	Under the theme of oral health, oral beauty and communication, LCT's marketing team led exercise sessions and provided <i>Ascor-10</i> dietary supplement tablets to local senior citizens.



Activity 2 Sanitary napkin donations in Bangkok

Period	August 4, 2022
Location	Wat Dok Mai School
Donations	Approximately 5,000 baht worth of sanitary napkins
Details	As Bangkok has a policy of providing sanitary napkins to students free of charge, sanitary napkins were donated to Wat Dok Mai School to support the students.



Activity 3 Supporting local cat and dog rescue efforts

Period	September 1, October 27 and November 3, 2022
Location	Laem Chabang City Municipality, Wat Dok Mai Temple and the Soi Dog Foundation
Donations	<i>Pet Care</i> pet shampoo and other pet care products
Details	LCT supported the rescue of stray or abandoned cats and dogs by providing donations of the <i>Pet Care</i> brand of pet products.



Laem Chabang City Municipality



Wat Dok Mai Temple



Soi Dog Foundation

Activity 4 Support for hospital repairs

Period	October 11, 2022
Location	King Chulalongkorn Memorial Hospital
Donations	1 million baht
Details	LCT donated funds through the Thai Red Cross Society toward repairs to the Tiam-Saipin Chokuwattana building carried out in 2022 by the Saha Group.



Saha Group executives presenting the donation to the Thai Red Cross Society

Activity 5 Donations for seniors in rural areas

Period	March 2021
Location	Disaster Action Center, The Thai Red Cross Society
Donations	3,600,000 units of <i>KireiKirei</i> alcohol gel 50 ml
Details	Working with the Relief and Community Health Bureau of the Thai Red Cross Society, LCT donated <i>KireiKirei</i> alcohol gel for inclusion in health care bags provided to seniors in rural areas who require long-term support.



Activity 6 Donation of products for flooding victims

Period	October 2021
Location	MCOT Public Company Limited (Thai state-owned public broadcaster)
Donations	LCT hygiene products
Details	LCT took part in the MCOT Careless Project, donating hygiene products to support victims of flooding in Saraburi.



Donation activities related to the COVID-19 pandemic

Activity 1 Support for those in COVID-19 quarantine facilities

Period	March 7, 2022
Location	A facility at Wat Dok Mai School for patients with COVID-19 who were not admitted to the hospital
Donations	LCT hygiene products worth 6,700 baht, including the following: <ul style="list-style-type: none">· SALZ toothbrushes and toothpaste· <i>Shokubutsu-Monogatari</i> liquid soap· 108 powdered laundry detergent· <i>KireiKirei</i> alcohol gel and hand soap
Details	Provided oral care and hand washing products to 100 patients with COVID-19



Wat Dokmai School

Activity 2 Donation of products for medical personnel and patients

Period	May 2021
Location	Charoenkrung Pracharak Hospital (Bangkok)
Donations	LCT products worth 1,000,000 baht
Details	LCT donated hygiene products to medical personnel and COVID-19 patients at a field hospital managed by Charoenkrung Pracharak Hospital.



Activity 3 Donation of products for medical personnel and patients

Period	May 2021
Location	Royal Thai Air Force Hospital (Bangkok)
Donations	<p>LCT hygiene products worth 500,000 baht, including the following:</p> <ul style="list-style-type: none"> · <i>Systema</i> toothpaste · <i>Q'lean</i> Shampoo · <i>Shokubutsu-Monogatari (Plant Story)</i> Shower Cream · <i>Flore</i> bar soap · <i>Dentor Pro Clean</i> toothbrush · <i>Kodomo</i> talcum powder · <i>Lipon F Purify</i> dishwashing detergent · <i>Silver Nano Powder Detergent</i> · <i>KireiKirei</i> alcohol spray · <i>Essence</i> alcohol spray · <i>Look Multi Surface Spray</i> · <i>Look</i> floor cleaner
Details	LCT donated hygiene products to medical personnel and COVID-19 patients at a field hospital managed by Royal Thai Air Force Hospital.



Activity 4 Donation of products for medical personnel and patients

Period	May 2021
Location	Banphaew Hospital
Donations	LCT hygiene products worth 121,662 baht
Details	LCT donated hygiene products to medical personnel and COVID-19 patients at a field hospital managed by Banphaew Hospital.



Activity 5 Donation of products for medical personnel and patients

Period	May 2021
Location	Bangkok Metropolitan Administration City Hall
Donations	Saha Group hygiene products worth 2,500,000 baht
Details	LCT partnered with Saha Group to donate Saha Group hygiene products, including LCT products, to medical personnel and COVID-19 patients at a field hospital managed by the Bangkok Metropolitan Administration City Hall.



Activity 6 Donation of products for medical personnel and patients

Period	June 2021
Location	Medical Service Department, Bangkok Metropolitan Administration
Donations	LCT hygiene products worth 200,000 baht
Details	LCT donated hygiene products to medical personnel and COVID-19 patients at a field hospital managed by the Bangkok Metropolitan Administration.



Activity 7 Donation of products for medical personnel and patients

Period	July 2021
Location	Takbai Hospital (Narathiwat Province)
Donations	LCT hygiene products worth 100,000 baht
Details	LCT donated hygiene products to medical personnel and COVID-19 patients at Takbai Hospital.



Activity 8 Donation of products for medical personnel and patients

Period	July 2021
Location	<ul style="list-style-type: none"> Laem Chabang Hospital Somdej Phraborom Ratchathewi Hospital Chonburi Hospital
Donations	LCT hygiene products
Details	LCT donated hygiene products to medical personnel and COVID-19 patients at three hospitals near its factory.



Activity 9 Donation of products for patients

Period	July 2021
Location	Wat Dok Mai School
Donations	LCT hygiene products
Details	LCT donated hygiene products for COVID-19 patients at an isolation center set up at Wat Dok Mai School.



Activity 10 Donation of products to a temple

Period	August 2021
Location	Wat Ton Bon Temple
Donations	<ul style="list-style-type: none"> · 108 Shop laundry detergent · <i>Essence Alcohol Spray</i> · <i>Lipon-F</i> dishwashing detergent
Details	LCT cooperated with Wat Ton Bon Temple and the Yannawa district's elderly school to support local residents impacted by COVID-19 by donating hygiene products.



Activity 11 Donation of products for patients

Period	August 2021
Location	National Health Security Office, Ministry of Public Health (Bangkok)
Donations	<ul style="list-style-type: none"> · <i>Essence Alcohol Spray</i>
Details	LCT worked with the National Health Security Office of the Ministry of Public Health to donate products for use in health care bags provided to COVID-19 patients.



Activities at Southern Lion Sdn. Bhd.

- ✓ Oral Health Care
- ✓ Cleanliness
- ✓ Environmental Conservation Activities
- ✓ Donation Activities

* Some activities have been cancelled or postponed to prevent the spread of COVID-19. The Lion Group is revising its activities, including the use of online technologies, as it continues working to create healthy living habits.

Oral Health Care

1 Promoting the Lion Dental Health Program at Kindergartens and Primary Schools throughout Malaysia

The Lion Dental Health Program is a social contribution program established in 1998 by Southern Lion Sdn. Bhd. ("SL") to promote good oral health habits in kindergartens and elementary schools throughout Malaysia. It is conducted throughout the year. The main objective of the program is to create awareness of the importance of maintaining good oral hygiene for better overall health. The program is targeted at children between the ages of 4 and 12 as SL believes that good oral hygiene must be cultivated from a young age.

The program was developed by the [Lion Foundation for Dental Health \(LDH\)](#), a public interest incorporated foundation established by Lion Corporation in Japan. SL has localized the program in terms of content and techniques to the local audience. Over the years, it has worked with government-run dental clinics and the Malaysian Dental Therapists' Association (MDTA) throughout Malaysia, and SL believes this program is an effective way to teach the Malaysian public proper brushing techniques.

The program is conducted in a fun and interactive way to make it more interesting to children. It includes activities such as a storytelling session, a slideshow, tooth brushing demonstrations, tips on good dental habits and a simple quiz. As a part of SL's commitment to creating awareness of good oral hygiene, every child involved in the program receives a *KODOMO* goody bag with a toothbrush and toothpaste inside.

In 2022, the program was held from April to December, with 22,501 children participating. Total participants across Malaysia since the program started in 1998 number more than 1.14 million.



A demonstration of tooth brushing technique



Online instruction on tooth brushing techniques



Students happily receiving their *KODOMO* goody bags

2 Online Oral Care Educational Program

As a countermeasure against the spread of COVID-19, SL initiated an online oral care educational program aimed at kindergarteners aged 4 to 6 from April to November 2022. A total of 486 children took part in the fun, interactive program, which included instruction on tooth brushing techniques and oral care trivia.



Scenes from an online educational program

3 Oral Care Awareness Programs Held by the *KODOMO* Brand Team

From July 18 to September 30, 2022, the *KODOMO* Brand Team of Southern Lion's marketing division distributed *KODOMO* brand oral care products and branded goods to children aged 3 to 6 at Government Pre Schools to raise awareness about the importance of regular toothbrushing habits from an early age. The program began with an online workshop for teachers.

After completing the workshop, teachers received *KODOMO* workbooks, teacher's guides and posters as well as folders, samples and other materials provided by SL to distribute to the preschool children. Using these materials, the teachers then carried out the five-day tooth brushing instruction program. After the program ended, reports from the schools were collected. 15,000 children participated in the program, learning about oral care from their teachers.



A group photo of students holding their *KODOMO* merchandise

4 Dental Academy Gum Health Check Program

On October 3, 2022, SL sponsored a program for expectant mothers in the KLCC area of Kuala Lumpur, during which dental professionals from University Malaya conducted gum health checks and explained oral hygiene using *Systema* samples and educational leaflets. 504 soon-to-be mothers participated in the program.



A dental professional explains oral hygiene

5 Oral Health Day

As part of the company's efforts to promote preventive dentistry,* SL has been conducting Oral Health Day once a year since 2018 to create awareness among internal staff of the importance of good oral hygiene and gum disease prevention. The event was postponed in 2020 and 2021 due to the COVID-19 pandemic.

On November 9 and 10, 2022, the event was held for the first time in three years at SL's headquarters in Johor Bahru in collaboration with the Oral Health Division of the Ministry of Health (MOH) under KP Abdul Samad. Free dental check-ups and treatment were provided for SL Staff. 169 employees participated in the dental check-ups (up 30% compared to the last year the event was held). SL will continue this annual activity in an effort to increase awareness of good oral hygiene practices among all its staff.

* Lion Group companies overseas are collaborating with dental professionals and retailers on initiatives based on the concept of preventive dentistry. Working together with dental professionals, Lion strives to increase awareness and understanding of oral care by sharing information on good oral care and practical tooth brushing methods. In addition, Lion promotes good oral care habits by providing products that suit individuals' specific oral care needs through retailers and other markets.



Dental check-ups by dentist

6 Participation in the Malaysian Dental Therapists' Scientific Conference (MDTSC)

The Malaysian Dental Therapists' Scientific Conference (MDTSC) was held June 24 and 25, 2022, at the Summit Hotel Subang USJ. This event is held every two years and SL participates as one of its major sponsors with the aim of strengthening its relationship with the Malaysian Dental Therapists Association (MDTA) and to introduce the *Systema* brand. The conference is a good opportunity to increase awareness of the Lion Dental Health Program and increase collaboration with the MDTA, as it welcomes dental professionals from all over Malaysia. A total of 550 dental therapists from across Malaysia attended this conference.



The *Systema* booth

Cleanliness

1 Promoting Good Hygiene for Children

The spread of COVID-19 has brought the importance of hand washing to the forefront of everyone's mind. Responding to this shift, from April to December 2022, SL conducted the Lion Dental Health Program (see article 1 under Oral Health Care) as well as hand washing awareness activities at kindergartens and elementary schools in Malaysia.

Also, from March to July and August to September of 2022, SL collaborated with the MOH and Bridges PR & Events Sdn. Bhd. to hold educational events for children aged 7 to 9 in Klang Valley, Selangor. Using *KireiKirei* products, these events taught children the proper steps of hand washing and encouraged voluntary hand washing habits. Approximately 5,500 children participated, and there are plans for the events to continue in 2023.



Children learning proper hand washing techniques while watching a video

2 Lion Hygiene Program for Indigenous Children

On July 19, 2022, SL, in collaboration with the Mersing Dental Office under the MOH, conducted a hygiene habit-enhancing activity at a school in SK Tanah Abang, Mersing.

180 indigenous children participated in interactive sessions with rhythmic tooth brushing training, tooth brushing with a dental therapist, a coloring competition, a “beautiful teeth” competition and a hand washing lesson.



Teaching tooth brushing techniques with a tooth model



Children learning proper hand washing techniques

3 Activities to Support the Health and Hygiene of Refugee Children

SL has been involved with health and hygiene awareness programs for refugee children since 2013. The activities have been conducted in cooperation with NGOs and the United Nations High Commissioner for Refugees (UNHCR) staff in Kuala Lumpur and Johor Bahru. The event has been cancelled since 2020 due to COVID-19.

On October 23, 2019, SL conducted a program with a school in Kota Tinggi District, Johor, to raise awareness of cleanliness and hygiene among Rohingya refugee students protected under the UNHCR.

In addition to the programs, employees from SL celebrated children's birthdays with them and shared happy moments. All the children were given goody bags with SL products for general personal hygiene. 90 students aged 7 to 16 were taught basic hygiene and personal care, including good oral health habits and proper handwashing. About 660 children have participated since the program began.



Demonstration of tooth brushing and hand washing



Learning proper hair washing



Kids receiving sponsorship items

Environmental Conservation Activities

1 Greening Activities around SL facilities

On April 6, 2022, SL began greening its grounds and growing herbs and vegetables to promote the physical and mental health of its employees as well as the beautification of the environment. A total of 10 employees are participating in the project, which involves:

1. Preparing and beautifying the grounds to create garden plots
2. Planting herbs and vegetables for harvest and distribution to employees
3. Picking and packaging herbs and vegetables and offering them to employees free of charge in the cafeteria
4. Allowing employees to pick herbs for home use at any time



Employees preparing the site for garden plots



Cultivating herbs and vegetables



Offering harvested produce in the cafeteria



The SL employees participating in greening activities

2 Campaign for Sustainable Recycling

From June 15 to 22, 2022, a campaign was held in SL's cafeteria to raise employee awareness of recycling with the aim of achieving zero waste. Employees also brought in items they no longer use at home to turn them into gifts for those in need. During the campaign, 200 employees visited the cafeteria, raising environmental awareness.



Donated items



Participants holding donated items in the cafeteria



Executives receiving reports on activities



The SL staff leading the activity

3 Environmental Conservation Activities on SL Environmental Day

To raise employees' awareness of the need to protect the global environment, SL has declared November 27 as its very own "Environmental Day." In 2022, however, the activity was cancelled due to COVID-19.

In 2020, three initiatives were implemented to promote the 3Rs (reduce, reuse, recycle) and raise employee's awareness and interest in environmental issues by having them experience the importance of growing and eating healthy foods by themselves.

1. The collection of recyclable materials

Employees collected recyclable materials, such as books, paper, plastic and aluminum from their homes.



Collecting recyclable materials

2. Making soap from used cooking oil

Employees brought used cooking oil from home and tried their hand at reusing it to make soap.



Creating hand-made soap from used cooking oil

3. Plant adoption plantations

Plots of land were used to plant salad vegetables and herbs. 400 employees participated in this activity.



Working in the SL herb garden

Donation Activities

To fulfill its corporate social responsibility, SL, as a hygiene product manufacturer, actively engaged in social contribution activities, such as in-kind donations of hygiene-related products sold by the company.

Donation activities related to natural disasters

Activity 1 Provision of supplies to flood victims in cooperation with the Malaysian Red Crescent Society

Period	December 16, 2022
Outside collaborators	Malaysian Red Crescent Society
Donations	Provided essential cleanliness and hygiene supplies during floods
Details	Provided 2,000 flood victims and volunteers with essential cleanliness and hygiene products in the affected areas



Items donated by SL

Activity 2 Educational activities in rural areas in collaboration with NGOs

Period	September – November 2022
Outside collaborators	Yayasan Sukarelawan Siswa (NGO)
Donations	Educated children in rural communities on tooth brushing techniques
Details	Worked with volunteers to provide dental check-ups and tooth brushing instruction to 1,200 children between the ages of 4 and 12 in rural Sabah to spread awareness about dental hygiene



NGO volunteers teach children how to brush their teeth

Activity 3 Support for people affected by flooding

Period	December 2021
Outside collaborators	Malaysian Red Crescent Society
Donations	<ul style="list-style-type: none"> • <i>Shokubustu Active Guard</i> Body Shower Foam • <i>Bio Zip</i> Detergent Powder • <i>Fresh & White</i> Toothpaste • <i>KODOMO Lion</i> Toothbrush • <i>KODOMO Lion</i> Toothpaste • <i>Emeron</i> Shampoo • <i>Systema</i> Toothbrush
Details	Through the Malaysian Red Crescent Society (an NGO), SL donated products for approximately 100–150 families affected by the flooding resulting from heavy rains in Selangor and Johor.



Handing off hygiene products to Malaysian Red Crescent Society staff

Donation activities related to the COVID-19 pandemic

Activity 1 Donation of hygiene products to support medical professionals and patients

Period	June 2021
Outside collaborators	Low-Risk Quarantine and Treatment Centre (PKRC), Johor Bahru
Donations	<ul style="list-style-type: none"> • <i>Shokubustu Active Guard</i> Body Shower Foam • <i>Bio Zip</i> Detergent • <i>Fresh & White</i> Toothpaste • <i>KODOMO Lion</i> Toothbrush • <i>KODOMO Lion</i> Toothpaste • <i>Emeron</i> Shampoo
Details	SL donated hygiene products for approximately 585 women (including pregnant women) and children under 12 years old undergoing treatment and quarantining at the Low-Risk Quarantine and Treatment Centre (PKRC) in Johor Bahru.



SL employees moving products to be donated



PKRC and SL employees

Activity 2 Donations of hygiene products to support students

Period	November 2021
Outside collaborators	Sekolah Kebangsaan Kangka Tebrau School, Johor Bahru
Donations	<ul style="list-style-type: none"> • <i>Fresh & White</i> Toothpaste • <i>KODOMO Lion</i> Toothbrush • <i>KODOMO Lion</i> Toothpaste • <i>KireiKirei</i> Hand Soap
Details	SL donated products for approximately 600 students at Sekolah Kebangsaan Kangka Tebrau School, which it sponsors, in Johor Bahru, to celebrate the school's reopening and help maintain a hygienic environment.



SL employees handing off donated products to school staff

Activity 3 Donations of care kits to support medical professionals and patients

Period	April 2020
Outside collaborators	Ministry of Health
Donations	2,000 care kit sets containing hand soap, toothpaste, toothbrushes, shampoo and liquid laundry detergent
Details	Donated care kits to medical professionals and COVID-19 patients at three hospitals in Johor. The kits were assembled as sets in bags for ease of distribution. This social contribution activity was featured in the newspaper, Harian Metro (Malay) .

Activity 4 Support for families impacted by COVID-19 directly or by the indirect effects of the pandemic

Period	May 2020
Outside collaborators	Malaysian Red Crescent Society
Donations	Southern Lion products
Details	Donated relief supplies to 200 impacted households through the NGO the Malaysian Red Crescent Society.



SL employees carrying donated products



Handing over donated products



Photo published in the newspaper

Activities at PT. Lion Wings

✓ Oral Health Care ✓ Donation Activities

Oral Health Care

1 Oral Care Educational Events

PT. Lion Wings (“LW”) values the establishment of good oral care habits from early childhood and has conducted oral care educational events in cooperation with educational facilities such as kindergartens and elementary schools in Indonesia jointly with local dentists since 2008.

Kindergarteners from age four to five and elementary school students up to ten years old are the main targets of the event, at which the importance of oral care is taught through a video featuring the brand characters of *KODOMO* (LW’s oral care product line for children) and instruction on tooth brushing techniques offered by dentists. At the end of the event, all participants, including the children and their families, brush their teeth together using the correct techniques so that they can then practice at home what they have learned through the event.

Moreover, LW visits every year the same kindergartens and elementary schools to ensure the establishment of good oral care habits.

In 2022, the event was held at 85 educational facilities from January to May, with about 8,500 children participating.



Teaching children correct tooth brushing



Photos from the day of an event

2 Activities for Adults to Promote and Raise Awareness of Oral Care Habits

In 2022, LW provided dental examinations and samples of its *Ciptadent* toothpaste in the residential areas of 10 Indonesian cities. Approximately 10,000 residents participated in the activities, which provided an opportunity to learn the importance of creating healthy oral care habits.



Photos from the day of an event

3 Inclusive Oral Care Activities

Lion Group is advancing inclusive oral care activities aimed at providing opportunities for oral care (via products, services and education) to people dealing with economic hardship, physical limitations or disparities in education or information.

Activity 1 Donations to an orphanage to support education on oral care and hygiene habits

Period	August 2020
Location	Pondok Taruna Orphanage, Jakarta
Outside collaborators	GBI Jemaat Induk Senayan Church
Participants	30 people
Details	150 packages of <i>KODOMO Wet Wipes</i> 150 tubes of <i>KODOMO Toothpaste</i> (20g) 150 bottles of <i>KODOMO</i> shampoo (45ml) 60 tubes of <i>Systema</i> toothpaste (20g) 60 tubes of <i>ZACT</i> toothpaste (20g)

Activity 2 Donations to disadvantaged children supported by a church

Period	December 2020
Location	Saint Albertus Harapan Indah Church
Outside collaborators	
Participants	30 people
Details	120 bottles of <i>Zinc</i> shampoo (70ml) 44 tubes of <i>KODOMO</i> toothpaste (45g) 44 <i>KODOMO</i> toothbrushes 144 <i>Ciptadent</i> toothbrushes 144 tubes of <i>Ciptadent</i> toothpaste (75g)



Commemorative photo with children and staff from the orphanage



At Saint Albertus Harapan Indah Church

Donation Activities

As a company that manufactures and sells products used in everyday living, and to fulfill its corporate social responsibility, LW actively engaged in such social contribution activities as donations of products sold by the company.

Donation activities related to natural disasters

Activity 1 Support for people affected by the 2021 West Sulawesi Earthquake

Period	January 2021
Location	Mamuju Regency, West Sulawesi
Details	Donation of Rp10,272,000 worth of LW products for approximately 500 people affected by the magnitude 6.2 earthquake that struck West Sulawesi in 2021.

Activity 2 Support for people affected by floods

Period	February 2021
Location	Karawang, West Java
Details	Donation of Rp11,027,200 worth of LW products for approximately 500 people affected by heavy rains and flooding in West Java.

Activity 3 Support for an orphanage

Period	April 2021
Location	Depok, West Java
Details	Donation of Rp2,680,000 worth of LW products for approximately 200 orphans.

Activity 4 Support for people affected by floods

Period	June 2021
Location	Lebak Regency, Banten
Details	Donation of Rp3,544,000 worth of LW products for approximately 300 people affected by heavy rains and flooding in Banten.

Activity 5 Support for an orphanage

Period	September 2021
Location	Kramat Jati, East Jakarta
Details	Donation of Rp3,544,000 worth of LW products for approximately 200 orphans.

Activity 6 Support for people affected by the eruption of Mount Semeru

Period	December 2021
Location	Semeru, East Java
Outside collaborators	CT ARSA Foundation
Details	Donation of 10,272,000Rp worth of LW products for people affected by the eruption of Mount Semeru in East Java (for approximately 100 children and 300 adults) through CT ARSA Foundation, an organization that supports poor rural communities.



Children receiving LW products

Donation activities related to the COVID-19 pandemic

Activity 1 Donation of LW products to Faculty of Dentistry, University of Indonesia

Period	April 2020
Location	Faculty of Dentistry, University of Indonesia
Outside collaborators	
Donations	21 boxes of <i>Zinc</i> shampoo (70ml) 20 boxes of <i>Serasoft</i> shampoo (70ml) 20 boxes of <i>Emeron</i> shampoo (70ml) 19 boxes of <i>Ciptadent</i> toothbrush 19 boxes of <i>Ciptadent</i> toothpaste (75g)
Details	Donation of LW products to those working at the Faculty of Dentistry of the University of Indonesia affected by COVID-19.

Activity 2 Donation of LW products to disadvantaged communities

Period	May 2020
Location	Kodi Utara, East Nusa Tenggara
Outside collaborators	CT Arsa Foundation
Donations	21 boxes of <i>Zinc</i> shampoo (70ml) 7 boxes of <i>KODOMO Wet Wipes</i> (10 sheets) 21 boxes of <i>MAMA Lime</i> dishwashing detergent (230ml) 7 boxes of <i>Ciptadent</i> toothbrush 7 boxes of <i>Ciptadent</i> toothpaste (75g)
Details	Donation of LW products to disadvantaged communities affected by COVID-19 through CT Arsa Foundation, which supports poor rural communities.

Activities at Lion Corporation (Korea)

✓ Oral Health Care ✓ Cleanliness ✓ Environmental Conservation ✓ Donation Activities

* Some activities have been cancelled or postponed to prevent the spread of COVID-19. The Lion Group is revising its activities, including the use of online technologies, as it continues working to create healthy living habits.

Oral Health Care

1 Oral Care Product Promotion in Collaboration with Baby Food Companies

From 2022 and into 2023, Lion Corporation (Korea) (“LCK”) has been running a campaign offering two-packs of *KODOMO Reliable Jelly Toothbrushes* to first-time customers of baby food for children aged 0 to 2. These customers also receive coupons they can use for future purchases of these toothbrushes. For families starting weaning, children learning to brush their teeth on their own with parents supervising and finishing up the job are very important habits to form. With the aim of establishing the habit of tooth brushing from an early age, LCK plans for 5,000 people per month-for a total of 60,000 people over the course of the promotion-to participate in this activity.



A promotional advertisement

2 Oral Care Education for Children at Playtime Kids Café

In 2022, LCK partnered with Playtime, South Korea’s No. 1 local kids cafe, to provide 13,000 children aged 3 to 7 who visited Playtime facilities with a *KODOMO* Toothbrush. This activity was aimed at reducing children’s reluctance toward tooth brushing and informing them about the importance of oral care. A *KODOMO* Toothbrush commercial also played inside Playtime to increase brand recognition.



The promotion development process

3 Oral Care Guidance at Nursery Schools, Elementary Schools and Welfare Facilities

In cooperation with Seodaemun-gu Health Center and the Department of Preventive Dentistry and Public Oral Health at Yonsei University College of Dentistry, LCK has set up tooth brushing facilities that provide dental checkups and instruction on proper oral care at educational institutions, where education on tooth brushing has been provided since 2014.

Since 2022, LCK has set up tooth brushing facilities targeted toward children aged 6 to 7 and first-year elementary school students within Seoul's Seodaemun District. At these facilities, dentists and dental hygienists provide ongoing oral care education and monitoring. Dental examinations are conducted twice a year for four years with follow-ups as needed. In order to ensure the children develop proper oral care habits, dental hygienists visit nursery schools, elementary schools and welfare facilities to educate them on such habits as brushing their teeth after meals as well as on correct preventive dentistry.

In 2022, 62 nursery schools, 18 elementary schools and 14 welfare facilities participated with approximately 6,300 students receiving instruction on oral care, bringing the cumulative total number of students served to approximately 61,377.



An oral care lesson in progress



A participating group of students

4 Holding the Oral Health Event of Tooth Brushing for Children

The Lion Group places emphasis on fostering children's awareness of dental and oral health in order to help them stay healthy for a lifetime. Aiming to teach correct oral care to elementary school students, the Lion Group has held the Oral Health Event of Tooth Brushing for Children since 1932. Currently, the event is held annually in Asia.

LCK has held the Oral Health Event of Tooth Brushing for Children since 2009. In May 2022, 43 students - 3 fourth grade students from a Japanese school in Seoul and 40 fifth grade students from a Japanese school in Busan - participated in the event. In total, 8,203 children have participated in this event since 2009.



Oral Health Event of Tooth Brushing for Children (2019)



Children who participated in the event (2019)



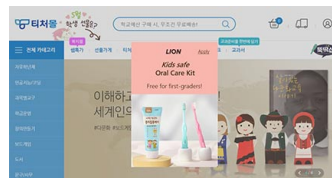
LCK employees who participated in the event (2019)

5 Tooth Brushing Sets Given to Celebrate the Start of School

In April and May 2021, LCK provided sets of its *Kids safe* toothbrushes and toothpaste for 5,300 first-graders in elementary school with the aim of developing proper oral care habits to maintain their health. The sets were provided through Teacher Mall, a specialized online mall where teachers at registered schools purchase teaching supplies.



Kids safe toothbrushes and toothpaste



Kids safe promotional pop-up on the Teacher Mall website

6 Lectures about Health Care for Local Residents

LCK has been contributing to the improvement of local residents' health care by joining health care programs (promoted by local community organizations such as public healthcare centers, cultural centers and school nurse associations) and conducting health care lectures.

The content of each lecture is tailored to its target audience. Specialists assigned by LCK give lectures on a wide range of health-related topics, such as correct oral care for infants and parents, oral health management, the relationship between oral health and systemic illness, and living habits to prevent infectious diseases.

In 2021, to prevent the spread of the COVID-19, lectures were held twice via Zoom, with approximately 250 people participating, bringing the total number of participants since 2012 to 19,150.



Lectures on health care for local residents (2020)

7 Running the Oral Care Consultation Room Jointly with a Public Health Center

Aiming to increase local residents' awareness of oral health and preventive dentistry, LCK and Gwangjin-gu Public Health Center have jointly held the Oral Care Consultation Room every Tuesday since 2012. Participants learn to conduct self-checks of their dental and oral conditions and then receive individual professional examinations. Based on these, they receive personal guidance on self-care methods in accordance with their individual dental and oral needs.

A total of approximately 17,000 people, including around 1,790 people in 2019, have taken part in the Oral Care Consultation Room. In 2022, LCK paused this activity due to COVID-19.



Personal guidance on oral care methods based on individual dental and oral conditions

Cleanliness

1 Collaborative Promotional Campaign with Challengers, a Health Management Mobile App Targeting Generation MZ

From September to October 2022, LCK conducted a hand washing awareness campaign coinciding with Global Handwashing Day on October 15, 2022, using the Challengers health management mobile app marketed toward Generation MZ.^{*1} During the campaign, 500 Challengers app users were given a mission to wash their hands correctly using LCK's *Ai! Kekute*^{*2} foaming hand soap and authenticate their efforts by uploading photos to Instagram to get the word out about creating healthy living habits. By promoting activities such as this, LCK will fulfill its duty as the number one hand soap company in Korea.

^{*1} Generation MZ is a combination of two generations: the “Millennials,” born from the mid-1980s to the early 1990s, and “Gen Z,” born between the late 1990s and 2010.

^{*2} *Ai! Kekute* (literally, Oh! Clean!) is a hand soap brand marketed by LCK.



Campaign ad

2 Supporting the Korea Disease Control and Prevention Agency's Proper Handwashing Campaign

LCK has established a relationship with the Korea Disease Control and Prevention Agency,^{*} an agency under the Korean Ministry of Health and Welfare that was established to protect the health of the public.

In cooperation with the Korea Disease Control and Prevention Agency's hand washing campaign and in celebration of Global Handwashing Day on October 15, LCK's marketing office adhered campaign stickers to five long-selling *Ai! Kekute* products, which sold approximately 3.8 million units between November 2022 and March 2023 through all distribution channels.

^{*} The COVID-19 pandemic demonstrated the need to strengthen the government's disease control capabilities. Therefore, in 2020, the Korea Centers for Disease Control and Prevention were raised to agency status as the Korea Disease Control and Prevention Agency.



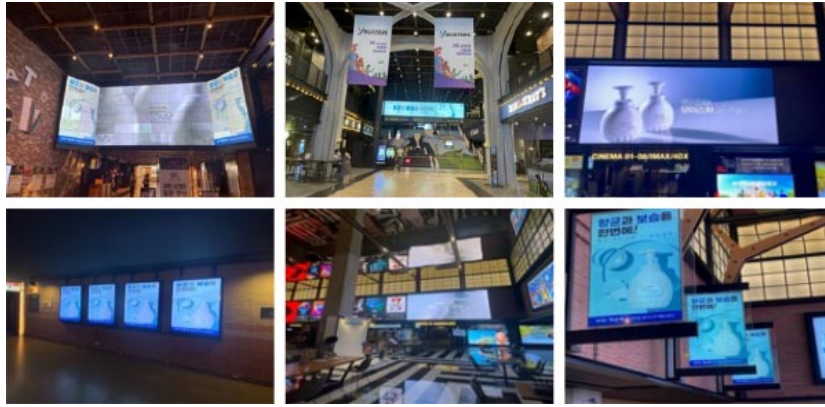
Leaflet provided by Korea Disease Control and Prevention Agency

Five *Ai! Kekute* products with campaign stickers

3 *Ai! Kekute* and CGV Launch Collaborative Promotional Campaign

LCK is carrying out a large-scale promotional campaign for *Ai! Kekute Premium Moisture* in movie theaters operated by CGV, South Korea's largest movie theater chain.

The campaign features posters and video advertisements in cinema lobbies across the country. Furthermore, theater restrooms are set up with posters, *Ai! Kekute* products and stickers that provide proper hand washing instructions. In 2022, the theaters saw 50 million visitors.



Large-scale advertising in theaters (on screens and hanging banners, etc.)



Sticker posted in theater restrooms providing instructions for hand washing using *Ai! Kekute Premium Moisture*

4 *Ai! Kekute* and ChildFund Korea Launch Colorful Bathroom Campaign

In May 2020, LCK signed a basic agreement with the ChildFund Korea, the largest charitable foundation serving underprivileged children in Korea, to jointly pursue the following.

- Improving the hygiene of hand washing environments in facilities used by children, such as local children's community centers
- Supporting children with disadvantaged hygiene environments by encouraging the use of hygiene products and establishing hand washing habits, which have become even more important with the COVID-19 pandemic
- Providing hygiene education by employees

As part of this initiative, LCK has donated a portion of the sales of *Ai! Kekute* (100 million KRW) to the foundation. The donated funds will be used to cover the sanitation maintenance expenses for sinks and toilets in facilities used by children. The goal of the Colorful Bathroom Campaign is to improve the health of children and the local community as a whole by adding color to the sanitary environment by putting out *Ai! Kekute* and keeping sink areas clean at all times.

In 2022, the project visited and provided maintenance at a total of 13 local children’s community centers serving 500 children 4 to 16 years old in the Seoul area.



Ai! Kekute in bathrooms before and after remodeling



Collaborated with cartoonists to promote the campaign on Instagram

5 *Ai! Kekute* Limited Edition Products Created in Collaboration with People with Disabilities: Season 3 Project

LCK releases *Ai! Kekute* limited edition products every year. Through the Miral Welfare Foundation and Goodwill,* people with disabilities are involved throughout the processes of product design, packaging, sales and handling donations related to these products. Proceeds of the donated *Ai! Kekute* Limited Edition to the Miral Welfare Foundation are used to create jobs for employees at Goodwill and BridgeOn Arte, an organization under the Miral Welfare Foundation that supports artists with developmental disabilities. This initiative is aimed at contributing to the employment and income growth of people with disabilities.

Project aims

- Create social and economic value through collaborative creation with people with disabilities
- Overcome subconscious prejudice against disabilities and respect the diversity of each individual
- Create a positive image of the brand and the company by showing that this campaign is unique to *Ai! Kekute*

In April 2022, the limited-edition products (Season 3) were launched, and the initiative contributed to the creation of employment for 45 people with disabilities.

* Goodwill is a non-profit organization that provides job training and employment services for people who are socially disadvantaged in their search for work, such as people with disabilities and homeless individuals.



An artist with a developmental disability participated in the package design



Ai! Kekute Season 3 limited edition



In-store sales promotion at Goodwill store

6 Hygiene Care Activities in Cooperation with Municipalities

The declining birthrate is a social issue facing South Korea, and municipalities are promoting activities to counter it. Aiming to improve the birthrate, LCK has signed partnership agreements with municipalities and is implementing measures in cooperation with the government. To support the health of newborns, LCK provides a Hygiene Care Set to families who have recently filed birth certificates.

In 2022, LCK expanded this initiative, signing partnership agreements with 54 municipalities. In addition, LCK aims to reduce anxiety about rising health risks in South Korea stemming from environmental pollution, such as fine particulate matter (PM2.5), and provided information on correct hand washing steps to 287,691 households, for a cumulative total of about 566,397 households, along with *Ai! Kekute* hand soap.



Partnership agreements with municipalities

7 Supporting Healthy Living Environments for Socially Vulnerable People

Health problems arising from poor living environments (such as sick building syndrome and issues caused by house dust) among the elderly and other socially vulnerable people have become a social issue in South Korea. The Korean Government has launched a support project (via the Korea Environmental Industry & Technology Institute affiliated with the Ministry of Environment) to tackle this issue in cooperation with companies, hospitals and municipalities.

LCK has been a supporting member of this project since 2015, distributing daily care products such as dishwashing detergents, laundry detergents and oral care products in areas with significant vulnerable populations.

In 2022, LCK offered support to 1,750 households, and it will continue to support this project with the aim of realizing healthy living environments for everyone.



Partnership agreement

Donating products to the elderly

8 Promoting an Educational Hygiene Program for Children in Cooperation with Happy Alliance*

LCK signed a partnership agreement with Happy Alliance in August 2017 to engage in social contribution activities and promote a sustainable social contribution business model.

In December 2022, LCK provided Happy Boxes to 12,000 children suffering from food insecurity or living in economic conditions that present hygiene difficulties. These Happy Boxes contain *Kids safe* toothbrushes and toothpaste marketed by LCK and leaflets about cavity prevention, enabling children to practice proper brushing at home.

Moving forward, LCK will continue its partnership with Happy Alliance to contribute to improving children's quality of life.

* Happy Alliance is a network of enterprises, institutions and individuals that, based on sharing and cooperation, are working to bring about change by proactively addressing social issues.



Happy Alliance signing ceremony



LCK employee volunteers with boxes of products that include LCK daily necessities for delivery to the socially vulnerable

9 Ai! Kekute Hand Washing Class for Children

To teach children ways to protect their health, LCK has conducted educational activities on hand washing using *Ai! Kekute*, a hand soap marketed by LCK. Childhood is the most critical period for establishing good hygiene care habits.

In 2016, LCK conducted *Ai! Kekute* hand washing classes for kindergarteners aged 4 to 6 in Seoul and nearby cities. These classes involved a bubbly foam-shaped mascot character and a facilitator that captured the children's attention and encouraged active participation. In 2017, LCK carried out the event at 50 kindergartens, with 6,580 kindergarteners participating.

In 2019, through monthly volunteer programs, LCK taught children at two local community centers as well as four kindergartens attended by children of LCK employees how to wash their hands properly (target age group: 4 to 13 years old, for a total of 300 participants). Through hand washing songs and exercises, children learn that hand washing is not boring, but actually fun.



Ai! Kekute hand washing class

10 Hand Washing Educational Activities in Cooperation with Five Libraries in Seoul

Usually located near their homes, libraries are facilities children use often. Knowing this, LCK has implemented the “LION reading a book is *Ai! Kekute*” campaign in cooperation with five children’s libraries in Seoul, namely, Seoul Children’s Public Library, Dongjak Public Library, Nowon Library, Gangnam-gu Library and Dobong Culture Information Library. This campaign is aimed at promoting washing hands properly before and after reading books, which can carry a myriad of invisible bacteria. This practice is good not only for hygienic purposes; LCK’s campaign also points out that keeping books clean contributes to the global environment as clean books last longer and longer-lasting books require fewer trees to be chopped down to make paper.

Librarians use Value BOXes* to teach children the importance of washing hands before and after reading books. These boxes show the spots where bacteria tend to adhere in daily life, the proper way to wash the hands and tips for keeping hands clean after washing. Children are given Value BOX sets consisting of one box for educational purposes for use in the library and another for use at home with quiz contents about hand washing that make hand washing fun to help establish it as a habit.

LCK conducted this campaign from December 2018 to February 2019, and approximately 615 families participated in it.

* Each Value BOX leaflet shows the proper way to wash the hands, when to wash and the top spots where bacteria tend to adhere in daily life. After studying it to learn about hand washing, children can fold it into a Value BOX.



“LION reading a book is *Ai! Kekute*” campaign



Two versions of Value BOX

Environmental Conservation

1 Environmental Cleanup Activities in Incheon's Seunggicheon Area

In 2022, LCK participated in an environmental cleanup in the Seunggi Stream area hosted by Incheon Metropolitan City Government. This event is a community cleanup activity held roughly two to three times a year. It was paused during the COVID-19 pandemic, but has since resumed with the pandemic's easing.

This project involves picking up trash and removing invasive plants from around the Incheon Seunggi Stream to improve the water quality and restore the water ecosystem, contributing to the improvement of nearby residents' quality of life. 20 LCK employees participated in the activity conducted in collaboration with the Incheon Metropolitan City Government, the Crime Prevention Policy Bureau of the Ministry of Justice, the Incheon Naval Sector Defense Command, Incheon Transit Corporation, the Environmental Corporation of Incheon, CJ CheilJedang and the Incheon Metropolitan City River Revitalization Preparation Group.

LCK is committed to the theme of “One Company, One River, One Company, One Road Building Campaign and Urban Development” and will continue to regularly participate in the West Sea Coastal Cleanup activities.



Cleanup activities in progress

2 Supporting a Forest Development Project

A small island on the Han River, Nanjido became Seoul's official landfill in the 1970s. Due to Seoul's rapid urbanization and economic growth, Nanjido was eventually covered by enormous mountains of garbage. After the landfill site closed down around 1990, the government gave the issue serious consideration and planned the Landfill Recovery Project. The project aims to recover the site, transforming it into “ecological parks.” One of these is Haneul Park, where citizen groups, companies and the government are working together to promote a forest development project aimed at restoring biodiversity. As an environmentally friendly company, LCK has been supporting this project since 2017.

LCK has developed its own forest with the name of *Ai! Kekute*, where employee volunteers have planted approximately 100 trees. As the young trees reach sufficient size and strength, LCK employees transplant them to the Haneul Park forest.

This activity was conducted by 86 employees and their families in 2019.



Finding places to transplant the trees



Tree transplanting



“Ai! Kekute Forest” project participants, including members of employees' families

Donation Activities

To fulfill its corporate social responsibility, LCK, as a hygiene product manufacturer, actively engaged in such social contribution activities as in-kind donations of hygiene products sold by the company.

Activity 1 November Braille Day commemoration activities

Period	Ongoing since 2022
Outside collaborators	Regular Consultative Committee for Household Goods Business Operators (LCK, LG Household & Health Care, AK, P&G Korea, Henkel Korea), Korea Consumer Agency, Korea Blind Union and the Community Chest of Korea
Donations	Produced Braille tags for product identification
Details	The Regular Council of Household Goods Suppliers produced Braille tags for product identification, and LCK participated in their distribution. In some product categories, it can be difficult for visually impaired consumers to distinguish between products because the container shapes are the same or similar. To solve this problem, LCK has produced and distributed Braille tags that can be applied to a variety of products, contributing to the safety of the visually impaired.

Activity 2 CSR donation promotions for eye health

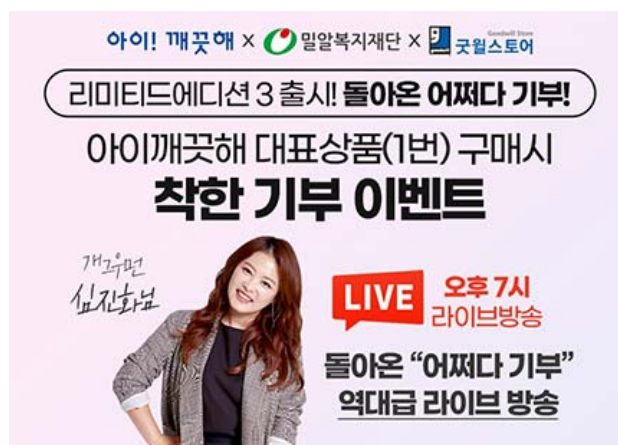
Period	March and September 2022
Outside collaborators	Miral Welfare Foundation Helen Keller Center and Korea Foundation for the Prevention of Blindness
Donations	Assistance with eye surgery costs through organizations associated with eye health
Details	LCK provided substantial support to fulfill the company's corporate social responsibility and improve brand leadership by helping to pay for eye surgeries through eye health related organizations. Support for cultural activity planning and outdoor activities to promote the emotional well-being of people with visual or auditory impairments.



Participants dig for clams

Activity 3 *Ai! Kekute Limited Edition* donation event

Period	April 2022
Outside collaborators	NAVER
Donations	Donation of proceeds
Details	<p>Donation promotions with consumer-participation help reinforce positive perceptions of the company and restore trust in its products.</p> <p>For every <i>Ai! Kekute Limited Edition Season 3</i> set purchased via NAVER live-streaming, one set was donated to Goodwill.</p> <p>In addition, the donation status was relayed in real-time to encourage more donations, with the proceeds going toward creating employment opportunities for people with disabilities.</p>



An advertisement for the live streaming event

Donation activities related to the COVID-19 pandemic

Activity 1 Donation of hygiene products for blood donation

Period	January 2021
Outside collaborators	Korean Red Cross Blood Services
Donations	2,021 <i>hygia</i> sets
Details	LCK created hygiene sets of three types of products marketed under its new hygiene brand, <i>hygia</i> , and provided them to blood donation event participants to encourage blood donation and help overcome the nationwide blood shortage caused by the third wave of COVID-19 infection.



Blood donation drive poster featuring three *hygia* products

Activity 2 Support for the skin care of healthcare workers wearing masks for long periods of time

Period	September 2020–February 2021
Outside collaborators	Korean Red Cross
Donations	3,500 ampoules of <i>RAWQUEST</i>
Details	Donated ampoules of the new cosmetics brand <i>RAWQUEST</i> to medical personnel at hospitals designated for COVID-19 patients

Other Donation Activities

Activity 1 Donated proceeds from eco-certified product sales under the “Green Hi, Carbon Bye” campaign for World Environment Day 2021

Period	May 2021
Outside collaborators	Korea Environmental Industry & Technology Institute, Miral Welfare Foundation
Donations	Proceeds from sales of <i>Chamgreen</i>
Details	<p>LCK participated in an eco-campaign as a certified Green Company in the run-up to World Environment Day.* As part of efforts to promote ethical consumption, LCK advertised eco-certified Chamgreen products, selling 3,150 units.</p> <p>A 2% portion of the proceeds of these sales were donated to support environmental conservation. The remainder of the proceeds were donated to support job creation for people with disabilities.</p>

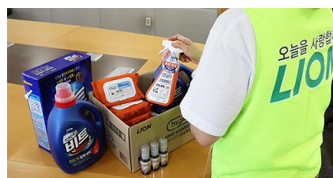


Eco-certified Chamgreen products

* The United Nations designates June 5 every year as World Environment Day, a day for raising awareness of environmental conservation and conducting educational activities. World Environment Day was established in 1972 at the Stockholm Conference on the Human Environment.

Activity 2 Emergency Aid: Donation of hygiene products to Afghan refugees

Period	September 2021 (Part 1), November 2021 (Part 2)
Outside collaborators	Korean Red Cross
Donations	10 million KRW
Details	LCK donated hygiene products for Afghan refugees (approximately 400 individuals in 80 families) who entered the country on an emergency basis due to the crisis in Afghanistan.



Activities at Lion Daily Necessities Chemicals (Qingdao) Co., Ltd.

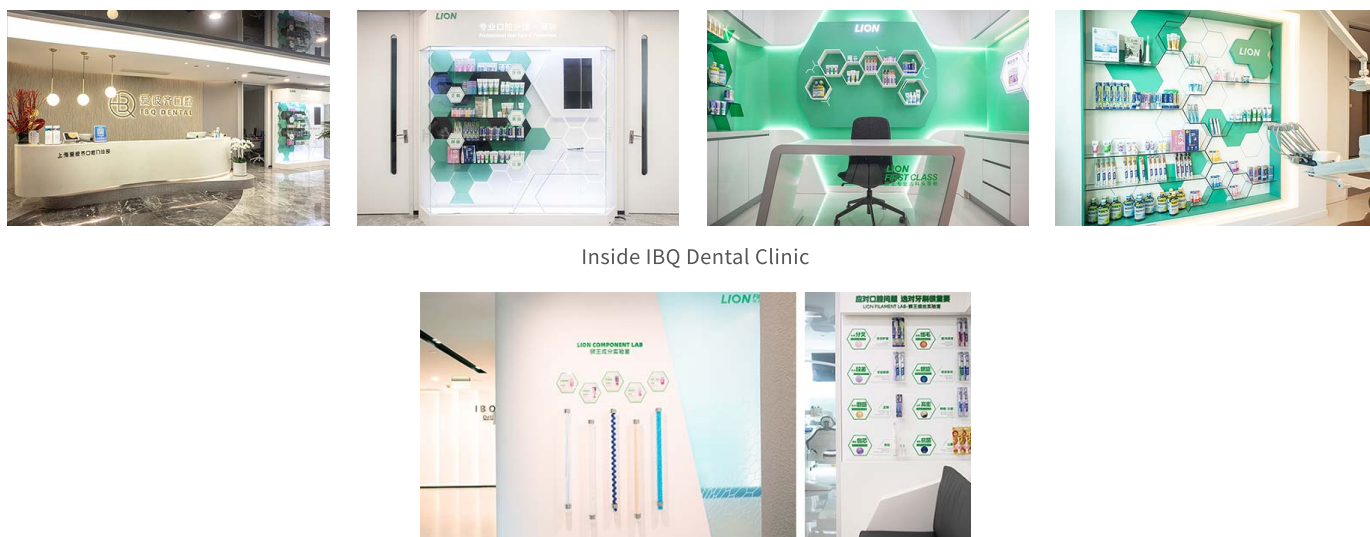
✓ Oral Health Care ✓ Cleanliness ✓ Donation Activities

* Some activities have been cancelled or postponed to prevent the spread of COVID-19. The Lion Group is revising its activities, including the use of online technologies, as it continues working to create healthy living habits.

Oral Health Care

1 Online Oral Care Education Activities in Collaboration with IBQ Dental Clinic

Lion Daily Necessities Chemicals (Qingdao) Co., Ltd. (“QDL”), in collaboration with IBQ Dental Clinic in Shanghai, presented “LION first class,” an online educational program on the subject of oral care, from January to December 2022. The program was viewed by approximately 100,000 people. In the course of giving viewers a tour of the clinic, the program introduced oral care products sold by QDL, helping spark their interest in such products and thereby creating potential customers. Also highlighted were creative displays designed to help viewers find the right oral care products for them online. Even amid a crisis like the COVID-19 pandemic, home oral care is important to dental health. The program provided a fun experience that helped viewers get a sense of that importance.



Inside IBQ Dental Clinic

Displays that help viewers find the right oral care products for them

2 Product Promotion at NEOBIO Parent-Child Paradise

A mouthwash promotion display was set up at NEOBIO, a major science amusement park, from January to December 2022, welcoming 36,000 families with children aged 3 to 10. Using mouthwash is a very important habit that helps people maintain a clean mouth. Pocket-size samples of *NONIO* mouthwash were placed in the park’s restrooms, giving visiting families the opportunity to try it for themselves. In addition to Shanghai, this promotion was rolled out in Wenzhou, Shenzhen, Chengdu, Guangzhou, Changsha, Hangzhou, Xi’an, Chongqing, Ningbo, Nanjing and Suzhou.



A park restroom where pocket-size samples of *NONIO* mouthwash were offered

3 Oral Care Education Program for Expectant Mothers at MMBang Mother Care Institution

Due to fluctuating hormones during pregnancy, expectant mothers are more prone to dry mouth than other women. To assist with oral care during this special time, bottles of *NONIO Mouth Spray*, an oral care product sold by QDL, were distributed to 20,000 expectant mothers at MMBang, a care facility for soon-to-be mothers, from January to December 2022. This promotional activity was conducted in Shanghai, Beijing, Tianjin and Guangzhou to raise awareness of the importance of oral care among pregnant women.



An expectant mother and a healthcare worker hold up packages of *NONIO Mouth Spray*

4 Supporting Maternity Classes

Since 2013, maternity classes have been held annually at about 200 obstetrics and gynecology clinics located in 15 cities in China. The maternity classes are conducted for soon-to-be mothers to support them as they prepare to give birth. The maternity classes include periodic lectures on oral care during pregnancy, as expectant mothers tend to be especially susceptible to oral health issues.

QDL supports these lectures by providing oral care products and information on correct oral care to the clinics.



Lecture at the Maternity Class



Oral care gift sets were provided to expectant mothers

5 Raising the Oral Care Awareness of Expectant Mothers

In every district of Shanghai, expectant mothers who have reached the third month of pregnancy are required to register personal information regarding their pregnancy and birth plans at a community hygiene health care center in their towns.

QDL cooperates with the Shanghai Institute of Planned Parenthood Research, a municipal government department, to promote the importance of oral care during pregnancy. Oral care gift sets that contain leaflets titled “Oral Care Directions for Soon-to-Be Mothers” and *Systema* toothbrushes and toothpaste (both products sold by QDL) are distributed to expectant mothers who come to health care centers to register. The oral care gift sets have been provided to about 300,000 expectant mothers every year from 2014 to 2017.



Oral care gift sets given to expectant mothers (left)
Leaflet titled “Oral Care Directions for Soon-to-Be Mothers” (right)



Handing out the oral care gift set

6 Oral Health Event of Tooth Brushing for Children

The Lion Group places emphasis on fostering children’s awareness of dental and oral health in order to help them stay healthy for a lifetime. Aiming to teach correct oral care to elementary school students, the Lion Group has held the Oral Health Event of Tooth Brushing for Children since 1932. Currently, the event is held annually in Asia.

QDL has held the Oral Health Event of Tooth Brushing for Children since 2017. In 2021, about 30 students from Japanese elementary schools in Shenzhen and Qingdao participated in the events held in June and November. An educational DVD and oral care sets (including an event booklet, toothbrush, toothpaste, dental floss and mirror) were sent to the participating schools in advance. Using the distributed oral care sets, the students learned the causes of cavities and how to properly use toothbrush and dental floss.

Cleanliness

1 Hand Washing Promotion for Children at Educational Institutions

QDL is promoting the importance of hand washing among children ages three and up at various educational institutions in Shanghai. With the hope of making hand washing fun for children, QDL provides *KireiKirei* hand soap (a product it sells) and posts the “Happy Hand Washing” slogan and stickers showing correct hand washing steps at hand washing sinks.

In 2022, this activity was conducted in 180 educational institutions, teaching more than 180,000 children correct hand washing methods.



Facilities with promotional installations for *KireiKirei*

2 Hand Washing Activities at Kindergartens

In Shanghai, to prevent the spread of infectious diseases, children are encouraged to wash their hands before entering the kindergarten building. As a support measure, QDL has supported hand washing activities aimed at children ages three to six in kindergartens in Shanghai since 2016.

QDL provides *KireiKirei* hand soaps (a product it sells) to kindergartens for children to use at hand washing sinks. Moreover, QDL supports the hand washing classes conducted in kindergartens. In the hand washing classes, children are taught the importance of hand washing by their teacher, and every child receives a *KireiKirei Health Diary*, which contains instructions on correct hand washing techniques and timing.

In 2021, in addition to Beijing, Guangzhou, Hangzhou, Nanjing, Shenzhen and Chengdu, QDL expanded this activity to Suzhou, allowing the company to distribute *KireiKirei Health Diaries* to approximately 76,000 children at 255 kindergartens.



Children washing their hands at kindergarten upon arrival



Children carefully washing their hands, following the steps recommended by *KireiKirei Hand Soap*

3 Awareness-Raising Videos about Hand Washing in Taxis

KireiKirei brand hand soap is sold in a number of countries and regions, including China, by Lion Group companies.

From April to October 2020, amid the COVID-19 pandemic, QDL partnered with a taxi company in Shanghai to raise awareness about hand washing and hand sanitizing, using taxis as a way to reach a large number of people. When passengers boarded a taxi, screens mounted in the front seat backs played a video explaining correct hand washing techniques and promoting *KireiKirei Hand Soap*. The video not only provided information about the product, but communicated the importance of hand washing for preventing infection during a pandemic and correct hand washing techniques. This video ran in approximately 8,000 taxis, reaching around 70 million passengers. At the end of the video, the screens displayed a QR code linking to the major Chinese e-commerce site JD; by visiting this link, consumers were able to easily purchase *KireiKirei* products.



When passengers boarded the taxi, the video played, communicating the importance of hand washing for preventing infection

4 Raising Awareness of Health and Hand Washing at Hospitals in Shanghai

QDL has posted hand washing wall-posters featuring *KireiKirei* illustrations in hospitals to raise awareness of health and hand washing among children and their parents and promote healthy living since 2018. These posters depict correct hand washing practices.

In 2020, these posters were put up at a new hospital in Shanghai, and approximately 250,000 families had the chance to learn from them. Also, QDL provides *KireiKirei* samples so visitors can try using it and practice correct hand washing techniques.



KireiKirei illustrations to raise awareness of the connection between health and hand washing at hospitals

5 Setting up the LION's Wonderful House in Big Parks in Shanghai

In Shanghai, spring and autumn are the most popular seasons to spend time outdoors, and many people gather at parks. However, there are not many places at such venues for people to wash their hands before eating and drinking.

Since 2016, QDL has set up the Hand Washing House at key times of year in big parks in Shanghai. Users of the Hand Washing House are taught how to wash their hands correctly, and *KireiKirei Health Diaries*, containing instructions on correct hand washing techniques and timing, are distributed to all participants.

In 2019, the Hand Washing House was updated to become LION's Wonderful House. This limited-time event aimed to teach visitors about the merits of QDL's products. In addition to conventional *KireiKirei* hand soap, the house had exhibition booths promoting such oral care products and brands as the *KODOMO* brand. Furthermore, to offer a more comprehensive look at house cleaning lifestyle options, QDL expanded the display area to include household products for fabric care and living care, such as *TOP* brand items. Staff encouraged visitors to try the product samples and explained the products' key functions and features. If, after being given the chance to browse all the products, visitors chose to buy a QDL product through its website, they were given the chance to play the Interactive Gachapon Machine,* which gives good odds on winning QDL products. These park events reached appropriately 70,000 park visitors.



LION's Wonderful House in a big park



Visitors trying TOP & KODOMO products



Interactive Gachapon Machine

* Interactive Gachapon Machine

How to play:

1. Visitors throw a big coin into the hole of the lower green box.
2. A pink or blue capsule containing papers will fall from the upper space automatically.
3. After opening the capsule, visitors can get a gift card for the QDL product named on the paper.
4. With this card in hand, visitors can go to the lottery desk to get the appropriate gift on the spot.

Donation Activities

To fulfill its corporate social responsibility, QDL, as a hygiene product manufacturer, actively engaged in social contribution activities, such as in-kind donations of hygiene products sold by the company.

Donation activities related to heavy rain

Activity Support for people affected by flooding

Period	July 2021
Outside collaborators	China Children and Teenagers' Fund
Donations	Donations worth RMB1,419,400, including laundry detergent and hand sanitizer
Details	In coordination with 36 companies and institutions, QDL donated its products and cash to support children affected by flooding in Henan.



Staff and trucks carrying relief supplies

Donation activities related to the COVID-19 pandemic

Activity Donations of *KireiKirei Hand Soap* in areas with high rates of COVID-19 infection

Period	April–October 2020
Outside collaborators	Hospital and Medical Institutions in Wuhan and Shanghai · Wuhan Jinyintan Hospital · Hubei 672 Hospital of integrated traditional Chinese and Western Medicine · Shanghai Jiading Maternal and Child Health Hospital · Shanghai Jiading District Women's Federation
Donations	A total of 180 boxes of <i>KireiKirei Hand Soap</i>
Details	The pandemic created supply shortages. QDL donated <i>KireiKirei Hand Soap</i> to a hospital in Wuhan and medical professionals at three medical institutions in Shanghai, areas that faced major COVID-19 outbreaks. This helped medical professionals keep their hands clean and maintain their health while treating patients.



Relief supplies stacked in a warehouse



Qingdao Lion employees loading relief supplies onto a truck



Medical professionals receiving the donated relief supplies



Relief supplies stacked in a warehouse and Qingdao Lion employees



KireiKirei Hand Soap after arriving at the hospital and medical institutions



Activities at Lion Corporation (Hong Kong) Ltd.

- * Some activities have been cancelled or postponed to prevent the spread of COVID-19. The Lion Group is revising its activities, including the use of online technologies, as it continues working to create healthy living habits.

Oral Health Care

1 Supporting “Love Teeth Day”

Lion Corporation (Hong Kong) Ltd. (“LCHK”) participated in “Love Teeth Day,” an annual charity fund-raising event in Hong Kong started in 2008, organized by the Community Chest of Hong Kong, the Hong Kong Dental Association and the Hong Kong Department of Health. LCHK has taken part for 13 consecutive years, since 2009. The aim of this campaign is to heighten public awareness of oral health and to encourage people to practice preventive oral care.

On December 2, 2022, “Love Teeth Day” was held and donations were collected from Hong Kong citizens to support oral health services for the needy. Participants who donated more than HK\$35 received the “Love Teeth Day Pack” in appreciation of their support. This is a gift set of various oral care products that promote oral care at home.

In 2022, LCHK donated 40,000 *Systema* toothbrushes for inclusion in the “Love Teeth Day Pack.”



Love Teeth Day 2022 poster



Love Teeth Day Pack

2 Supporting Oral Care Education Classes at Kindergartens and Nurseries

The “Brighter Smiles for the New Generation” is a territory-wide oral health promotion program organized by the Hong Kong Department of Health and the Hong Kong Dental Association. Oral care education classes are conducted at kindergartens and nurseries. LCHK supports this program. (From November 2015 to June 2020.)

In the oral care education classes, children aged three to six are taught how to brush their teeth correctly in a fun manner by their classroom teacher. After the class, each child is awarded a certificate of class completion and given a *Systema Kid’s Toothbrush* and *KODOMO Toothpaste* (oral care products of LCHK) for use at home.

99,000 children at about 770 kindergartens and nurseries participated in this program in 2020.



Children show their brightest smiles as they hold their *Systema Kid’s Toothbrushes*.

Activities at Lion Home Products (Taiwan) Co., Ltd.


✓ Oral Health Care ✓ Hygiene Care ✓ Donation Activities

* Some activities have been cancelled or postponed to prevent the spread of COVID-19. The Lion Group is revising its activities, including the use of online technologies, as it continues working to create healthy living habits.

Oral Health Care

Oral Health Class for Children

With the aim of fostering children's awareness of dental and oral health from a young age, the Lion Group has held the Oral Health Event of Tooth Brushing for Children since 1932. Started in Japan, the event is presently held in Asia.

As part of this event, in cooperation with the [Lion Foundation for Dental Health \(LDH\)](#), Lion Home Products (Taiwan) Co., Ltd. ("LHPT") conducted oral health classes at two Japanese elementary schools and three local elementary schools in June 2019.

76 children from Japanese elementary schools (33 from Kaohsiung Japanese School and 43 from Taichung Japanese School) and 820 children from local elementary schools (120 from Taichung Wurih Elementary School, 100 from Kaohsiung Wucyuan Elementary School and 600 from New Taipei City Jimei Elementary School), for a total of 896 students, participated in the event. LHPT first held such classes at local elementary schools in 2018 and extended its outreach to different local schools in 2019. The event featured programs prepared specifically for students in lower grades (grades 1 to 3) and higher grades (grades 4 to 6).*

Students in lower grades were taught about the "function of teeth and replacement of the baby teeth by adult teeth" and "the source of cavities (plaque)" in a 30-minute class. They were also taught tooth brushing techniques for their specific tooth alignment using hand mirrors and toothbrushes.

For students in the higher grades, LDH explained the cause of gingivitis, gave tips for observing the gums, and then provided individual instruction on how to brush according to specific tooth alignment for preventing gingivitis using a model set of teeth.

Participating students found the content easy to understand and learned about the importance of teeth and tooth brushing.

* The Japanese elementary school system lasts for six years, from first grade to sixth grade.

Photos of the oral health class for children at Japanese elementary schools



Children from Kaohsiung Japanese Elementary School enthusiastically answering oral hygienist's (LDH) questions



Children from Taichung Japanese Elementary School listening carefully to a lecture delivered by an LDH oral hygienist

Photos of the oral health class for children at local elementary schools



Teaching correct tooth brushing methods to children
(Left: Taichung Wurih Elementary School, Center: Kaohsiung Wucyuan Elementary School, Right: New Taipei City Jimei Elementary School)



Commemorative photo with the LION mascot, who is popular in Taiwan
(Left: Taichung Wurih Elementary School, Center: Kaohsiung Wucyuan Elementary School, Right: New Taipei City Jimei Elementary School)

Hygiene Care

1 Educational Programs to Raise Awareness of Hand Washing Habits at Kindergartens

Hand washing has taken on an increased importance as a preventive measure against the ongoing COVID-19 pandemic. LHPT conducted educational programs on hand washing habits at 10 kindergartens across Taiwan from April to May, 2022, with the aim of teaching children the importance of hand washing and proper hand washing methods. Classes conducted under the program last 30 to 40 minutes and comprise the parts listed below. Approximately 600 kindergarten students, teachers and parents participated in the programs.

1. Lesson from the teacher on hand washing hygiene
2. Singing and dancing to a special hand-washing song
3. Drawing original hand soap bottle labels and putting up posters
4. Hand washing
5. Bacteria check

We also donated *KireiKirei Foaming Hand Soap* to the schools for use in their hand washing areas so children could put the lessons into practice.

In the lesson on hand washing hygiene, the teachers talked about germs and viruses, how hand washing can protect your loved ones, the correct way to wash hands and the features of *KireiKirei Foaming Hand Soap*.

After the lesson, the children took home their original soap bottles drawn with crayons to use with their families, helping to promote their continued use of *KireiKirei Foaming Hand Soap*.

At the same time, we worked to encourage parents to purchase and try the product by offering special discounts on our e-commerce site, thereby promoting sales and expanding recognition of the *KireiKirei* brand.

Furthermore, to publicize the event, in addition to posting on the kindergarten website and Facebook, we collaborated with newspapers to publish articles in print and online. This increased the exposure of the event and boosted awareness of the importance of hand washing among an even greater segment of the public.



Kindergarten event

2 Educational Activities on Hand Washing Habits at Elementary Schools

In 2022, LHPT conducted educational activities at 48 elementary schools in Taiwan to establish hand washing habits and raise awareness of cleanliness and hygiene, with 15,369 elementary school students, teachers and parents participating. At eight of these schools, workshops utilizing hand washing boxes were held. A hand washing box shines a black light on participants' hands and those areas not properly cleaned will glow. By encouraging children to wash their hands more carefully, these workshops help them learn proper hand washing techniques.

In conjunction with Global Handwashing Day on October 15 (established by UNICEF and other international organizations, universities and companies working to address water and sanitation issues), the workshop at Taipei City Municipal Zhishan Elementary School was covered by the media to generate public interest.

LHPT will continue working to help more children create good hand washing habits for healthy daily living.



Children learning about correct hand washing with the LION mascot

Donation Activities


To fulfill its corporate social responsibility, LHPT actively engaged in such social contribution activities as donations of products sold by the company.

Donation activities related to the COVID-19 pandemic

| Activity Donation of products to local residents

Period	August 2022
Location	Southern Taiwan (Jiayi Village, Majia Township, Pingtung Prefecture; Maer Village and Anpo Village, Sandimen Township; Guangfu Village, Gao Shu Township; and Qingye Elementary School, Sandimen Township, Pingtung Prefecture)
Outside collaborators	Taipei Medical University
Donations	· 150 Lion toothbrush/toothpaste sets for travel The total (retail) value of the above products is NT\$1,500
Details	Provided knowledge of correct oral care and donated LHPT products to Southern Taiwan residents ages 6 to 80 with the aims of reducing future needs for dental treatment and promoting health.

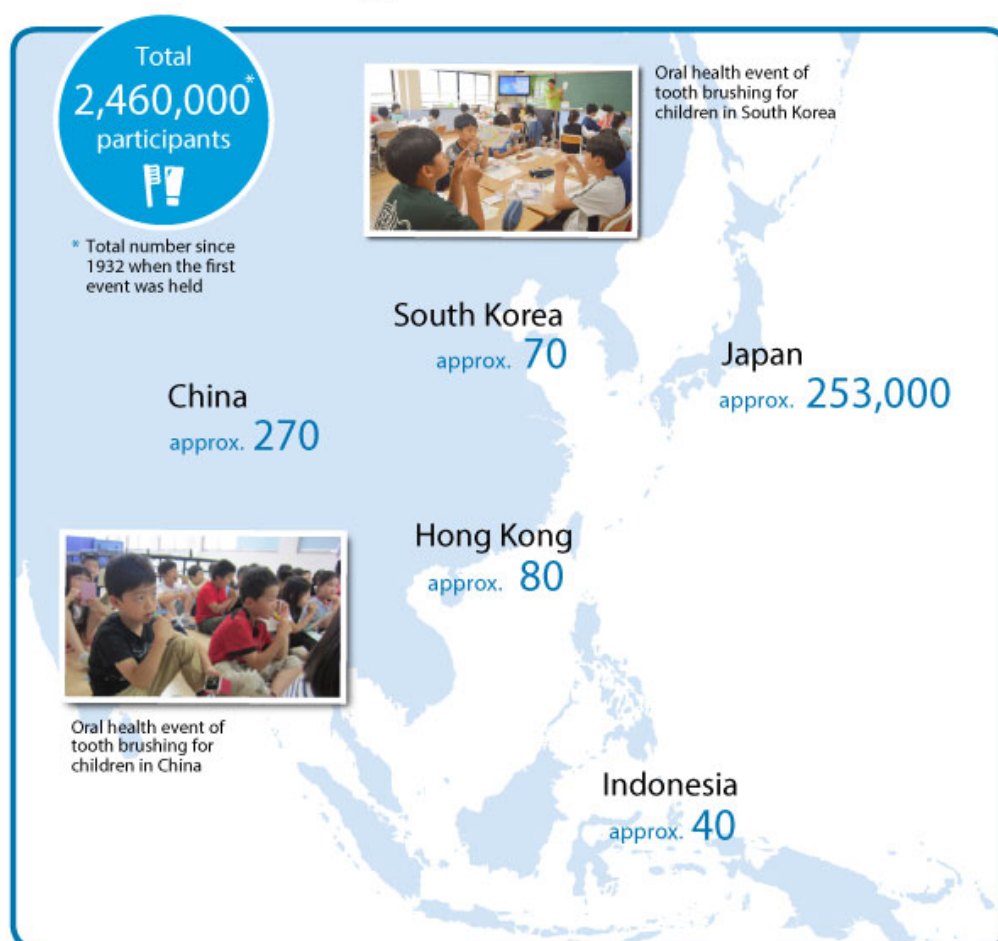
The Oral Health Event of Tooth Brushing for Children in Japan and other countries (mainly in Asia)

In order to maintain lifelong dental and oral health, it is important to establish proper oral care habits early on. Placing emphasis on fostering elementary school students' awareness of dental and oral health, Lion has held the Oral Health Event of Tooth Brushing for Children since 1932, in cooperation with the [Lion Foundation for Dental Health \(LDH\)](#). The event is held every year during dental/oral health week, from June 4 to 10.

2022 marked the 79th year of this event. Instead of holding a single event via live webcast, as in recent years, a more flexible format was adopted. Schools in Japan could participate on any day by using a 45-minute educational DVD. In 2022, approximately 250,000 children at 4,585 schools participated.

The annual event is held in Japan as well as other countries, mainly in Asia.

Participants in 2022



Promoting Cleanliness and Hygiene Habits

The Lion Group provides stable supplies of the hand soaps and sanitizers that are used in a variety of settings as well as conducts educational programs in Japan and across Asia mainly to promote the prevention of infection in the home and its transmission among family members.

The World Health Organization (WHO) has urged nations to exercise caution despite announcing the end of its declaration of a “public health emergency of worldwide concern” regarding COVID-19.

It is crucial to establish proper hygiene practices as opportunities for face-to-face interaction grow alongside the resurgence of socioeconomic activity. We will therefore promote both awareness and the spread of hygiene habits in collaboration with local governments and other organizations seeking to help form clean and hygienic habits that keep loved ones safe through programs that include enjoyable and practical elements unique to the Lion Group.

Originating in Japan, *KireiKirei* is sold in many Asian countries and areas.

The Lion Group held the Global My Bottle Sticker Drawing Contest in the countries and areas where we operate on October 15, Global Handwashing Day.* The contest is aimed at promoting the development of enjoyable hand washing habits to aid all families in leading healthier lives.

In 2022, we received over 24,250 applications from eight countries and areas. We will continue to work together as the Group to create cleanliness and hygiene habits.

* Established in 2008, the International Year of Sanitation, by international institutions, universities, companies and other actors working to address problems related to water and sanitation



For more details, please visit our website.

 [KireiKirei キレイキレイ supports Global Hand Washing Day : My Bottle Sticker Drawing Contest](#)

Together with the Environment

Sustainability Material Issues 1 Promoting Environmental Initiatives for a Sustainable Planet



Basic Approach

We at the Lion Group believe it is our solemn responsibility to provide excellent customer experiences in the areas of health, comfort and cleanliness while protecting the global environment—the foundation of health and daily living—in accordance with our aim of “Becoming an advanced daily healthcare company.”

We have strived to realize a sustainable planet while working to achieve the targets of Eco Vision 2020.

From 2021, we will strive to achieve LION Eco Challenge 2050, a set of long-term environmental objectives formulated in 2019. Going forward, the Group will ambitiously work toward the realization of a decarbonized, resource-circulating society.

Lion’s Commitment to the Environment

In line with the corporate slogan, “life.love.” we have written “Lion and the Environment” to encapsulate our commitment to the environment, expressing our aim of reducing environmental burden not only through our business activities, but through our products as well, while making every day brighter for each individual.

Lion and the Environment

Making daily life more pleasant should also mean caring for the environment.

Each everyday activity can do good things for our planet.

That’s Lion’s eco-philosophy. It’s why we make environment-friendly products that fit right into your lifestyle.

For example, we use renewable plant-derived carbon-neutral ingredients.

And we help you conserve water resources with our water-saving products while protecting the water environment.

So, day by day, without even thinking about it, you help keep our planet healthy.

It’s an eco-lifestyle for everyday life.

That’s Lion’s promise to you and the Earth.

> [“Every Day. For the Earth” pamphlet \[Japanese\]](#)  (5.01MB)

Approach / Management / Targets and Achievements



Environmental Approach and Policy /
Management



Environmental Objectives and Achievements



ESG Data and Third-Party Verification



TCFD | TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

Disclosure based on TCFD recommendations



Initiatives



Realizing a Decarbonized Society

- Reducing CO₂Emissions throughout Business Activities
- Reducing CO₂Emissions throughout Product Life Cycles



Realizing a Resource-Circulating Society

- Recycling Resources
- Reducing Water Use



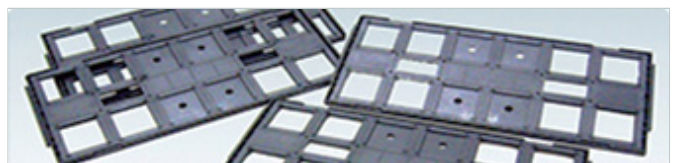
Harmonizing with Nature (Biodiversity)



Environmental Communication



Chemical Substance Management



Environmentally Friendly Technologies in the
Chemicals Business



Lion's Environmentally Friendly Products

- Products with the "eco Lion" Mark [Japanese]



Environmental Approach and Policy / Management

- ✓ Approach
- ✓ Environmental Policy
- ✓ Environmental Management System
- ✓ Environmental Management Structure
- ✓ Legal Compliance

Approach

In 2019, the Lion Group established the [LION Eco Challenge 2050](#), a set of long-term environmental objectives, with the goal of promoting business activities that help to address global problems, such as those identified in the Paris Agreement and the Sustainable Development Goals (SDGs). In 2022, many countries, including Japan, began raising their environment- and sustainability-related targets. We have also revised our objectives as we work to achieve carbon neutrality by 2050. Aiming to realize a decarbonized, resource-circulating society, we will promote environmentally friendly habits with consumers to continuously provide planet-friendly lifestyles that make more sustainable living easy.

Environmental Policy

The Lion Group's [Environmental Policy](#) adheres to the spirit of the [Lion Group Charter for Corporate Behavior](#), which states: "We shall play a positive and active role in creating a sustainable society that harmonizes economic development and environmental protection."

Environmental Management System

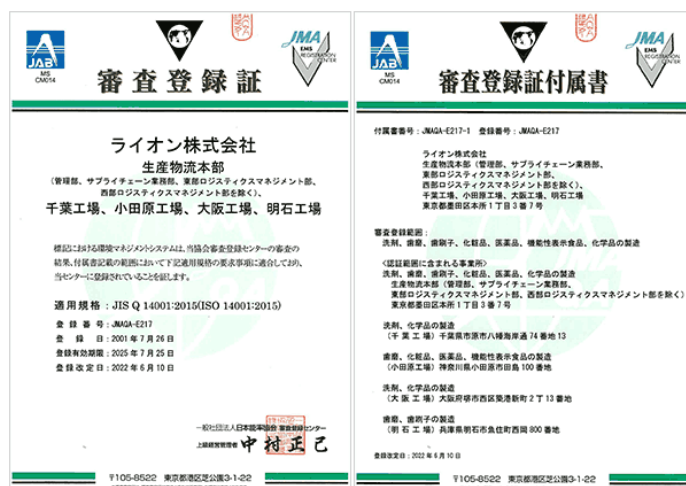
The purpose of the Lion Group's Environmental Management System is to identify, evaluate and remedy the adverse environmental impacts of our business activities, products and services, and to improve our environmental conservation activities on an ongoing basis.

We strive to enhance systems for environmental management and reporting with the aim of addressing environmental issues globally. Environmental data on the Lion Group is available on our website.

[> Environmental Data](#)

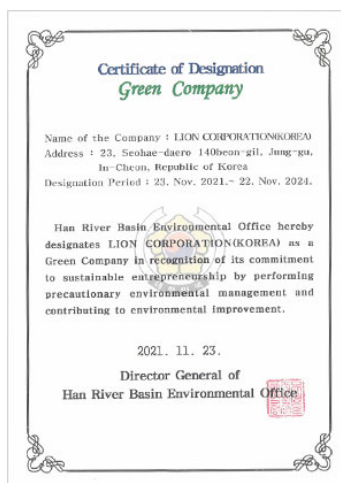
Status of ISO 14001 Certification

Lion acquired ISO 14001^{*1} certification covering its production sites in July 2001 and has maintained this certification since. Including the plants of Group companies in and outside Japan, the Lion Group continues to push ahead with its management systems and environmental conservation activities by obtaining ISO 14001 certifications and ensuring operations are in compliance with ISO 14001.



ISO 14001 Certificate of Registration

Lion Corporation (Korea) (“LCK”) has received certification as a “Green Company”^{*2} from the government of South Korea. The certification period is 3 years, and as a result of the examination in November 2021, LCK received recertification (period: November 2021 to November 2024) following the previous term (period: November 2018 to November 2021).



Certification

^{*1} ISO 14001: An international standard for environmental management

^{*2} Green Company: A company that contributes to the improvement of the environment by significantly reducing pollutants, saving resources and energy, improving the environmental effect of products and establishing a green management system, as stipulated in Article 16 of the Environmental Technology and Industry Support Act

> Lion Group ISO 14001 certifications 

Environmental Management Structure

To grow our businesses while reducing our impacts on the global environment, the [Sustainability Promotion Council](#), which consists of the executive corporate officers, including the President, and representatives of related divisions. The council deliberates on policy for dealing with environmental problems and monitors the progress of related efforts.

Top Environmental Audits

Lion's top management has been carrying out environmental audits of domestic Group production sites since 1999. Since 2009, we have formulated audit plans based on the characteristics of each plant and carried out regular audits every three years. Top environmental audits scheduled for 2020 were postponed to the second half of 2021 due to the COVID-19 pandemic. In 2021, we carried out top environmental audits of the Lion Specialty Chemicals Co., Ltd. Ono Production Site and the Lion Chemical Co., Ltd. Fine Chemical Production Site in a hybrid format combining in-person and online auditing. Lion Chemical Co., Ltd.'s Oleochemical Division, Lion Specialty Chemicals Co., Ltd.'s plant in Yokkaichi and the Odawara Plant underwent environmental audits in 2022 as the Company returned to its standard format of auditing under Director Kobayashi, the director in charge of the Sustainability Promotion Department.



Top environmental audits (2022) Left: Lion Chemical Co., Ltd.'s Oleochemical Division . Right: Odawara Plant

Internal Environmental Audits

Trained internal environmental auditors regularly conduct internal environmental audits to check compliance with the requirements of ISO 14001. The relevant departments then take responsibility for implementing improvements regarding any issues thus identified. In addition, the general managers of offices and plants conduct management reviews to confirm that organizational management systems are constantly being improved to be more apt, fair and effective.

Legal Compliance

Lion ensures compliance with environmental laws and regulations. In addition, we carry out management based on proprietary management standards.

Proper Waste Disposal

For waste disposal, a waste disposal officer at each operating site commissions waste disposal contractors based on contractor selection standards laid out in Lion's waste management regulations. We also perform regular on-site inspections of waste disposal contractors' facilities to determine whether we should continue to commission them.

Proper PCB Waste Storage and Disposal

Polychlorinated biphenyl (PCB) was once widely used as an insulating oil in electrical equipment for its excellent fire resistance and electrical insulation properties, but its manufacture and import are now prohibited by law. Lion had been strictly storing and disposing of PCB-containing equipment in its possession in compliance with the Act on Special Measures concerning Promotion of Appropriate Handling of PCB Wastes until disposal could be outsourced. The disposal was completed in 2022.

Wastewater Management

We manage ordinary wastewater to ensure that we do not emit wastewater that violates legal or regulatory water quality standards through such means as enhancing the stability of wastewater treatment facilities, maintaining and reinforcing treatment control, and carrying out emergency drills. Furthermore, operating sites form agreements with individual municipalities and establish and enforce voluntary standards to ensure thorough wastewater management.

Proper Management of Fluorocarbons

Identifying the facilities covered by the Fluorocarbon Emissions Control Act, doing simple and periodic inspections, keeping records, and calculating the amount of leakage are all part of Lion's response to the legislation. No operating sites in fiscal 2022 had fluorocarbon leaks that required notification. We will keep working to prevent leaks and encourage the introduction of non-fluorocarbon and low Global Warming Potential (GWP) equipment when updating facilities.

Responding to Legal and Regulatory Changes Related to the Environment

With regard to revisions of environmental laws and regulations, namely, the Act on the Rational Use of Energy, the Act on Promotion of Global Warming Countermeasures, the Act on Confirmation, etc. of Released Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof, the Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc., the Waste Disposal and Public Cleansing Act and the Soil Contamination Countermeasures Act and the Fluorocarbon Emissions Control Act, information is collected from administrative agencies and industrial associations to ensure that related departments are up to date on and fully compliant with the latest developments.

There were no violations resulting in fines or other penalties in 2022.

Environmental Objectives and Achievements

- ✓ LION Eco Challenge 2050 Long-Term Environmental Objectives
- ✓ The Lion Group's Initiatives to Address Climate Change ✓ Eco-First Commitment
- ✓ Participation in External Organizations

LION Eco Challenge 2050 Long-Term Environmental Objectives

In 2019, the Lion Group established the LION Eco Challenge 2050, a set of long-term environmental objectives, with the goal of promoting business activities that helping to address global problems, such as those identified in the Paris Agreement and the Sustainable Development Goals (SDGs). In 2022, many countries, including Japan, began raising their environment- and sustainability-related targets. We have also revised our objectives as we work to achieve carbon neutrality by 2050. Aiming to realize a decarbonized, resource-circulating society, we will promote environmentally friendly habits with consumers to continuously provide planet-friendly lifestyles that make more sustainable living easy.



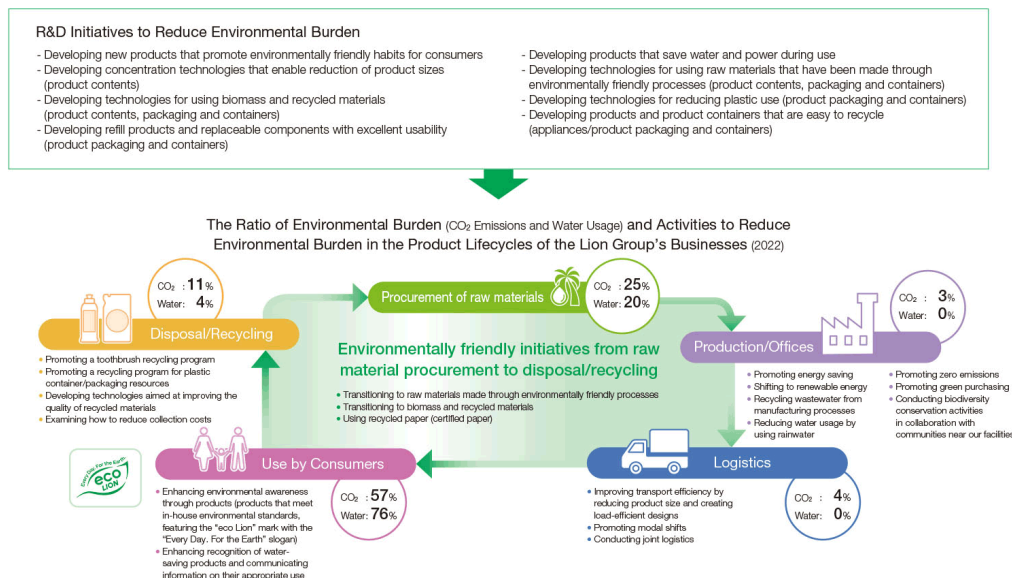
Lion Group Initiatives for 2030

1. Zero-carbon throughout business activities (Scope 1 and 2) / Shift to smart energy Reduce absolute quantity of Scope 1 and 2 CO₂ emissions by 55% in comparison with 2017 by 2030
⇒ KPI: Conversion of all electricity used in-house to renewable energy by 2030 (by 2024 in Japan)
2. Carbon neutral product lifecycles (Scope 3) / Decarbonize the value chain Reduce absolute quantity of Scope 1, 2, and 3 CO₂ emissions by 30% in comparison with 2017 by 2030
Lower petrochemical-derived plastic use rate to 70% or less by 2030
⇒ Develop and supply environmentally friendly products and services through environmentally friendly design
⇒ Increase the sophistication of recycling initiatives and transform to a circular business model
⇒ Promote water- and power-saving habits, and refill and waste-free habits
3. Help achieve a carbon negative society by reducing its environmental burden (Scope 4) / Create green innovations
Contribute to reducing CO₂ emissions in society by using our products (Japan)
⇒ Propose environmentally friendly, fulfilling lifestyles and create new markets (sustainable fashion, smart homes and decarbonized transportation fields) through collaboration with lifestyle-related companies



Activities for Reducing Environmental Burden

As part of its responsibility as a producer, the Lion Group is working to achieve decarbonization and to solve plastic and water resource issues in every stage of the product lifecycle, from the procurement of raw materials to use by consumers, disposal and recycling. As laundry and other housework requires electricity and water, CO₂ emissions and water usage are at their highest at the stage when consumers use our products. Going forward, we will work to reduce the environmental burden of our products at this stage through the provision of environmentally friendly products and services and the creation of environmentally friendly habits for consumers.



The Lion Group's Initiatives to Address Climate Change

Climate change has become a pressing social issue in recent years and presents serious future risks to corporate management as well as the possibility of new opportunities for corporate activities. Under the Vision2030 long-term strategic framework, the Lion Group has made reinforcing initiatives to address the sustainability material issues one of its management strategies and designated creating healthy living habits and promoting environmental initiatives for a sustainable planet as its top priority material issues. Accordingly, we are working to mitigate risk by reducing CO₂ emissions and other means while advancing a variety of initiatives to address the risks and opportunities presented by climate change, such as promoting the formation of environmentally friendly habits together with consumers.



Lion's Greenhouse Gas Reduction Targets Validated by the SBT Initiative

In March 2023, Lion has had its greenhouse gas (GHG) reduction targets for 2030 validated by the Science Based Targets (SBT) initiative^{*1} as being based on sound scientific grounds and aligned with the target of limiting global warming to 1.5°C. This validation follows a previous validation from SBT in 2020 as being aligned with the target of limiting global warming to well below 2°C.



[🔗 Science Based Targets](#)

^{*1} The SBT initiative (SBTi) is a collaborative international initiative established in 2015 by the CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). The initiative assesses and validates whether GHG reduction targets set by companies based are properly science-based to help achieve the Paris Agreement goal of keeping the increase in the global average temperature to 1.5°C above pre-industrial levels.

■ Validated GHG Reduction Targets (Targets for 2030)

- Reduce total Scope 1^{*2} and 2^{*3} GHG emissions^{*4} (absolute quantity) by 55% (compared with 2018 levels)
- Reduce Scope 3^{*5} GHG emissions (absolute quantity) by 30% (compared with 2018 levels)
- Increase annual electricity procurement from renewable sources to 100% (from 0% in 2018)

^{*2} Scope 1: Direct emissions from the use of fuel by the Company.

^{*3} Scope 2: Indirect emissions from electricity and heat purchased and used by the Company.

^{*4} CO₂ emissions account for 99.8% of Lion's GHG emissions (2022 figure).

^{*5} Scope 3: Indirect emissions from the Company's value chain (excluding those covered by Scope 1 and Scope 2) attributable to purchased goods and services (category 1) or end-of-life treatment of sold products (category 12).


[➤ News release: Lion's Greenhouse Gas Reduction Targets Validated by the SBT Initiative](#)

Eco-First Commitment

Under the Eco-First Program, companies make a commitment to the Minister of the Environment regarding their global warming countermeasures, efforts to reduce waste and promote recycling, and other voluntary initiatives to conserve the environment ([Lion's Eco-First Commitment \[Japanese\]](#) ). The Minister of the Environment then certifies that such companies are leaders in their industries in terms of implementing forward-looking, voluntary business activities in environmental areas.

In 2008, Lion became the first company in a manufacturing industry to be certified as a member of the Eco-First Program. Since then, we have updated our Eco-First Commitment in step with the establishment of long-term environmental objectives. The last such update was made in 2019 to reflect the LION Eco Challenge 2050 long-term environmental objectives.

Eco-First Promotion Council

The Eco-First Promotion Council [\[Japanese\]](#)  is an organization established in December 2009 to reinforce coordination among environment-related governmental bodies and EcoFirst Program member companies, increase awareness of the program and further enhance initiatives to address environmental issues.

Since the council's establishment, Lion has actively participated as a core member, serving as the chair company from fiscal 2012 to 2013 (Chairman: Lion President Itsuo Hama, current Lion Chairman). Lion is currently involved with council operations as the managing company.

Participation in External Environmental Initiatives



[TCFD](#) 



[Eco First Companies Association \[Japanese\]](#) 



[CLOMA Japan Clean Ocean Material Alliance](#) 



[Japan Climate Initiative](#) 



[Plastics Smart \[Japanese\]](#) 



[Keidanren Initiative for Biodiversity](#) 



[GX League \[Japanese\]](#) 

Disclosure based on TCFD recommendations

The Lion Group's Response to the TCFD

In May 2019, Lion endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), an organization established by the Financial Stability Board (FSB). From October 2019 to January 2020, Lion took part in the Ministry of the Environment's Project to Analyze Scenarios of Climate Risks and Opportunities in Accordance with TCFD, evaluating the financial impact on its operations of climate-related risks and opportunities. In 2022, Lion expanded the scope of its analyses to encompass businesses, communities, product categories and supply chains, developing them into full-scenario analyses. The climate-related information resulting from these analyses is disclosed based on the TCFD framework.



Initiatives and Policy to Address the TCFD Recommendations

Core Elements of the TCFD's Recommended Climate Related Disclosures		The Lion's Group's Initiatives
Governance	The organization's governance around climate-related risks and opportunities.	<ul style="list-style-type: none"> Climate-related risks and opportunities are reported to the Sustainability Promotion Council (which meets twice a year) by its E Subcommittee and also reported, as needed, to the Senior Executive Committee, Executive Committee and Board of Directors. In addition, a working group had been established under the Council to responsively look for business opportunities in the changes in external conditions brought about by climate change.
Strategy	The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	<ul style="list-style-type: none"> Based on the TCFD recommendations, we conducted scenario analyses using a 1.5°C scenario and a 4°C scenario for the Consumer Products Business and some countries of the Overseas business, the operations of which are likely to be impacted by climate change by 2030 and 2050. We worked to identify and evaluate short-, medium- and long-term climate-related risks for the period from the present to 2050 and factor them into our businesses, strategy and financial planning.
Risk Management	The processes used by the organization to identify, assess, and manage climate-related risks	<ul style="list-style-type: none"> The Lion Group has designated certain climate-related risks that have the potential to significantly impact the Group's businesses as "shared risks" to be managed Group-wide. The Corporate Planning Department and E Subcommittee coordinate such management, working together to identify, assess and manage these risks.
Metrics and Targets	The metrics and targets used to assess and manage relevant climate-related risks and opportunities	<ul style="list-style-type: none"> The CO₂ emissions of Lion Corporation and its domestic and overseas consolidated subsidiaries (Scopes 1, 2 and 3) are currently disclosed on Lion's website. The LION Eco Challenge 2050 long-term environmental objectives include realizing a decarbonized, resource-circulating society as well as targets for 2030 based on the metrics of CO₂ emissions, petrochemical-derived plastic usage and water usage.

Overview of Scenario Analyses

- We conducted scenario analyses using scenarios in which the average global temperature increases 1.5°C or 4.5°C from the pre-industrial average by 2100. These analyses, focused on effects in 2030 and 2050, were carried out for the Consumer Products Business (for the oral care, beauty care, fabric care, living care and pharmaceutical product fields) and the Overseas Business (for businesses in China and Thailand).
The principal scenarios used for this analysis were the following.
 - * Principal scenarios used for analysis of transition risks and opportunities:
The IEA's NZA and STEPS scenarios
 - * Principal scenarios used for analysis of physical risks and opportunities
The IPCC's RCP1.9 and 8.5 scenarios
- The analyses consisted of identifying climate-related risks and opportunities in each scenario, considering their qualitative impacts on businesses and then quantitatively estimating these impacts in financial terms in order to rate them as large, medium or small. As a result, the introduction of a carbon tax and increased raw material and packaging costs were identified as risks that have a large impact on our businesses. The expansion of markets for sustainable products was identified as an opportunity that has a large impact on our businesses. In addition, we are studying the latest literature, including the IPCC's AR6, to envision how conditions related to daily living will shift due to climate change as a perspective for exploring new business opportunities.

The Lion Group's Main Climate-Related Risks and Opportunities

Risks and Opportunities			Impact		
			Description	4°C	1.5°C
Transition	Introduction of a carbon tax (Scopes 1, 2 and 3)		<ul style="list-style-type: none"> Increased factory operating costs due to the full-scale introduction of emissions trading and the application of carbon taxes by governments Increased raw material procurement costs due to carbon taxes on emissions, including Scope 3 emissions 	Small	Large*
	Increased cost of raw materials	Fossil fuel-derived	<ul style="list-style-type: none"> Increased costs due to the full-scale introduction of emissions trading and the application of carbon taxes 	Large	Medium
		Palm oil-derived	<ul style="list-style-type: none"> Increased costs due to tightening of palm oil regulations and increased use of certified oil 	Small	Medium
		Plant-derived (from corn, mint, etc.)	<ul style="list-style-type: none"> Increased prices due to decreases in crop yields 	Small	Small
	Increased cost of packaging and containers	Plastic-derived	<ul style="list-style-type: none"> Increased costs due to regulations on plastic use 	Small	Medium
		Aluminum-derived	<ul style="list-style-type: none"> Increased costs due to a shift from iron to aluminum as a result of regulations on vehicle weight, etc. 	Small	Medium
		Timber resource-derived	<ul style="list-style-type: none"> Increased costs due to forest fires, forest protections or logging regulations 	Small	Small
	Expansion of markets for sustainable products		<ul style="list-style-type: none"> Expansion of demand for sustainable products, including those that save water and power, due to rising customer awareness of ethical consumption 	Small	Large
Physical	Increased average temperature		<ul style="list-style-type: none"> Increased operational and personnel costs due to growing energy costs and burden on workers 	Small	Small
			<ul style="list-style-type: none"> Increased sales of laundry-related products due to higher temperatures and of hygiene-related products and services due to increases in infectious disease 	Medium	Small
	Changes in precipitation and weather patterns		<ul style="list-style-type: none"> Increased costs of dealing with impacts on the operations of Lion or its suppliers due to increased flooding and water stress. Potential for decreased credibility in the event that stable supply cannot be maintained. 	Medium	Small
	Increased severity of extreme weather events		<ul style="list-style-type: none"> Decreased revenue due to internal logistics delays and supply chain interruptions resulting from increased severity of extreme weather events. Potential for decreased credibility in the event that stable supply cannot be maintained. 	Small	Small

Note: Risks are shown in red, opportunities are shown in blue

* Impact if the LION Eco Challenge 2050 environmental objectives are not met and CO₂ emissions are not significantly reduced

Summary of Scenario Analysis Results

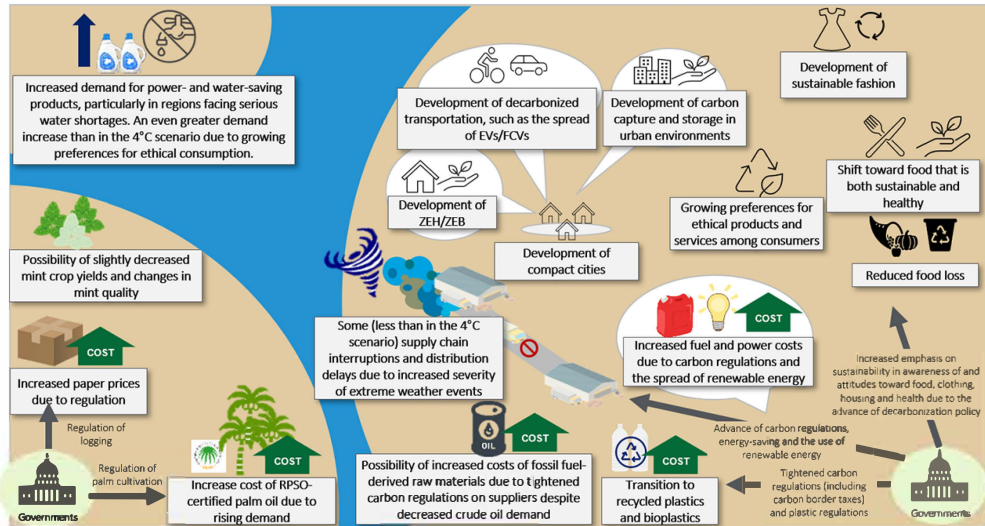
- Lion has been advancing efforts to address the scenarios used in the most recent analyses for some time but will continue to direct management effort at further reinforcing resilience to change going forward.
- Under the 4°C scenario, the increased cost of fossil fuel-derived raw materials is a major risk. Lion is already advancing efforts to replace such raw materials with plant-based materials and reinforcing other efforts aimed at decarbonization. Furthermore, to address rising physical risks, such as those of floods and water stress, we are advancing such efforts as reinforcing business continuity planning and supply chain data coordination. In terms of opportunities, the markets in such areas as products related to infection prevention and laundry are expected to grow, so we are working to develop related products and reinforce related services. Furthermore, we will continue to explore growth opportunities in the fields of inclusive oral care and infection control—areas of strength for Lion—to address the increase in the risk of the spread of infectious disease.
- Under the 1.5°C scenario, the increased cost of plastic-, aluminum- and palm oil-derived raw materials and packaging is a major risk. Lion is already advancing initiatives to reduce such risk, including reducing the use of petroleum-derived plastic and procuring RSPO-certified palm oil and palm kernel oil derivatives. In terms of opportunities, we expect substantial expansion in demand for environmentally friendly products, presenting the potential for business expansion by increasing offerings of products that meet the Lion eco-standard. Furthermore, these initiatives will help to reduce CO₂ emissions during the product use and disposal stages, which account for the majority of Lion's Scope 3 emissions. In addition to these efforts, as under the 4°C scenario, we are exploring other ways of securing opportunities for further growth. These include the development of technologies suited to the growth of sustainable fashion and other lifestyle changes as well as expanding the supply of electro-conductive carbon, which will be necessary for the development of decarbonized transportation, including the spread of electric vehicles.
- In addition, we will monitor social trends as we consider measures to address issues that currently have only a small quantifiable financial impact but could present a large future risk to Lion (such as procuring high-quality mint).

The World in 2050 in the 4°C (Business as Usual) Scenario



The World in 2050 in the

1.5°C (Decarbonization Measures Adopted) Scenario



Realizing a Decarbonized Society

Approach

Since the Industrial Revolution, rising emissions of CO₂ and other greenhouse gases (GHGs) have contributed to global warming. The impact of global warming-driven climate change on people and ecosystems is expected to become increasingly severe, coming in such forms as more frequent heavy rains, flooding and other natural disasters, dwindling food and water resources, extreme heat, and outbreaks of infectious disease.

The Lion Group conducts businesses that utilize natural resources, such as oil palm and pulp and paper, and therefore recognizes global warming as major risk to its operations.

The Paris Agreement, aimed at mitigating climate change and transitioning to a decarbonized society, came into effect in 2016. The agreement includes the shared global long-term targets of limiting the average global temperature increase to well below 2°C (the “well below 2°C target”) and of pursuing efforts to limit the increase to 1.5°C. In support of the targets of the Paris Agreement, in June 2019, Lion set the long-term CO₂ emissions reduction targets of a 30% reduction by 2030 compared with 2017 and net zero by 2050. In 2020, one of Lion’s targets was validated by the [Science Based Targets \(SBT\)](#) initiative as being aligned with the well below 2°C target.

Furthermore, in May 2019, Lion endorsed the recommendations of the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#).

In May 2021, the LION Group took into consideration such social trends as the Japanese government’s increase in its 2030 greenhouse gas emission reduction target from 26% to 46% (compared to 2013). Based on this, to help realize the common global goal of limiting the temperature increase from pre-industrial times to within 1.5°C, we raised the 2030 CO₂ reduction target under the [LION Eco Challenge 2050](#) for business site activities from 30% to 55% (compared to 2017).

To speed up the achievement of this goal, we also decided to switch the sourcing of all of the Group’s purchased electricity to renewable energy sources by 2030. Furthermore, to facilitate capital expenditure on decarbonization, we introduced the Internal Carbon Pricing (ICP) system, which virtually converts CO₂ emissions into costs based on our own criteria, thus securing a reference for environmental investment decisions.

Based on its [Environmental Policy](#) and the LION Eco Challenge 2050, the Lion Group strives to reduce GHG emissions in its business activities and to contribute to decarbonization by providing environmentally friendly products and services in addition to promoting eco-friendly habit creation together with consumers. Through such efforts, we will contribute to the mitigation of climate change.






➤ [Utilization of Internal Carbon Pricing \(ICP\) \(Lion Integrated Report p.48\)](#) 

➤ [Create Environmentally Friendly Habits with Consumers \(Lion Integrated Report 2022 p.27 Growth Point 3\)](#)

Overview

The Lion group is working to reduce GHG emissions at all stages, from raw material procurement to consumer disposal. We will continue to promote efforts toward the realization of a Decarbonized Society.

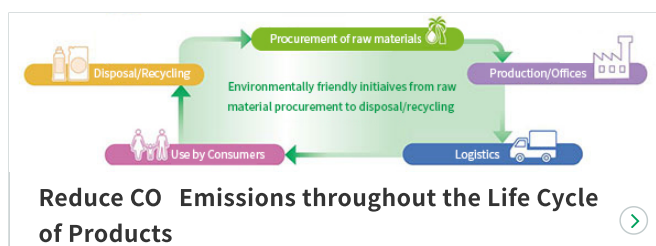
Activities Aimed at Realizing a Decarbonized Society

	Procurement of Raw Materials, Packaging and Containers 	Major Initiatives Undertaken by Lion 	Use by Consumers 	Disposal by Consumers 
Activities for Realizing a Decarbonized Society 	<ul style="list-style-type: none"> Substituting plant-based materials and plant-derived container materials for petroleum resources <p>➡ Related Information</p>	<p>Plants</p> <ul style="list-style-type: none"> Improving energy efficiency by reviewing production processes, introducing energy-saving equipment when upgrading facilities, and downsizing products <p>➡ Related Information</p> <p>Office/Facilities</p> <ul style="list-style-type: none"> Energy-saving activities throughout the Company, including administrative, sales, R&D and engineering divisions <p>Distribution after shipment</p> <ul style="list-style-type: none"> Increasing modal shifts during the transportation of products Company-wide energy conservation activities (introduction of electric vehicles, etc.) in administrative, sales, research, technology development and other divisions <p>➡ Related Information</p>	<ul style="list-style-type: none"> Increasing environmental awareness through products (environmental labels on products that meet the Lion eco-standard) Reducing power consumption during product use with power-saving products (requiring fewer rinses when washing) <p>➡ Related Information</p>	<ul style="list-style-type: none"> Substituting plant-derived materials for petroleum resources Promotion of 3Rs (making products more compact, refill packs, development of containers made using recycled or less plastic) <p>➡ Related Information</p>

Initiatives



Reduce CO Emissions throughout Business Activities



Reduce CO₂ Emissions throughout Business Activities

Sustainability Material Issues 1 Promoting Environmental Initiatives for a Sustainable Planet



- ✓ Promotion of Energy Conservation Activities
- ✓ Utilization of Renewable Energy
- ✓ Carbon Offsetting

Promotion of Energy Conservation Activities

In 2021, the Lion Group raised the target of reducing CO₂ emissions from its business activities from a 30% reduction (compared to 2017) to a 55% reduction by 2030 (compared with 2017). As the first part of efforts to achieve our CO₂ emissions reduction target, we are implementing thoroughgoing energy-saving activities at our various plants, offices and other facilities in Japan and overseas to increase energy efficiency.

Our production divisions consume higher amounts of energy, but are aiming to reduce CO₂ emissions by 1% or more per unit of production every year through energy-saving activities such as improving productivity and adopting high-efficiency equipment while working to reduce energy loss from utilities in such forms as steam and pressurized air and by recovering heat to save energy. In addition, our offices have set up power-saving projects as they strive to save energy.

When constructing new buildings, such as plants and employee facility buildings, we strive to implement energy-efficient facility design to reduce energy consumption. The Lion Group moved to its new headquarters (Kurumae, Taito-ku, Tokyo) in January 2023, and the building acquired the “S Rank” certification of the CASBEE-Smart Wellness Office system in 2021, which certifies a building’s wellness performance and overall environmental performance. In the future, by comprehensively understanding the energy consumption status of all plants, we will discover more ways to conserve energy and achieve further energy savings.

Going forward, we will continue to advance measures to further reduce CO₂ emissions.



CASBEE Smart Wellness Office S Rank certification of the new Lion headquarters



New employee facility building at the Lion Chemical Corporation Oleochemical Production Site (LCCOC)



Energy efficiency label at the new LCCOC employee facility building

Received Commendation from the Director-General of the Kanto Bureau of Economy, Trade and Industry for Two Consecutive Years for Excellence in Energy Management

Lion received the Kanto Bureau of Economy, Trade and Industry Director-General's Award for Excellence in Energy Management in fiscal 2019 as an excellent business operator that has made notable contributions to energy conservation. This award was given for Lion's former headquarters building, following the award given for our former Tokyo office building in the previous year. Lion was rated highly for its efforts to reduce energy consumption by utilizing BEMS (Building Energy Management System) data during the relevant period (April 2014 to March 2019) to understand the status and ensure the proper operation of each piece of equipment within the building and by implementing detailed energy management. (Relevant location: former headquarters building)



Award ceremony for fiscal 2019

Received the Osaka Prefectural Governor's Award in the Osaka Stop Global Warming Awards for Contributions to the Prevention of Global Warming

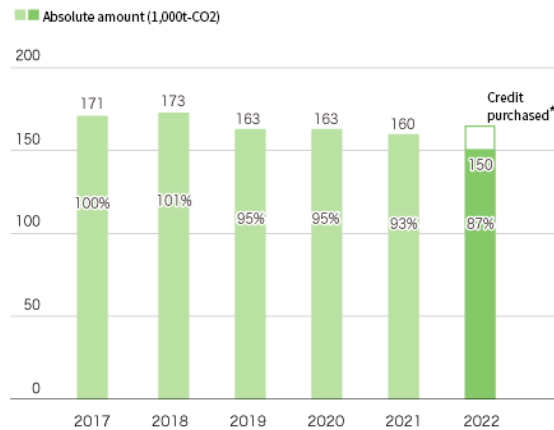
Lion previously received the Osaka Prefectural Governor's Award, sponsored by the Osaka Prefectural Government, in 2018 as the most outstanding business operator in terms of efforts to prevent global warming.

The Osaka Plant (Sakai City) was recognized for its excellent overall efforts to reduce greenhouse gas emissions through energy-saving activities with the participation of all employees, reduction of energy consumption by changing manufacturing processes and types of production, introduction of energy-saving facilities and equipment, and improvement of equipment operations. (Relevant locations: Osaka Plant and Osaka Office)



Osaka Stop Global Warming Award

CO₂ Emissions in Business Activities (Domestic and Overseas)



* Excludes carbon credit purchases. Including these, the amount is 165 thousand tons and 96%.

> ESG Data

Utilizing Renewable Energy

The Lion Group is committed to implementing thorough energy-saving activities but does not expect these to be sufficient to meet its CO₂ emission reduction targets. To make up the difference, it will be necessary to utilize renewable energy by such means as installing facilities to generate solar power for in-house use and switching to purchasing electricity from renewable sources.

Introduction of Solar Power Generation System for In-House Consumption

We have already installed facilities to generate solar power for in-house use at the Hirai Office Site. In 2021, we additionally installed such facilities at LCCOC. Overseas, in the same year, a new solar power generation facility was installed and began operation in the building of the new drying tower added to Lion Corporation (Thailand) Ltd. (LCT). We intend to further increase the amount of solar power generated and increase renewable electricity procurement.



Solar power generation facility at the Hirai Research Center



Solar power generation facility at LCCOC



Exterior view of the new drying tower building at LCT

Switching to Renewables for Purchased Electricity

Lion has changed over its power contracts to power companies that supply 100% renewably sourced energy . As a result, all domestic plants have been using renewable energy since January 2023 as has the new headquarters since April 2023 (partially using J-Credits).

We began by utilizing renewable energy and green power certificates at our domestic offices, and were able to eventually realize our goal of converting all our offices' electricity consumption to that from renewable sources in May 2023. In addition, at Lion's overseas operating sites, we are gradually advancing the switch to renewable energy, and aim to purchase 100% renewable energy across all of Lion's operating sites by 2030.

Carbon Offsetting

Lion Corporation (Thailand) Ltd. has purchased T-VER* (derived from solar powerX), a carbon offsetting credit, to offset the CO₂ from its electricity purchases for 2022.

* T-VER is a credit system operated by a Thai public organization.

Reduce CO₂ Emissions throughout Product Lifecycles

Sustainability Material Issue 1 Promoting Environmental Initiatives for a Sustainable Planet



Lion is taking on the challenge of resolving issues related to decarbonization by focusing not only on reducing CO₂ emissions at its business sites but also on reducing CO₂ emissions throughout the product lifecycles from raw material procurement to disposal by consumers, as part of its producer responsibility.

LION Eco Challenge 2050 and Targets and Indicators for 2030

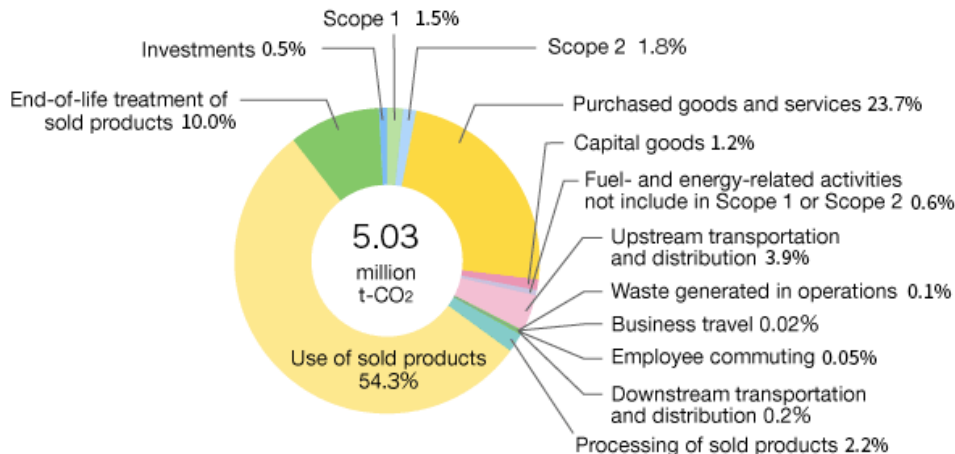
- Aim to reduce CO₂ emissions throughout the lifecycles of its products by 30% from 2017 levels (absolute amount) by 2030
- Aim to halve CO₂ emissions throughout the lifecycles of its product by 2050

Greenhouse Gas Emissions throughout the Supply Chain

Lion Group recognizes that understanding greenhouse gas (GHG) emissions throughout the supply chain is important to realizing a decarbonized society. Accordingly, since 2013, we have calculated GHG emissions throughout the supply chain based on the GHG Protocol Scope 3 standard. In fiscal 2022, our Scope 1, 2 and 3 emissions totaled 5.02 million t-CO₂.

Going forward, we will continue to promote and develop products that help reduce emissions during product use, a stage that accounts for a large portion of product lifecycles GHG emissions. By doing so, we will work to reduce GHG emissions.

GHG Emissions throughout the Supply Chain (2022)



Notes:

Scope: Lion and consolidated domestic and overseas Group companies, January–December 2022

Scope 1: Direct emissions from operating sites

Scope 2: Indirect emissions from the generation of purchased energy (electricity generation, etc.)

Scope 3: Emissions from the supply chain not included in Scope 1 or Scope 2

Scope 1 and 2 Greenhouse Gas Emissions from Domestic Operating Sites

(thousand tons)

	2018	2019	2020	2021	2022
Scope 1	22	21	19	21	21
Scope 2	53	50	48	52	52
Total	74	70	67	74	73
Carbon credits purchased	0	0	0	0	0

Scope 1 and 2 Greenhouse Gas Emissions from Overseas Operating Sites

(thousand tons)

	2018	2019	2020	2021	2022
Scope 1	54	50	54	64	56
Scope 2	45	43	42	22	36
Total	98	93	96	86	92
Carbon credits purchased	0	0	0	0	16

Included as a Supplier Engagement Leader under the CDP Supplier Engagement Rating for a Fourth Consecutive Year

The Lion Group was included for a fourth consecutive year as a Supplier Engagement Leader, a select list of the highest rated companies under the Supplier Engagement Rating (SER) of the CDP, an international non-profit organization that provides systems for environmental information disclosure.

The SER is based on the CDP climate change questionnaire items about governance, targets, value chain (scope 3) emissions and supplier engagement strategies. The rating covers companies that complete and return the CDP climate change questionnaire. The companies that receive the highest ratings for their actions and strategies to reduce greenhouse gas emissions and manage climate risk in their supply chains are selected for inclusion in the list of Supplier Engagement Leaders. In 2022, 653 companies including Lion (131 Japanese companies) were selected as Supplier Engagement Leaders.



[CDP Supplier Engagement Rating](#)

Logistics Division Initiatives

Lion works to reduce CO₂ emissions and energy consumption intensity through the following efforts.

- Using larger transport trucks
- Improving the transport loading rate
- Expanding direct shipping from plants to shorten transport distances
- Promoting modal shifts from trucking to transport by rail or ship

As a result of increased truck transport attributable mainly to urgent transport related to the COVID-19 pandemic, Lion's overall modal shift rate in 2022 declined year on year. The modal shift rate for intra-company transport was 10.5% (compared with 11.2% in 2021).

Although modal shift rates decreased, by using larger transport trucks and improving logistics efficiency regarding such factors as loading ratios, annual CO₂ emissions from logistics came to 21,700 tons, down 0.7% year on year. Energy consumption intensity decreased 5% compared with the previous year, for a five-year average annual increase of 0.2%, falling short of Lion's target average annual reduction of 1% or more. We will continue efforts in these areas going forward.

Eco Rail Mark Certification

「The Eco Rail Mark system was created by the Ministry of Land, Infrastructure and Transport to certify companies and products that use rail freight transport for a certain portion of product shipment. Because distribution processes are typically opaque to consumers, the Eco Rail Mark is a useful means for companies to indicate that they use or their products are shipped using environmentally friendly rail freight transport.

Lion's Eco Rail Mark certification was renewed in 2021. The certified Lion products are listed in the Eco Rail Mark pamphlet published by the Railway Freight Association and introduced on the website of the Ministry of Land, Infrastructure, Transport and Tourism.

The following six products are certified (as of October 2021).

1. *Ofuro no Look*
2. *KireiKirei Medicated Foaming Hand Soap*
3. *KireiKirei Medicated Liquid Hand Soap*
4. *Between toothbrush*
5. *TOP SUPER NANOX*
6. *Soflan Premium Deodorizer*

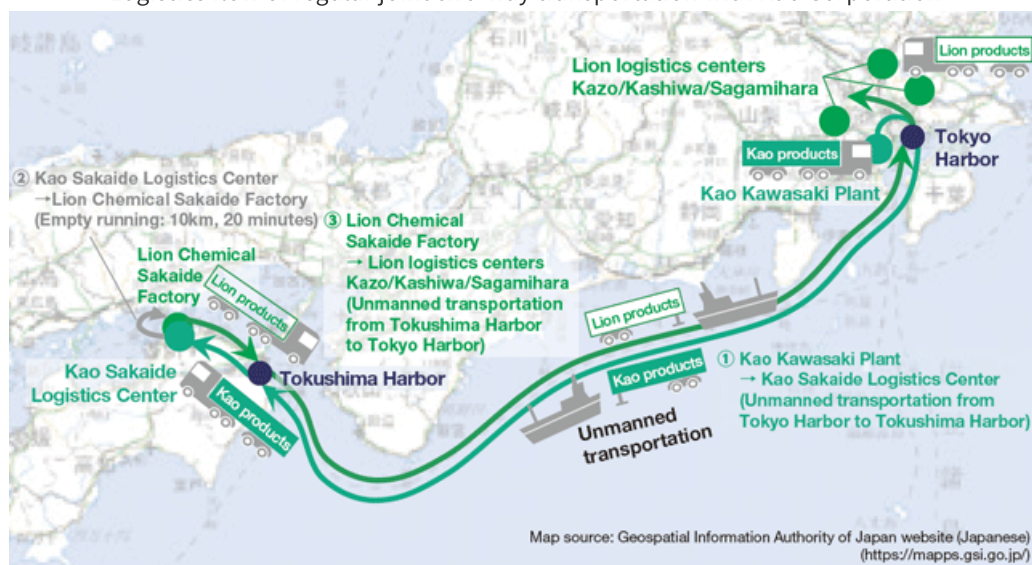


Kao and Lion Conduct Joint Two-Way Transportation

In October 2020, Lion and Kao Corporation commenced regular joint two-way transportation between their respective operating sites. This initiative is expected to significantly reduce CO₂ emissions.* At the same time, by making long-distance transport more efficient, the initiative is helping to reduce the burden on drivers. Going forward, by expanding joint logistics and improving labor conditions using relay transportation, we will work to improve logistics environments based on mutual understanding and cooperation with our trading partners and logistics contractors.

* 45% reduction in CO₂ emissions (total for both companies, compared to previous transportation methods)

Logistics flow of regular joint two-way transportation with Kao Corporation



➤ News Release: Kao and Lion Begin Collaboration on Smart Logistics Initiative Taking Part in the Strategic Innovation Promotion Program Being Led by the Cabinet Office [Japanese]

Related SDGs



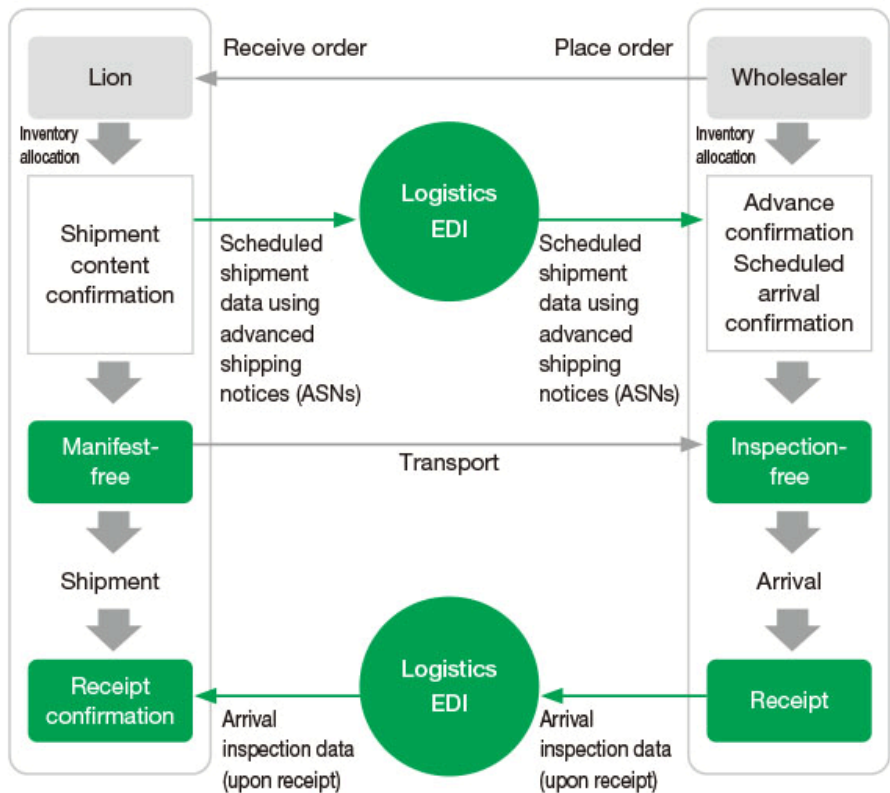
Building a Logistics EDI

In the field of logistics data platforms, Lion is taking a leading role in solving logistics challenges facing the household consumer product industry. Lion collaborated with PLANET, INC., which operates a commercial logistics electronic data interchange (EDI), a logistics information infrastructure for the industry. Furthermore, Lion carried out demonstrations of the use of advanced shipping notices (ASNs) to digitize receipts and simplify inspections, and is rolling out the use of ASNs sent to wholesalers for individual delivery trucks.

We are also involved in activities to improve the efficiency and standardization of business processes at logistics sites, including the Study Group for Logistics Productivity in the Supply Chain sponsored by the Distribution Economics Institute of Japan, the membership of which comprises industry manufacturers and the logistics businesses responsible for their deliveries. We are leading the establishment of an industry-wide supply chain standard model, in cooperation with other manufacturers and logistics businesses. Through these initiatives, we aim to improve work environments, improve labor productivity and reduce environmental burden while building sustainable, resilient supply chains.

Aiming for inspection-free logistics using ASN

How We Achieve Operational Streamlining



Related SDGs



Realizing a Resource-Circulating Society

Approach

The Lion Group will address environmental issues, such as plastic-related problems and water resource shortages, by promoting various activities to realize a resource-circulating society. By doing so, we will contribute to the solution of social issues.

Plastic-related problems are related to other environmental issues as well. For example, excessive plastic use increases lifecycle CO₂ emissions, contributing to global warming, and improper disposal can result in marine plastics, negatively impacting biodiversity. Because Lion manufactures and sells plastic products, it has a significant responsibility regarding plastic-related problems.

The Group has published the [Lion Group Plastics Environmental Declaration](#), which lays out its policy for addressing plastic-related problems. Going forward, based on this policy, we will set targets aimed at realizing a resource-circulating society both in Japan and abroad and continuously work to solve related issues.






Water is a resource of utmost importance and vital for all living creatures. Concerns are rising about elevated dangers of drought and water treatment in Japan are as consequences of global warming. To address the shortage of water resources, we are working to reduce water usage throughout our product lifecycles. As a corporation that provides products that are helpful in daily lives, we believe it is our responsibility to reduce water usage not only in business activities, but by offering water-saving products. Since 2010, we have been selling *TOP NANOX* (now *TOP SUPER NANOX*), a highly concentrated liquid laundry detergent that washes away easily for one-rinse, residue-free washing. In addition, as of 2020, our entire lineup of liquid laundry detergents can be used in single-rinse washing. Moreover, we introduced *Acron Smart Care* in February 2023, a liquid detergent that eliminates the rinse stage. We will continue to strive to reduce water usage.

* White Paper on Water Cycle FY2022 published by the Headquarters for Water Cycle Policy (Japanese)

Overview

The Lion Group promotes the recycling and effective use of plastic, water and other resources at all stages from raw material procurement to disposal by consumers. We will continue to promote initiatives to realize a resource-circulating society.

Activities for Realizing a Resource-Circulating Society

	Procurement of Raw Materials, Packaging and Containers 	Major Initiatives Undertaken by Lion 	Use by Consumers 	Disposal by Consumers 
Activities for Realizing a Resource-Circulating Society 	<ul style="list-style-type: none"> Using plant-derived materials ➡ Related Information Using biomass or recycled materials ➡ Related Information 	<p>Plants</p> <ul style="list-style-type: none"> Promoting zero emissions from plants ➡ Related Information Reducing water consumption by recycling wastewater from production processes and utilizing rainwater ➡ Related Information <p>Offices/Facilities</p> <ul style="list-style-type: none"> Promoting Company-wide green purchasing ➡ Related Information 	<ul style="list-style-type: none"> Increasing environmental awareness through products (environmental labels on products that meet the Lion eco-standard) ➡ Related Information Reducing water usage during product use with water-saving products (requiring fewer rinses when washing) ➡ Related Information 	<ul style="list-style-type: none"> Promotion of 3Rs and Renewable Materials (making products more compact, refill packs, development of containers made using recycled or less plastic) ➡ Related Information Promoting the Toothbrush Recycling Program ➡ Related Information Promoting the recycling of products and plastic packages ➡ Related Information

Initiatives



Recycling Resources

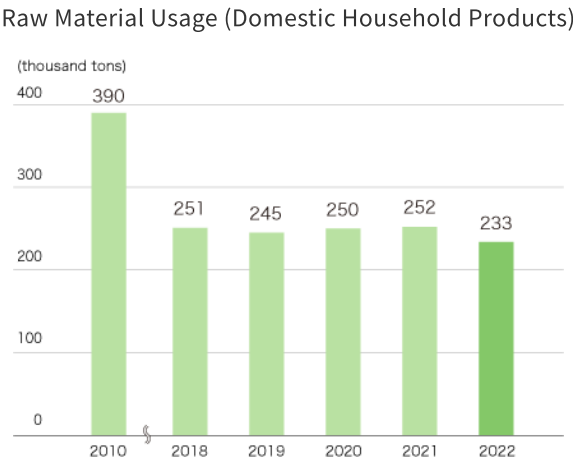
Sustainability Material Issue 1 Promoting Environmental Initiatives for a Sustainable Planet



- ✓ Reducing Raw Material Usage
- ✓ Measures Aimed at Realizing a Resource-Circulating Society
- ✓ Reducing Waste

Reducing Raw Material Usage

The Lion Group understands that the use of raw materials is the use of resources. We therefore work to reduce our use of raw materials by making product contents more compact, expanding our lineup of refill products and making containers lighter.



Measures Aimed at Realizing a Resource-Circulating Society—Reducing Container and Packaging Materials—the Rs and Renewable Materials

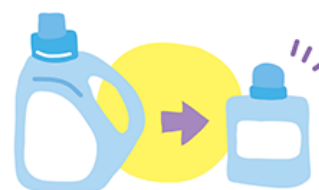
The Lion Group is promoting a wide range of initiatives aimed at realizing a resource-circulating society. We aim to minimize the volume of resources used in business operations, collect resources after their use, and effectively reuse or otherwise employ those resources that retain utility in business operations.

Reduce Smaller containers, less packaging

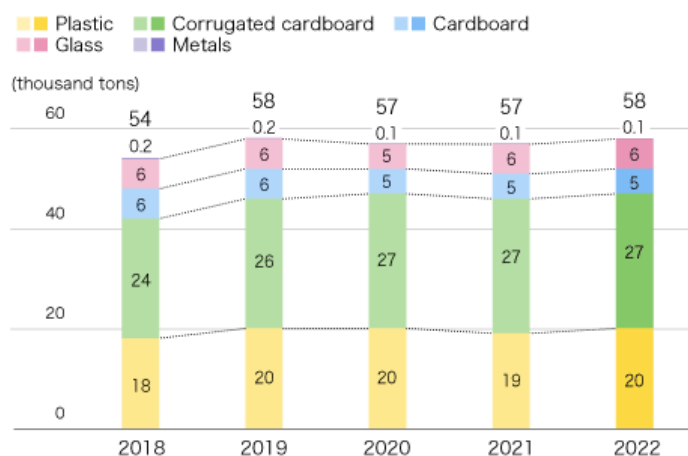
To reduce container and packaging materials, Lion complies with the **Lion eco-standard**, which is designed to evaluate products over their entire life cycles by examining each life cycle stage, from raw material procurement to distribution and disposal. We are increasing the concentration of such products such as laundry detergents, fabric softeners and dishwashing detergents to make their containers more compact while using sophisticated design technology to make containers more lightweight.

In 2021, Lion's total container and packaging material usage was around 57,100 tons, almost the same as the previous year.

Going forward, we will continue working to reduce container and packaging material usage through such means as making products more compact and developing innovative container structures.



Lion's Container and Packaging Material Usage (Domestic Household Products)



* Until fiscal 2021, only containers and packaging materials are taken into account; starting in fiscal 2022, some product plastics are as well.

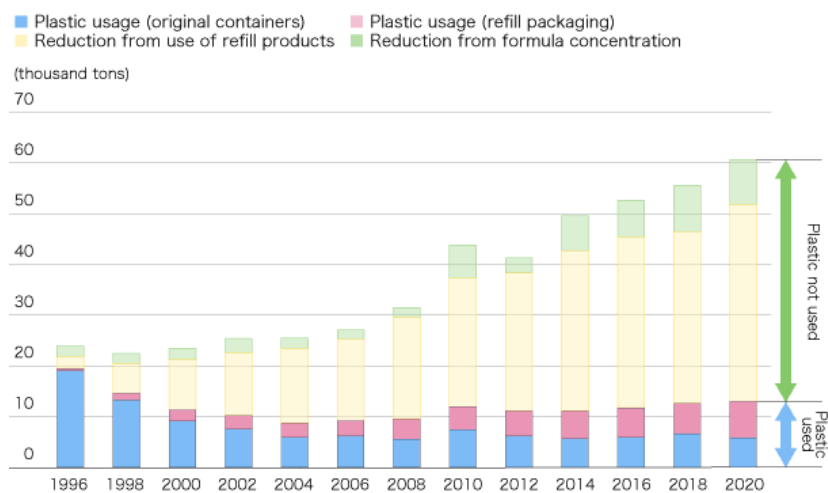
Reuse Increase refill products

Plastic bottles can be refilled and reused. Film packaging for refill packs can be produced using less material than product bottles, and because they weigh less and take up less space after use, they also help reduce household waste.

Going forward, we will work to minimize the use of plastic materials by both reducing and reusing.



Lion's Use of Plastic for Packaging and Reduction Effects



Recycle Proactively use recycled materials

Using Recycled Plastics

Lion proactively uses recycled plastic in products and containers. Our dishwashing detergent bottles, liquid laundry detergent bottles and toothbrush blister packs are made with plastic recycled from disposable drink bottles and other sources.



Main Uses of Recycled Plastics

Type of plastic	Type of product	Product name	Parts using recycled plastic
Polyethylene terephthalate (PET)	Dishwashing detergent	<i>CHARMY Magica</i> , etc.	Bottle
	Liquid laundry detergent	<i>TOP SUPER NANOX</i>	Bottle (including large sizes)
	Liquid laundry detergent, hand soaps, body soaps	<i>TOP SUPER NANOX</i> , <i>KireiKirei</i> hand soaps, <i>Hadakara</i> liquid body soaps	Pop-up sticker
	Liquid clothing detergent	<i>TOP Clear Liquid Antibacterial</i>	Refill pouch
	Toothbrushes	<i>NONIO</i> , <i>Systema Sonic Assist Brush</i> , <i>Clinica Advantage</i> , etc.	Blister dome packaging
Polyethylene	Fabric softener	<i>OFLAN Aroma Rich</i>	Bottle
			Refill pack
	Liquid laundry detergent	<i>TOP SUPER NANOX For Odors</i>	Refill pack

As of May 31, 2023

Promoting Plastic Product, Container and Packaging Resource Recycling

Aiming to achieve a continuous cycle of plastic use in society, Lion is conducting pilot testing for the recycling of used products and containers and packaging in cooperation with household product manufacturers, recyclers, retailers and municipalities.

Main Activities

Recyclable items	Activity name	Area	Main partners
Toothbrushes	Toothbrush recycling	Over 1,000 locations nationwide	TerraCycle
	Joint municipal toothbrush recycling	Sumida-ku, Itabashi-ku and Taito-ku	
Refill packs	RecyCreation	Ito-Yokado's Hikifune Store Welcia Pharmacy stores (parts of Tokyo and Saitama)	Kao Ito-Yokado Welcia Pharmacy Store Hamakyorex
	Kobe Plastic Next: Joining Forces to Recycle Refill Packs	75 stores and 3 other facilities in Kobe City	Kobe City Household product manufacturers Retailers 18 recycling companies
Bottles and refill packs	"Getting healthy with the planet" JACDS Circular Economy Project (June–December 2022)	31 locations in Yokohama City	Japan Association of Chain Drug Stores distribution companies 4 household product manufacturer
Bottles	Making New Bottles from Used Bottles Collaboration among consumers, local governments, and companies	Higashiyamato City, Komae City, Kunitachi City, Joso City	4 household product manufacturers

As of May 31, 2023

Promoting Circulation of Plastic Containers and Packaging Resources through Partnerships

Kao and Lion are reaching out beyond their corporate groups in an effort to recycle plastic refill containers and packaging (film packaging), aiming to realize a resource-circulating society.

To accelerate the adoption of recycling, building basic systems for resource collection and developing recycling technologies are indispensable. At the same time, it is necessary to change mindsets across society in cooperation with stakeholders, including consumers, with regard to, for example, sorting plastic packaging after product use.

To this end, we are conducting the following four activities.

1. Studying ways to sort and collect plastic film packaging in cooperation with consumers, government agencies and retailers.
2. Creating recycled materials and packaging quality design with consideration for usability in a wide range of products, ease of sorting and collection by consumers, and potential for use across companies or industries.
3. Studying ways to jointly use materials that are collected and recycled.
4. Engaging in promotional and educational activities that will foster greater understanding and cooperation regarding recycling among consumers.

Through the above activities, we are working to improve the economic efficiency of collection and recycling as a whole. First, we are launching collaborative RecyCreation* activities to sort and collect film packaging and raise awareness in cooperation with local residents. By doing so, we are sharing information about the technological hurdles to plastic film packaging recycling.

Going forward, we will advance RecyCreation activities. Furthermore, we are investigating ways to make containers more recyclable and developing technologies for the horizontal recycling of film packaging into new packaging with the aim of achieving a continuous cycle of plastic use.

These RecyCreation activities received the Selection Committee Chairman's Commendation in the fiscal 2021 Good Practices of Consumer-Oriented Management Awards.

> [News Release: Kao and Lion Awarded the New Selection Committee Chairman's Commendation in the Good Practices of Consumer-Oriented Management Awards \[Japanese\]](#) 



* "RecyCreation" denotes upcycling through which more enjoyable and improved products are developed and resulting in new value creation, rather than recycling materials for the purpose of reproducing the same types of materials. The concept of this initiative is "Throwing it away after use. We want to change this common practice."

We have released a concept film presenting these initiatives



 [Youtube](#) (Japanese)

In-store Collection of Used Refill Packs—Recycling Field Testing

RecyCreation activities are under way at Ito-Yokado's Hikifune Store (Sumida-ku, Tokyo) and 31 Welcia Pharmacy stores with the aim of field testing the sorted collection of film packaging from used refill packs. Under this initiative, a special collection box has been installed at the store to collect customers' used refill packaging for such products as laundry detergents and shampoos.



The process of recycling used refill packs in the RecyCreation initiative

Overview of the Field Test

- Purpose
To examine processes for the sorted collection of used refill packs in collaboration with consumers and retailers.
- Content
To enhance consumers' enthusiasm for recycling through RecyCreation. Through the test, we are collecting used refill packs for such products as detergents and shampoos at Ito-Yokado's Hikifune Store and Welcia Pharmacy stores, studying effective collection systems and developing new recycling technology.
- Implementation period
Starting from October 30, 2020
- Location of collection box for used refill packs
Ito-Yokado's Hikifune Store (Sumida-ku, Tokyo) and Welcia Pharmacy stores (eastern Tokyo and parts of Saitama) We will gradually expand this initiative to more locations.
- How to prepare and return a pack for collection
 - ① Cut along the top of the pack to open it
 - ② Rinse out the inside of the pack twice with water
 - ③ Shake off excess water and let dry
 - ④ Put in the collection box



Collection box for used refill packs
in Ito-Yokado's Hikifune Store (Outlined in red)

We have released a concept film of how to wash a used refill pack



[YouTube](#) (Japanese)

Demonstration of the Horizontal Recycling of Refill Packs

In 2020, Lion began partnered with Kao Corporation on a project aimed at realizing a resource-circulating society by plastic product packs, through which a portion of its used refill packs have been collected.

On May 29 2023, the collaboration launched a recycled plastic version of the XXL refill pack for Lion's *TOP SUPER NANOX For Odors*, a highly concentrated liquid laundry detergent. The materials used to create the refill pack consisted in part of recycled materials from used refill packs that had been collected. (Limited quantities available.)

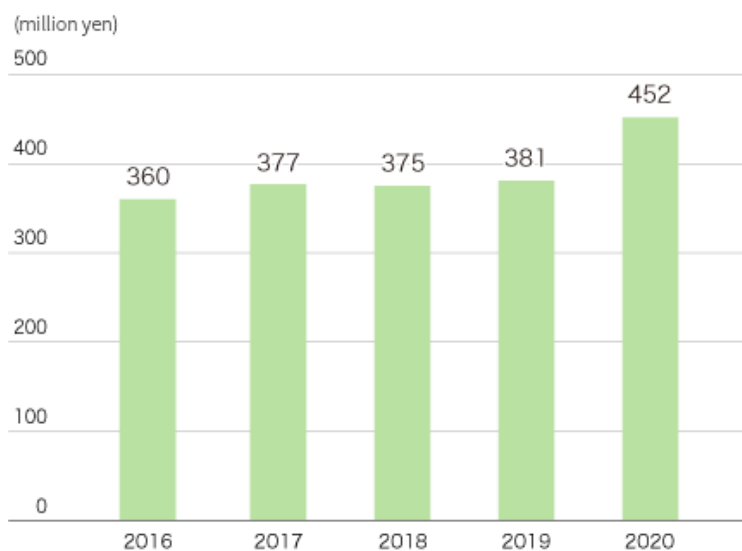
This packaging incorporates 9% recycled materials derived from factory waste and 1% derived from recycled consumer products.



Recycling of Used Containers in Accordance with the Containers and Packaging Recycling System

Being a designated business operating under the Containers and Packaging Recycling Act, we contribute toward the cost of recycling not only our own goods but outside consignments. For the most recent status of operations under this system, please visit the Japan Containers and Packaging Recycling Association website.

[🔗 The Japan Containers and Packaging Recycling Association \[Japanese\]](#)

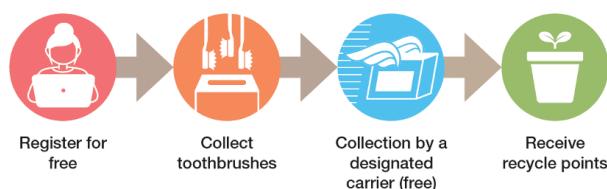


*Total of Lion Corporation, Lion Pet Co., Ltd. and Lion Dental Products Co., Ltd.

About the Toothbrush Recycling Program

Program participation is very easy and free.

- ① Register an account as an individual, school or other organization in advance
- ② Set out collection boxes and collect used toothbrushes
- ③ A designated carrier will pick up the box by the second business day after a collection request is made
- ④ The toothbrushes will be reborn as new plastic products, such as planters, instead of being sent to a landfill or incinerator



Participants receive points according to the weight of the toothbrushes that they send. The points can be exchanged for plastic products produced through TerraCycle's recycling program or donated to a charity of the participant's choice.

> Toothbrush Recycling Program

Using Recycled Materials from Toothbrush Recycling Program to Make Cat Litter Boxes

Domestic Group company Lion Pet Co., Ltd. is currently rolling out the Love Cats Love Earth Sakura Project, through which it donates cat litter boxes and cat litter sets to support people fostering rescue cats. The cat litter boxes are made from 10% recycled plastic from toothbrush recycling.



Renewable Utilizing sustainable resources

Using Recycled Paper

The containers and packaging for our powder laundry detergents and other products are made with recycled paper containing recycled pulp.



Using Plant-Based Plastics in Containers and Packaging

The containers and packaging of some Lion products are made with biomass plastic, made from such plant-based raw materials as corn and blackstrap molasses, a byproduct produced in the process of refining sugar from sugarcane.



Main Uses of Plant-Based Plastics

Type of plastic	Type of product	Product name	Parts using plant-based plastic
Polyethelene terephthalate (PET)	Dental rinse	<i>NONIO</i>	Bottle
	Body soap	<i>Hadakara</i> liquid body soaps	Bottle
	Toothpaste	<i>CLINICA Advantage NONIO</i> , etc	Tube
Polyethylene	Liquid laundry detergent	<i>TOP SUPER NANOX</i>	Refill pack
	Laundry bleach	<i>Bright STRONG Gel</i>	
	Hand soap	<i>KireiKirei Medicated Hand Conditioning Soap</i>	

As of May 31, 2023

Reducing Waste

Zero Emissions from Operating Sites (Domestic)

Lion’s four domestic plants all achieved zero waste emissions* in 2002. All of Lion’s operating sites,** including research institutes and offices, achieved zero waste emissions in 2017.

* Our definition: The waste recycling ratio is 99% or more, excluding recycling residues

** Chiba Plant, Odawara Plant, Osaka Plant, Akashi Plant, Hirai Office Site, Sapporo Office, Sendai Office, Headquarters/Tokyo Office, Nagoya Office, Osaka Office, Fukuoka Office, Lion Chemical Co., Ltd. Fine Chemical Production Site, Lion Chemical Co., Ltd. Oleochemical Production Site, Lion Specialty Chemicals Co., Ltd. Yokkaichi Plant, Lion Specialty Chemicals Co., Ltd. Ono Plant



Waste Generation (Overseas)

Total waste generation overseas in 2021 was down year on year as a result of initiatives to promote recycling. We will continue to advance initiatives to reduce waste going forward.



Scope of Overseas Data

All maintenance and management information for overseas consolidated subsidiaries is published (in Japanese only) in accordance with the Waste Disposal and Public Cleansing Act (Article 15-2-3, Paragraph 2).

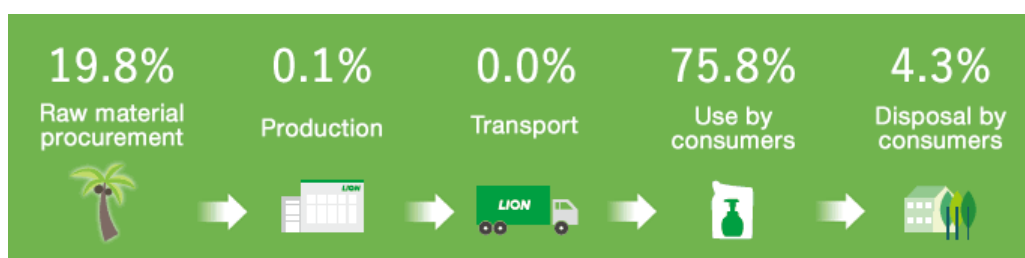
Reducing Water Use

Sustainability Material Issue 1 Promoting Environmental Initiatives for a Sustainable Planet



The Lion Group is working to reduce water use in line with the LION Eco Challenge 2050, a set of long-term environmental objectives formulated in 2019 with the aim of realizing environmental sustainability. In 2019, Lion began calculating water use throughout the supply chain in order to understand water use throughout product lifecycles—from raw material procurement to production, transport, use and disposal. Total water use throughout the lifecycles of Lion’s products in 2022 was approximately 2.3 billion m³.

Breakdown of Water Use over the lifecycles of Lion Products*



* Scope: Lion and domestic and overseas consolidated subsidiaries, January–December 2022.

At 75.8%, the product life cycle stage that accounted for the largest portion of total water use in 2021 was use by consumers. This is because many Lion Group products, such as laundry detergents, are used with water for washing. The Lion Group will continue to work with consumers to reduce water use throughout product lifecycles by providing environmentally friendly products and services that help save water and promoting the formation of environmentally friendly habits.

Water Use and Wastewater Discharge in Business Activities (Domestic and Overseas)

The Lion Group continuously monitors water usage (water withdrawal) and wastewater discharge in its business activities as it strives to alleviate environmental impact and reduce water usage through recycling. We have been implementing ongoing measures to reduce water used in cleaning processes. As part of these efforts, in 2016, we began operating industrial wastewater recycling facilities at the Chiba Plant. In addition, we use limited quantities of rainwater collected from the plant roof for cooling and for watering flowerbeds.

Identification and Evaluation of Water-Stressed Regions

The Group performs water stress evaluations for all its business locations using Aqueduct, a set of tools developed and announced by the World Resources Institute. We consider the regions in which our business locations are located to be water-stressed if their baseline water stress (one of the indicators outlined by Aqueduct) is designated “extremely high.” The results of the evaluation showed that, in 2020, the Group had one location in a water-stressed region, and its water intake was 2% of the Group’s total. In 2021 and 2022, there were no locations in water-stressed regions.

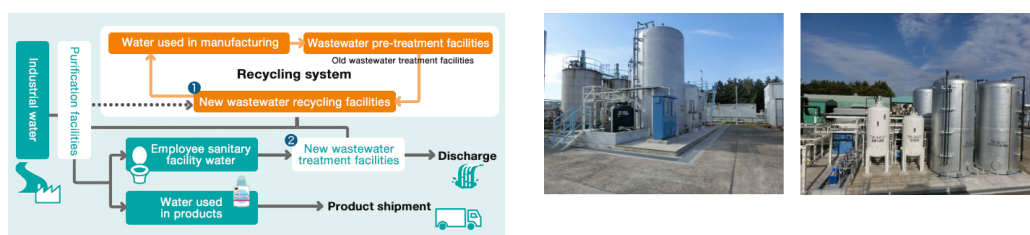
- [Water Usage \(Water Withdrawal\) in Business Activities](#)
- [Water Usage \(Water Withdrawal\) by Source](#)
- [Wastewater Discharge in Business Activities](#)
- [Wastewater Discharge by Destination](#)

The Chiba Plant's Wastewater Recycling Facilities

The Lion Group manufactures and sells products that are closely tied to water usage. Moreover, Lion's plants use a great deal of water in manufacturing processes to clean facilities and in heating and cooling equipment. Recycling wastewater after use can thus produce a significant water-saving effect. To this end, Lion introduced a wastewater recycling system at the Chiba Plant—which uses the most water among Lion's plants—in 2016 that has been in continuous use since installation. The greatest feature of this system was the adoption of new wastewater recycling facilities (①). Thanks to these facilities, we are now able to recycle wastewater from production processes that was previously discharged into the environment. Furthermore, we installed new wastewater treatment facilities (②) that enable greater purification of water from employee sanitary facilities and cleaning facilities than was previously possible, better removing nitrogen, which is a source of marine eutrophication.

In 2022, we conserved about 190,000 tons of water annually compared to 2010. That amount is equivalent to about 21% of the total water usage of all domestic operating sites in 2022.

The Chiba Plant's Wastewater Recycling System



The Chiba Plant was the first household product factory in Japan to recycle wastewater. In 2017, the plant received the New Technology Encouragement Award*¹ from the Japan Society on Water Environment and the Responsible Care Award*² from the Japan Chemical Industry Association.

*¹ In June 2017, the development of the Chiba Plant's wastewater recycling system was recognized with the New Technology Encouragement Award from the Japan Society on Water Environment, Japan's largest academic society related to protecting the aquatic environment. This award is given for research related to aquatic environments or to individuals or organizations that have devised innovative, promising aquatic environment technologies from the perspective of social contribution.

[The Japan Society on Water Environment New Technology Encouragement Award \[Japanese\]](#)

*² In May 2017, the Chiba Plant received the 11th Responsible Care Award from the Japan Chemical Industry Association for its initiatives to protect the aquatic environment and contribute to the local community. Since the start of its operations, the Chiba Plant has continuously implemented activities to protect the aquatic environment.

- [Lion's Responsible Care Activities](#)

Reducing Water Usage During Product Use

The Lion Group is working to reduce water usage throughout the lifecycles of its products. To reduce water usage during product use—the product life cycle stage that accounts for the greatest portion of water use—we provide environmentally friendly products that help save water. For example, since 2020, all Lion liquid laundry detergents can be used with just one rinse cycle. In 2023, we also developed and marketed *Acron Smart Care*, a zero-rinse laundry detergent.

Under LION Eco Challenge 2050, a set of long-term environmental objectives, the Group set the target of reducing water usage 30% per unit of net sales across product lifecycles by 2030 in comparison with 2017 levels. In 2022, life cycle water usage was reduced 7% per unit of net sales in comparison with 2017.

Going forward, we will continue to develop products that help reduce water usage during product use and promote environmentally friendly habits as we strive to reduce the environmental impact of households.

➤ [Development of Zero-rinse Laundry Detergent *Acron Smart Care*](#)(Lion Integrated Report 2023 p.48) 

➤ [Water Use over the lifecycles of Lion Products](#)

Water-Saving Products (Domestic)

TOP SUPER NANOX

TOP SUPER NANOX For Odors

These laundry detergents rinse away easily, enabling one-rinse washing.



CHARMY Crysta Gel

These dishwasher detergents demonstrate high detergency even when used in quick wash cycles, effectively removing grime from dishes and dishwasher interiors.



CHARMY Magica Enzyme + ("Plus")

CHARMY Magica Quick Dry + ("Plus") Antibacterial

CHARMY Magica Antibacterial + ("Plus")

These nano-cleansing dishwashing detergents make stubborn grease slide off dishes like water, helping save time and water when washing up.



Water-Saving Products (Overseas)

Lion sells *TOP SUPER NANOX* through Lion Corporation (Singapore) Pte Ltd, Lion Daily Necessities Chemicals (Qingdao) Co., Ltd. and Lion Corporation (Hong Kong) Ltd. and Lion Home Products (Taiwan) Co., Ltd., helping to save water.



TOP SUPER NANOX
at Lion Corporation (Singapore)
Pte Ltd.



TOP SUPER NANOX
at Lion Daily Necessities
Chemicals (Qingdao) Co., Ltd.



TOP SUPER NANOX
at Lion Corporation (Hong Kong)
Ltd.



TOP SUPER NANOX
at Lion Home Products (Taiwan)
Co., Ltd.

Harmonizing with Nature (Biodiversity)

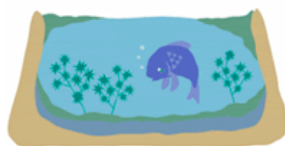
Approach

Lion has long taken the lead in addressing problems in the aquatic environment, such as stream foaming and eutrophication linked to the use of detergents, considering biodiversity at each stage from raw material procurement to disposal by consumers. To continue benefiting from the value provided by biodiversity into the future, we must work with local communities to protect biodiversity and utilize such value in a sustainable, non-depleting way. Furthermore, it is important that we contribute to the realization of a society in harmony with nature by encouraging changes in consumer lifestyles through biodiversity-friendly products.

To this end, Lion will contribute to the development of a sustainable society through its businesses by determining which natural resources are used in business activities and the impacts on biodiversity throughout the value chain. Based on this information, Lion will implement biodiversity conservation activities that help reduce risk and expand opportunities. Also, by having every employee participate in biodiversity conservation activities as part of our environmental education efforts, we are spreading awareness of this important issue throughout our operating sites.



1960s Stream Foaming
The synthetic detergents of the time were slow to break down, leading to foam that covered streams. Lion switched to readily biodegradable detergent ingredients.







1970s Eutrophication
Aquatic eutrophication led to algae blooms and other problems. One cause of this eutrophication was the phosphates then used in detergents. Lion led the way, ahead of its competitors, in creating phosphate-free laundry detergents.



1980s Onward Global Environmental Issues
Global-scale environmental issues received increased attention, leading to growing calls for consideration of resources and environmental burden. Lion is proactively advancing such efforts as enhancing the detergency of its cleaning agents to decrease the amount of product needed, developing water-saving products and utilizing plant-based raw materials.

Overview

Overview of Lion's Biodiversity-Friendly Business Activities

Biodiversity on Which Lion Relies		Watershed* Ecosystems of Raw Material Production Sites	Watershed Ecosystems Where Our Plants are Located	Watershed Ecosystems Where Consumers Reside	
		Procurement of Raw Materials, Packaging and Containers 	Production 	Use by Consumers 	Disposal by Consumers 
Key Natural Resources Used by Lion		<ul style="list-style-type: none"> Plants used as raw materials (oil palms, etc.) Wood that provides the paper raw material for packaging 	<ul style="list-style-type: none"> Cooling water and unprocessed water for equipment cleaning, etc., used at production sites 	<ul style="list-style-type: none"> Tap water consumed during use of our products 	—
Possible Major Impacts of Our Activities on Biodiversity		<ul style="list-style-type: none"> Impact of palm oil growers on the surrounding natural environment and communities (such as impact of illegal logging of tropical forests on wildlife habitats) Damage to the forest environments that are the source of paper raw materials 	<ul style="list-style-type: none"> Impact of groundwater intake by production plants on surrounding natural environments and communities Impact of wastewater and exhaust gases from production plants on the surrounding natural environment and communities Impact of light and odors from production plants on the surrounding natural environment and communities 	<ul style="list-style-type: none"> Impact of water use by consumers on the surrounding natural environment and communities 	<ul style="list-style-type: none"> Impact of wastewater and packaging waste generated by consumers on the surrounding natural environment and communities
Biodiversity Conservation Activities	Activities to Reduce Risks	<ul style="list-style-type: none"> Promotion of procurement of sustainable palm oils (participation in RSPO and purchase of RSPO-certified oils) ➡ Related Information Promotion of forest conservation (use of third-party certified paper) ➡ Related Information 	<ul style="list-style-type: none"> Reduction of production plant waste ➡ Related Information Reduction of water consumption at plants ➡ Related Information Conservation of rivers and other ecosystems by implementing purification technologies on discharged wastewater 	<ul style="list-style-type: none"> Development of water-saving products ➡ Related Information Development of highly biodegradable detergents ➡ Related Information 	<ul style="list-style-type: none"> Surveying the environmental impact of surfactants ➡ Related Information
	Activities to Expand Opportunities	—	<ul style="list-style-type: none"> Conservation and monitoring of habitats in the watersheds where production plants are located (activities include protection of endangered loggerhead sea turtles, maintaining biotopes and removal of non-native species from beaches) ➡ Related Information 	<ul style="list-style-type: none"> Educational activities teaching consideration of water and natural environments (activities include forest maintenance at Lion Forest in Yamanashi and water-related environmental research support through the Japan Society on Water Environment) ➡ Related Information 	<ul style="list-style-type: none"> Promotion of 3Rs (making products more compact, refill packs, development of containers made using recycled or less plastic) ➡ Related Information
				Raising awareness by participating in local biodiversity activities and workshops, etc.	

* Watershed: A range of ecosystems, including forests, rivers, domestic woodlands, tidal flats and beaches, that is connected by water.

Initiatives



Biodiversity Conservation Initiatives



Biodiversity Conservation Activities

- ✓ Activities at Operating Sites
- ✓ Environmental Impact Surveys of Surfactants MEE

Lion conducts biodiversity conservation activities at all of its operating sites. Its plants, in particular, have expansive premises and handle a wide range of raw materials and thus have the potential to impact the nearby natural environment and communities. We therefore work to reduce the impact caused by plant operations and, in cooperation with local NPOs and other organizations, proactively implement biodiversity conservation activities in the watersheds where plants are located so that the benefits of biodiversity can be sustainably enjoyed throughout local communities.



Biodiversity Conservation Initiatives [Japanese] 

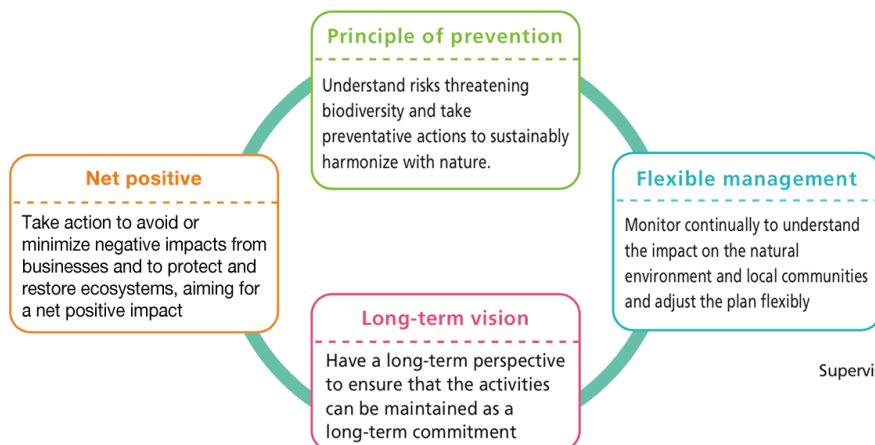
> Biodiversity Conservation Initiatives

> Lion and Biodiversity

Activities at Operating Sites

Basic Principles of Biodiversity Conservation Activities at Operating Sites

Based in part on the Ministry of Environment's Guidelines for Private Sector Engagement in Biodiversity (2nd Edition), we have defined the following four key principles for biodiversity conservation activities at operating sites.

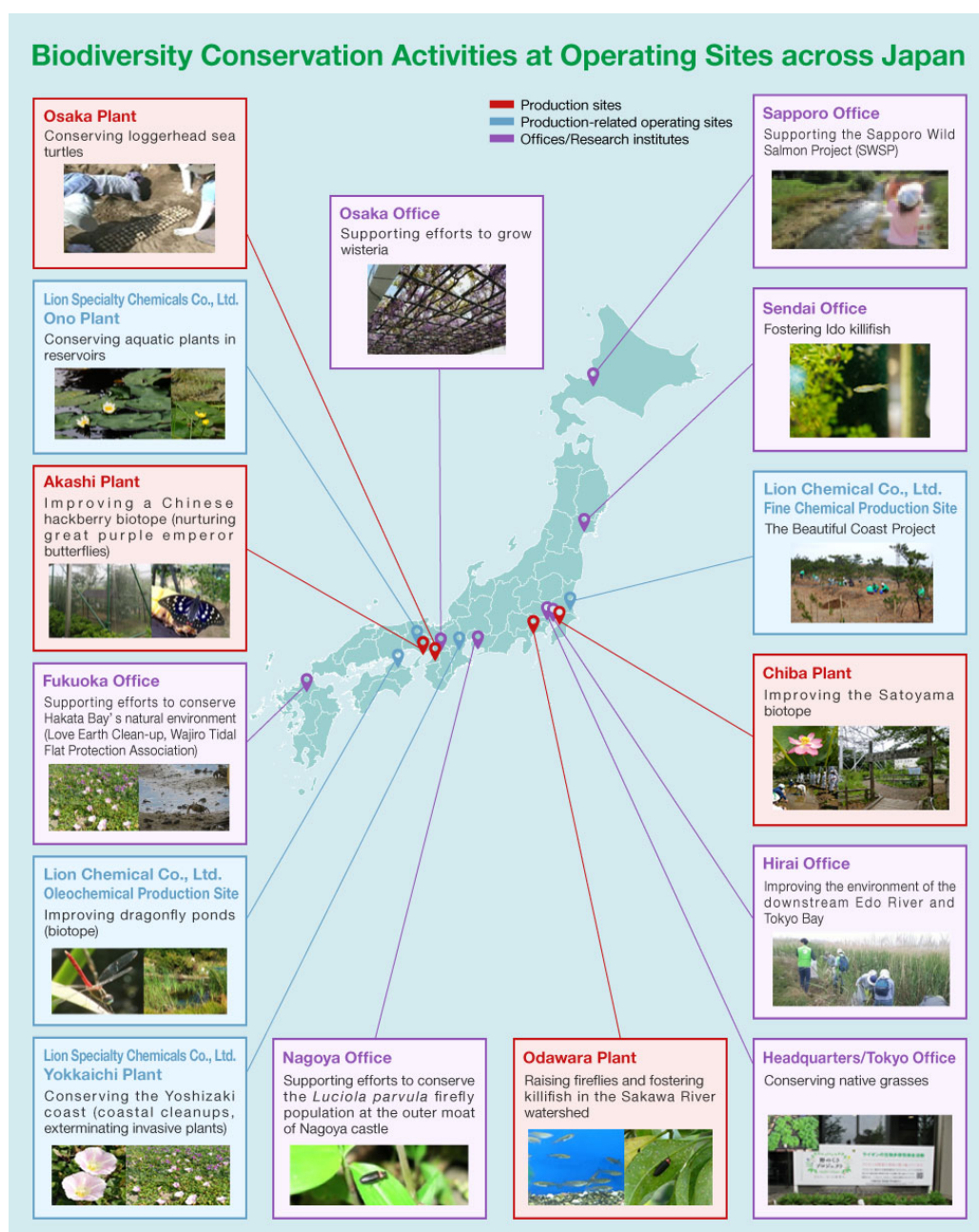


Supervisors: Ecology Path Inc.
Fumiaki Nagaishi
Tetsuya Kitazawa

Below are some of the biodiversity conservation activities being implemented at Lion's operating sites. We select activities to pursue based on the following considerations:

- Improving wildlife-friendly environments in the rivers and lakes of the watersheds that are connected to our plants via business activities or products as well as downstream coastal areas
- Providing habitats for creatures that are disappearing and breeding and raising them with the aim of returning them to their natural habitats
- Replicating natural habitats lost in the nearby area on operating site grounds and maintaining them as biotopes
- Cleaning up and improving business sites, conducting regular assessments of wildlife living there and using business sites as a place for biodiversity education
- Working in partnership with other stakeholders, such as local residents, external organizations and local authorities

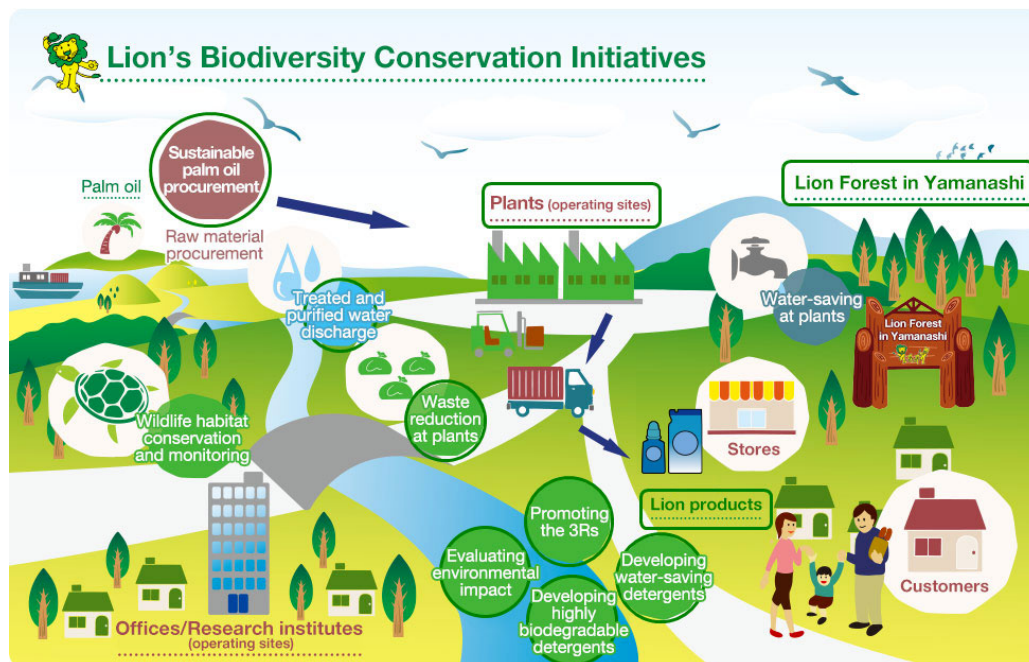
Biodiversity Conservation Initiatives



[Biodiversity Conservation Activities at Operating Sites Across Japan \[Japanese\]](#)

Lion and Biodiversity

Lion provides a wide variety of products that support daily living based in significant part on value derived from nature. In addition to striving to use resources in a sustainable manner, Lion is engaged in biodiversity conservation, aiming to proactively contribute to the realization of a society in harmony with nature.



- Sustainable palm oil procurement
- Plants (operating sites)
- Treated and purified water discharge
- Waste reduction at plants
- Water-saving at plants
- Lion products
- Lion Forest in Yamanashi
- Promoting the 3Rs
- Developing water-saving detergents
- Evaluating environmental impact
- Developing highly biodegradable detergents
- Customers [Japanese]

Environmental Impact Surveys of Surfactants MEE

Lion evaluates and confirms the environmental safety of its products during product development, because almost all Lion products are discharged into rivers and streams after their use. Furthermore, Lion takes part in the [Japan Soap and Detergent Association's](#) measurement of the concentrations of four types of surfactants in four river systems near Tokyo and Osaka and evaluation of related ecosystem risk, which it has conducted four times a year since 1998, to confirm that said surfactants are not negatively impacting the environment. The measurements to date have consistently found surfactant concentrations below the maximum level thought to have no impact on aquatic ecosystems, indicating that there is little environmental impact from detergents.

Furthermore, because Lion developed the plant-based surfactants MEE, it conducts its own measurement of the concentrations of this substance in the same watersheds. By doing so, we confirm that its impact on ecosystems is extremely small.

Evaluating and confirming safety is not a task for Lion alone. In addition to gathering and utilizing the latest technological data from in and outside Japan, Lion is working to provide data to other users in order to enhance safety evaluation technologies.

Supporting Young Researchers

As part of efforts to protect water resources, in 2009, Lion established the Lion Award, which is bestowed through the Japan Society on Water Environment (JSWE). By using the award to recognize outstanding research activities, we are supporting young researchers.

> Support for Japan's largest academic society focused on protecting the aquatic environment



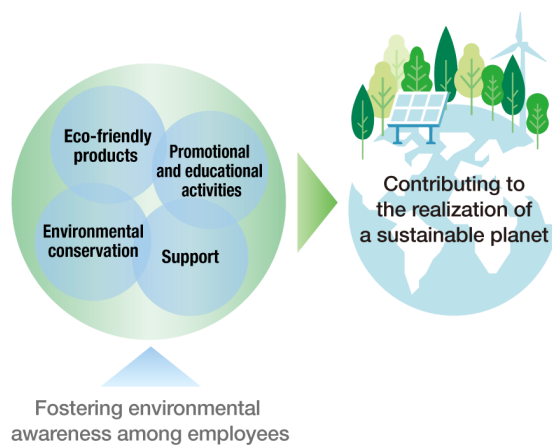
Environmental Communication

Approach

We at Lion believe it is our solemn responsibility to provide excellent customer experiences in the areas of health, comfort and cleanliness while protecting the global environment—the foundation of health and daily living—in accordance with our aim of “Becoming an advanced daily healthcare company.” By using various means of communication to convey our approach to addressing environmental issues, related initiatives and the environmentally friendly features of our products, we promote the formation of eco-friendly living habits.

In addition, we strive to foster environmental awareness among employees through such means as education for new hires and employees in specific job categories.

Overview



Initiatives

Lion believes that environmental communication with consumers plays an important role. In 2022, we explained our initiatives and fostered contact with stakeholders via both in-person events and on our website, as appropriate.



Events, Websites, and Building Relationships with Communities and External Organizations



Environmental Communication through Activities



Environmental Communication through Academic Support



Events, Websites, and Building Relationships with Communities and External Organizations

Events and Websites

Through participation in environmental exhibitions and other channels, Lion seeks to communicate to consumers ways they can be more environmentally friendly both in the course of daily life and through comfortable, clean living using Lion products. In 2022, Lion exhibited at the GOOD LIFE Fair 2022 and SDGs AICHI EXPO 2022, introducing water-saving ideas that can be applied in our daily lives through Lion products and how they can also help prevent global warming. Furthermore, we implement educational programs for the next generation to foster environmentally friendly habits.



Virtual exhibition

Our booth exhibited at EcoPro 2021 is re-enacted with 360° images. Users can learn about our various activities to realize a resource-recycling society through employee explanation and links to the website.



Virtual exhibition [Japanese]




Building Relationships with Communities and External Organizations

Lion participates in the activities of the Japan Chemical Industry Association Responsible Care (RC) Committee, which aims for constant improvement in the environmental performance and safety of chemical substances throughout their life cycles, from development through disposal.



 [Japan Chemical Industry Association](#)

Responsible Care* Activities at the Chiba and Osaka Plants

As a member company of the [Japan Chemical Industry Association](#)  RC Committee, Lion proactively engages in dialogue with local communities. Each plant provides opportunities for dialogue suited to the characteristics of its local community to promote communication with community members.



12th annual Sakai/Senboku responsible care community dialogue meeting held in February 2020

The 13th Responsible Care Sakai/Senboku Regional Dialogue was held in February 2022 via written communication in the form of booklets to curb the spread of COVID-19. Booklets were distributed with information supplied by the Osaka Plant, which summarized the corporate activities undertaken in the Sakai and Senboku districts. The booklet was mailed to neighborhood associations, governments, NPOs, and other organizations included a survey to collect opinions. In the future, as we continuously work toward improvement, we plan to take the survey's findings into consideration.

In addition, the 14th Responsible Care Chiba Regional Dialogue took place in February 2023 and followed the same written communication in the form of booklets.

Booklets were distributed and from the initial stages of the planning process, the Chiba Plant participated and cooperated in the discussions. Neighborhood associations, municipalities, NPOs, and others received a booklet highlighting the SDGs initiatives of businesses in the Chiba area, and feedback was gathered via the included survey. The gathered feedback will be implemented in our future endeavors.

Moreover, in May 2017, the Chiba Plant received the 11th Responsible Care Award from the Japan Chemical Industry Association for its initiatives to protect the aquatic environment and contribute to the local community. Since the start of its operations, the Chiba Plant has continuously implemented activities to protect the aquatic environment from water-related risks. The plant's efforts to purify industrial water for various applications, recycle wastewater used in industrial processes and manage wastewater according to standards stricter than those required by law have led to reductions in water usage and discharge volumes and the conservation of water quality. The award also praised the plant for providing education about the importance of water through initiatives with local children and plant tours.



11th Responsible Care Award Plaque
from the Japan Chemical Industry Association

* Responsible care refers to voluntary management activities performed by companies that handle chemical substances, encompassing the assurance of protections for the environment, safety and health throughout all processes of product manufacturing, distribution, use, final consumption, disposal and recycling as well as the disclosure of the results of such activities and dialogue with society.

Support for Environmental Organizations

Lion supports the following organizations.



☑ Sea Turtle Association of Japan [Japanese]



☑ Japan Society on Water Environment



☑ OISCA

Lion is a member of the following organization.



☑ Eco First Companies Association [Japanese]

The following organizations, of which we are members, have our support.



☑ 30by30 Alliance for Biodiversity [Japanese]



☑ Keidanren Initiative for Biodiversity

Environmental Communication through Activities

Lion Forest in Yamanashi

The Lion Forest in Yamanashi is a project launched in October 2006 for the maintenance of an approximately 65-hectare area of forest owned by Yamanashi City in Mizukuchi, Yamanashi City. Yamanashi Prefecture's first Company Forest Promotion Project, it is aimed at fostering environmental awareness among Lion employees by providing experience in the maintenance of forests, a water resource. Lion provides funding for forest maintenance, and employees engage in forest maintenance as volunteers or as part of training for new hires while building relationships with members of the local community.



The Lion Forest in Yamanashi—
Where our commitment to protecting water resources
takes concrete form

We have been implementing Lion Forest in Yamanashi activities since 2006 to foster awareness of the aquatic environment among participating employees through the maintenance of forests, a water resource. Water is not only necessary for life and living, but crucial to maintaining business activities. In particular, Lion's businesses—with such mainstay products as toothpastes, detergents and hand soaps—are deeply related to water through the act of washing. As such, we particularly focus efforts on conserving the aquatic environment through business and social contribution activities.

Through activities spanning more than a decade, the Lion Forest in Yamanashi has achieved progress in forest maintenance, including concrete results, such as promoting tree growth and CO2 absorption. The greatest achievements, however, have been the personal connections and communication built with local residents, including local elementary school students and ladies' groups, and with forestry staff as well as the enhancement of employees' environmental awareness that comes from getting their hands dirty. These activities allow participants to feel first-hand the importance of working with and connecting with people and protecting the global environment.

In line with its aim of being an environmentally advanced company, Lion aims to enhance the environmental awareness of each employee through Lion Forest in Yamanashi activities while further focusing efforts on environmentally friendly business activities.

Toothbrush Recycling Program

The Toothbrush Recycling Program is a program to collect used toothbrushes, which are commonly just thrown away as non-recyclable garbage, and recycle them into planters and other new plastic products. Lion launched the program, the first of its kind in Asia, in 2015, in cooperation with TerraCycle Japan.



Activities

Participants collect used toothbrushes in various ways. Some set up collection boxes at kids' centers, day care centers and kindergartens, while others collect toothbrushes as part of classes at schools, teaching children about the significance of the program.



Collection points
760

Toothbrushes collected
Approx. 780,000


(As of May 31, 2021)

The Recycling Process

Collected used toothbrushes go through several steps in the process of being recycled into planters.



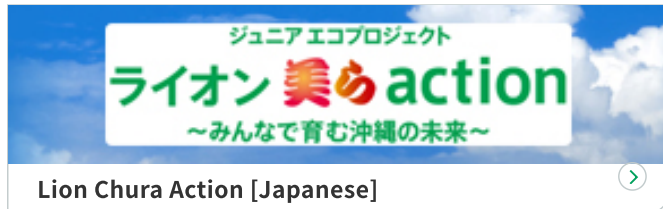
Get Involved

Sign up to participate through [this website \[Japanese\]](#) . The website offers further details about the program and points awarded for toothbrushes collected.



Lion Chura Action

Lion Chura Action is a project to support the eco-activities of children nurturing the future of Okinawa, aimed at protecting and developing the rich ecosystems of the region and achieving lasting harmony with nature.



Environmental Communication through Academic Support

The Lion Award—Supporting Aquatic Environment Student Research

To motivate and support young researchers working in areas related to the aquatic environment, in 2009 Lion created the JSWE-LION Best Student Poster Presentation Award (the “Lion Award”), bestowed through the Japan Society on Water Environment (JSWE) in recognition of outstanding research activities.^{*1}

In 2021, 17 students were chosen to receive the Lion Award, one of whom received the Grand Prize, by the 56th Annual Conference of the JSWE.^{*2}

^{*1} The award is bestowed in recognition of outstanding poster presentations at the JSWE’s annual conference.

Eligible persons: Undergraduate university students, technical school students, junior college students.

Selection method: Based on the votes of regular and corporate JSWE members, winning presentations are selected by the Awards Committee of the Board of Directors.

^{*2} The 56th Annual Conference of the Japan Society on Water Environment was held online.

 [The Lion Award \(Japan Society on Water Environment\)](#)

Management of Chemical Substances

- ✓ Approach
- ✓ Chemical Substance Management Policy
- ✓ Overview
- ✓ Chemical Substance Management Initiatives at Each Product Life Cycle Stage

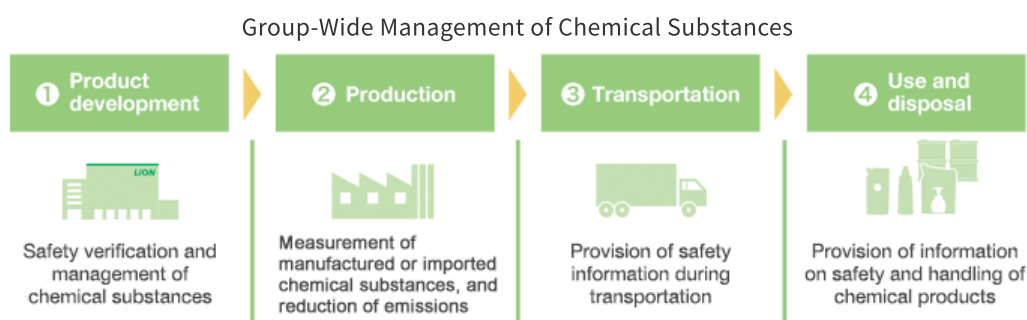
Approach

Chemical substances are indispensable for people to lead comfortable and fulfilling lives. Failure to properly manage chemical substances, however, can result in accidents that put human health and ecosystems at enormous risk. In addition to compliance with related laws and regulations, the Lion Group strives to ensure the strict management of chemical substances at all stages from product development to use and disposal in accordance with its own independent standards.

Chemical Substance Management Policy

Based on the spirit of the [Lion Group Charter for Corporate Behavior](#), the Group has established the [Chemical Substance Management Policy](#). This policy was formulated in light of international trends in chemical substance management and is aligned with the Strategic Approach to International Chemicals Management (SAICM). The policy stipulates that we will strive to implement sound management of chemical substances throughout their life cycles, minimize significant adverse impacts on the environment and human health, and promote communication.

Overview



[> Management System for Information on Chemical Substances](#)

Chemical Substance Management Initiatives at Each Product Life Cycle Stage

1. Product Development

| Selection of Chemical Substances for Use in Products

The types and amounts of chemical substances used in products are determined at the product development stage, with consideration given not only to enhancing product performance, but safety and environmental impact.

> Safety of Raw Materials and Ingredients

2. Chemical Substance Registration and Notifications

| Japan: Complying with the Act on the Regulation of Manufacture and Evaluation of Chemical Substances

Based on the Act on the Regulation of Manufacture and Evaluation of Chemical Substances, Lion notifies the relevant authorities of the use classifications and volumes of all the general chemical substances and priority assessment chemical substances it manufactures or imports (with exceptions based on the provisions of the Act, such as for substances manufactured or imported in quantities of less than one ton per year). As needed, our chemicals departments also notify the relevant authorities of the use classifications and volumes of small-volume and low-volume new chemical substances it manufactures or imports. We will continue to gather information about the volumes and uses of manufactured or imported chemical substances and file proper notifications.

| EU: Complying with REACH

Our chemicals departments register chemical substances as required under the EU's REACH^{*1} chemical substance management system.

^{*1} REACH: Registration, Evaluation, Authorisation and Restriction of Chemicals

| South Korea: Complying with K-REACH

Our chemicals departments and Lion Corporation Korea pre-register and register chemical substances under K-REACH.^{*2}

^{*2} K-REACH: The common name for South Korea's Act on the Registration and Evaluation of Chemicals

3. Production

Going forward, calls for the improvement and reinforcement of chemical substance management will grow. Accordingly, we aim to continue as well as to step up the filing of proper notifications and management of emissions volumes as required under volatile organic compound (VOC) regulations, the Water Pollution Prevention Act and the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof.

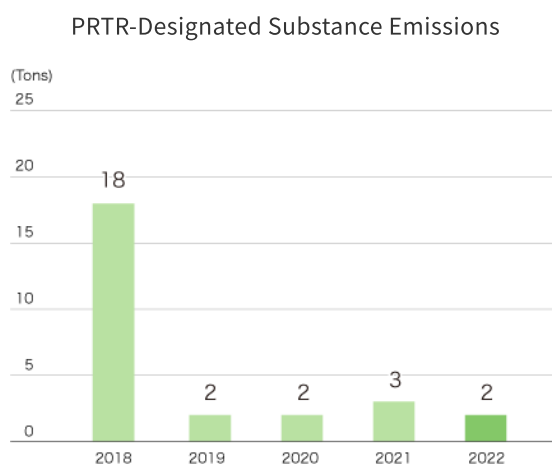
Management of Total PRTR-Designated Substance Emissions

The PRTR (Pollutant Release and Transfer Register) system is a scheme for collecting, compiling, and publishing data on the degree to which a wide variety of potentially harmful chemical substances are released into the environment from what sources, or are transported off of production sites through waste disposal.

The Company's emissions of PRTR-designated substances have remained at approximately 2 tons since 2019.

> [2022 PRTR-Designated Substance Emissions Data for Production Sites in Japan](#) PDF

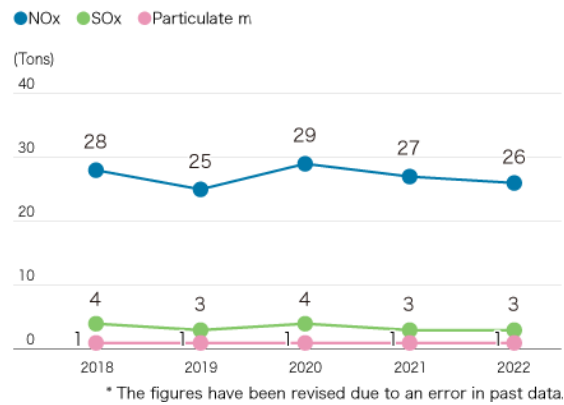
> [PRTR-Designated Substance Emissions \(Domestic\)](#)



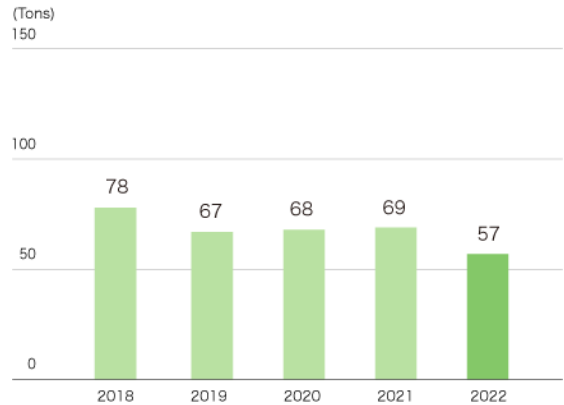
Air Quality-Conscious Production Activities

Lion implements initiatives to reduce emissions of chemical substances that cause air pollution, including nitrogen oxides (NO_x), sulfur oxides (SO_x), particulate matter and VOCs. The Air Pollution Control Law designates emissions standards by type of substance and by type and scale of emitting facility, and many regional governmental bodies have established additional regulations by ordinance. In addition to complying with such laws and ordinances, each plant has formed strict agreements with local municipalities and established strict voluntary standards, in accordance with which we strive to prevent pollution. Furthermore, we are working to reduce emissions by such means as improving the efficiency of production processes and utilizing environmentally friendly equipment, such as nitrogen and sulfur scrubbers.

Emissions of Nitrogen Oxides (NO_x), Sulfur Oxides (SO_x) and Particulate Matter



VOC Emissions



| Water Quality-Conscious Production Activities

A maximum limit on COD^{*1} of 160mg/L (and a daily average of 120 mg/L) has been set by law as a uniform standard within environmental standards related to water pollution per the Water Pollution Prevention Act and Sewerage Act. Lion meticulously complies with these regulations in its business activities. Furthermore, Lion aims for even stricter wastewater quality management, and some of our operating sites have formed agreements with local governments to maintain a COD limit stricter than the uniform standard. By stabilizing the operations of the wastewater treatment facility, performing regular maintenance and improving treatment methods, we are working to further reduce COD in wastewater emissions.

> COD in Business Activities

*1 COD

Chemical oxygen demand. An indicator of water contamination. Indicates the amount of oxygen that will be consumed in the oxidization and decomposition of the organic matter content of the water.

| Utilizing SDSs

Lion prepares safety data sheets (SDSs)^{*2} on its chemical products and provides them to its customers. We also receive SDSs on all the raw materials we use from our suppliers. These SDSs are listed in a database to be used effectively.

*2 SDSs

Safety data sheets. Documents providing information about the environmental impact of, safety precautions regarding and the appropriate handling of chemical products, aimed at preventing accidents caused by chemical substances.

4. Transportation

| Provision of Safety Information during Transportation

In case of an accident during the transportation of raw materials or intermediate products, Lion provides information to carriers about emergency response by distributing and attaching yellow cards and container yellow cards to shipments*

* Yellow cards and container yellow cards

Yellow-colored emergency contact cards providing information about the properties of and emergency response methods regarding chemical substances in case of leaks of other issues during transportation. Yellow cards are for carriers to keep with them during transportation, while container yellow cards are attached to the containers in which chemical substances are stored. Both are prepared based on voluntary industry standards determined by chemical companies.

5. Use and Disposal

| Environmental Impact Surveys

After being used, the surfactants in detergents and other products are discharged into the environment. Lion takes part in the Japan Soap and Detergent Association's environmental monitoring and risk assessment of four types of surfactants in rivers near Tokyo and Osaka, which it conducts four times a year. Furthermore, Lion conducts its own monitoring of the concentrations of the surfactants MEE* in the same watersheds, because this surfactant was developed by Lion. By doing so, we confirm that it has little impact on ecosystems.

> Environmental Impact Surveys of Surfactants MEE

* MEE

Methyl ester ethoxylate

Environmentally Friendly Technologies in the Chemicals Business

Products Made with Sustainable Resources

Lion uses natural plant-derived oils, such as palm oil and coconut oil, as raw materials in its products with an eye to making effective use of renewable resources.

Products That Contribute to Energy Saving

In the automotive field, Lion offers electro-conductive plastic, an alternative to metal materials that helps improve recyclability and reduce weight. Lion also provides electro-conductive carbon, which is used in batteries in the growing field of electric vehicles.

Products That Help Prevent Pollution

Lion does not use chlorofluorocarbons or organic solvents to clean metal components, instead using water-based industrial cleaners to help reduce emissions of volatile organic compounds (VOCs).

 [Environmentally Friendly Products](#)

 [Lion Specialty Chemicals Co., Ltd.](#)

Lion's Environmentally Friendly Products

- ✓ About Lion's Environmentally Friendly Products
- ✓ The Lion Eco-Standard
- ✓ The "eco Lion" Mark
- ✓ Lion's Environmentally Friendly Products—Water Saving

About Lion's Environmentally Friendly Products

Lion considers products that have cleared the proprietary Lion eco-standard to be environmentally friendly. The Lion Group provides products that create effortless ways for consumers to be more environmentally friendly just by living comfortably and promotes the formation of eco-friendly living habits by engaging in interactive communication with consumers.

The Lion Eco-Standard

Lion has created the Lion eco-standard based on life cycle assessment (LCA), in which the environmental burden created by a product is quantitatively assessed at every stage from raw material procurement to disposal. Products that meet at least one evaluation standard in each evaluation category can bear the "eco Lion" mark. In 2021, 82% of Lion's household product* sales were from environmentally friendly products that meet the Lion eco-standard.

[> Products with the "eco Lion" Mark \[Japanese\]](#)

Portion of Sales from Products that Meet the Lion Eco-Standard (Domestic)

2017	2019	2020	2021	2022
76%	77%	80%	82%	81%

* Products in the Oral Care, Beauty Care, Fabric Care and Living Care fields

Lion Eco-Standard Evaluation Categories and Standards

Life cycle stage	Evaluation category	Evaluation standards
①Raw material procurement	Use of plant-based materials Use of sustainable raw materials	<ul style="list-style-type: none"> At least 50% of the raw materials of product contents (organic ingredients) is plant-based Of the plant-based materials used, at least 50% are biodiversity-friendly
②Material procurement	Use of recycled materials Use of plant-based materials	<ul style="list-style-type: none"> At least 10% of the materials used are recycled Cardboard used is at least 94% recycled paper or certified pulp from forest thinning At least 20% of resins used are plant-based
③Manufacturing	Energy saving Water saving Chemical substance use reduction Waste reduction	<ul style="list-style-type: none"> A reduction of at least 20% in greenhouse gas emissions at the manufacturing stage compared with the baseline product* A reduction of at least 20% in water use at the manufacturing stage compared with the baseline product* A reduction of at least 20% in use of chemical substances other than raw materials at the manufacturing stage compared with the baseline product* A reduction of at least 20% in waste generated at the manufacturing stage compared with the baseline product*
④Logistics	Making products more concentrated and compact	<ul style="list-style-type: none"> An increase of at least 20% in product content concentration or packaging compactness compared with baseline product*
⑤Use	Energy saving during use Reduction of greenhouse gas emissions during use Water saving during use	<ul style="list-style-type: none"> A reduction of at least 20% in energy consumed by product use compared with baseline product* A reduction of at least 20% in greenhouse gas emissions after product use compared with baseline product* A reduction of at least 20% in water use during product use compared with baseline product*
⑥Disposal	Packaging reduction Refill packs	<ul style="list-style-type: none"> A reduction of at least 15% in packaging materials used in bottles compared with baseline product* A reduction of at least 50% in packaging materials used in refill packs compared with corresponding product bottles

* Baseline product: Products released in 2017, the baseline year for the LION Eco Challenge 2050.

The “eco Lion” Mark



The “eco Lion” mark symbolizes Lion’s environmental activities and incorporates Lion’s environmental slogan, “Every Day. For the Earth” which concisely expresses Lion’s commitment to the environment in line with the corporate slogan, “life. love.” To help customers choose environmentally friendly products, we use this mark on products that meet the proprietary Lion eco-standard. The factors that make each product environmentally friendly are printed within the mark.



The mark on a product
TOP SUPER NANOX refill pack (350g)

Other Examples of Products with the “eco Lion” Mark



TOP SUPER NANOX

CHARMY Magica



KireiKirei Medicated Foaming Hand Soap refill pack

Environmentally Friendly Products

- TOP SUPER NANOX
- Magica
- Ofuro no LOOK
- LOOK Plus Bath Antimold Fogger
- Soft-in-1 Shampoo

Basis for Water Savings Calculations (Lion data)

TOP SUPER NANOX laundry detergent

Washing 3 kg of clothing in a top-loading washing machine (a major manufacturer's 2019 model with 10 kg capacity), the amount of water saved is 15.7 l per load, or 7,035 l per year (at 8.6 loads per week)

Magica dishwashing detergent

Washing 20 items per wash, the amount of water saved is 3 l per wash, or 2,210 l per year (at two washes per day)

Ofuro no LOOK bath cleaner

Compared with previous detergents, the amount of water saved is approximately 3.2 l per cleaning of the bath, or 1,100 l per year (365 days' worth)

LOOK Plus Bath Antimold Fogger mold-preventing fungicide

Assuming cleaning off mold once takes 24 l of water, the amount of water saved is 144 l per year (assuming one mold removal cleaning every two months)

Soft in1 two-in-one conditioning shampoo

The amount of water saved is 5.7 l per wash compared with using shampoo and conditioner separately, or 2,081 l per year (at one wash per day)

Ensuring Product Safety and Reliability

Sustainability Material Issues 10 Pursuing Customer Satisfaction and Trust



Basic Approach

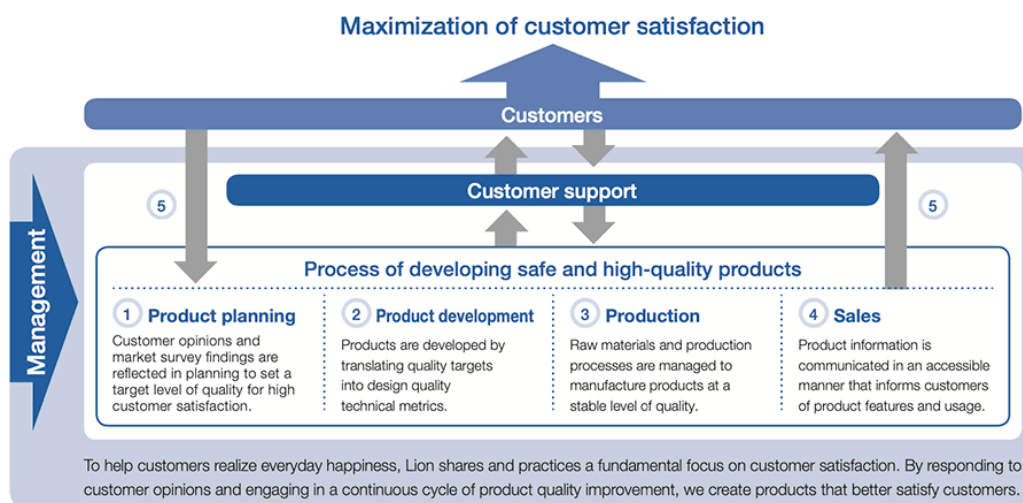
In order to provide products that will satisfy customers, Lion carries out quality assurance activities at all stages from the very beginning of the product development process to consumption by customers.

Specifically, by identifying the key requirements at each stage of corporate activities— ①product planning, ②product development, ③production, ④sales and ⑤customer support—we are constantly pursuing customer satisfaction.

During product planning, valuable customer opinions are analyzed to identify specific needs. At the product development stage, product quality is verified with respect to seven metrics, including function and performance, and consideration is given to making labeling easy to read and accessible. During production, quality is thoroughly managed within each process, and products that have passed inspection are shipped in identifiable lots, aiding in effective after-sales management. A variety of information is sent to wholesalers and retailers, including product descriptions and samples.

Overview

Product Development Incorporating Customer Opinions





* Access the [Research & Development](#) page for more information.

Initiatives



Approach to Quality Assurance, Safety and Reliability



Initiatives to Respond to Our Customers



Reinforcing the Provision of Information to Customers



Approach to Quality Assurance, Safety and Reliability

- ✓ Approach ✓ Quality Policy ✓ Group-wide Reliability Assurance System
- ✓ Approach to Quality Assurance ✓ Approach to Safety and Reliability
- ✓ Approach to Responsible Product Representations
- ✓ Participation in Pharmaceutical Product Safety Initiatives ✓ Animal Testing Policy

Approach

Lion's mission is to earn the confidence and satisfaction of customers by providing excellent goods and services that make a difference in everyday lives by redesigning habits.

Quality Policy

Based on our [Quality Policy](#), we create high-quality products that meet customer needs.

Group-wide Reliability Assurance System

In 2018, we established the Reliability Assurance Department to reinforce quality assurance based on a [Product Management System](#) covering the entire supply chain.

To implement quality assurance activities on a Company-wide basis, we have established the CS/PL Committee,* comprising representatives of the Product Planning Division, Production Division, R&D Division, Consumer Service Center and headquarters staff divisions. The Reliability Assurance Department serves as the secretariat for this committee. The CS/PL Committee provides overall management of quality assurance activities, monitoring Group-wide efforts and responses to issues in the areas of legal compliance, setting voluntary standards and targets, and developing superior products from the perspective of reliability assurance. Lion manufactures and sells products ranging from everyday sundries to pharmaceuticals, so its quality assurance system is designed in line with the respective standards for each product category. Furthermore, Lion maintains a system for swiftly taking the necessary measures to address any serious problems that may arise with its products. These measures include responding to individuals harmed or affected, disclosing relevant information to government authorities and customers, issuing product recalls and taking steps to prevent recurrences.



Reliability Assurance System

* CS/PL Committee: A committee focused on customer satisfaction (CS) and product liability (PL)

Approach to Quality Assurance

Product Management System

Based on its [Quality Policy](#), Lion has established a Product Management System, comprising regulations stipulating work processes at each stage of product development and quality assurance practices, in order to steadily and rationally develop excellent goods and services that make a difference in everyday lives by redesigning habits.

This system is compliant with ISO 9001, the international standard for quality management systems. It defines the flow and mechanisms of quality assurance processes at each step of product development (strategy, planning, development, production, sales, post-launch improvements and discontinuation. Through the system, we put these processes into practice. Lion's headquarters, Sapporo office, Sendai office, Nagoya office, Osaka office, Fukuoka office, research centers (Hirai Research Center and Odawara Research Center) and plants (Chiba Plant, Odawara Plant, Osaka Plant and Akashi Plant) have acquired the ISO 9001 certification.

Managing Chemical Substances in Products

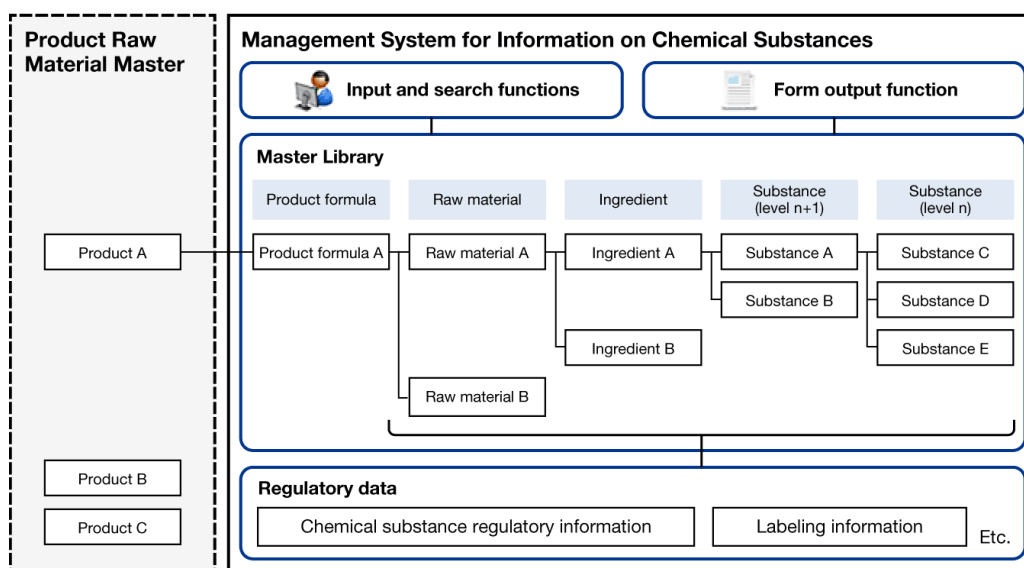
Since January 2018, Lion has been rolling out a Management System for Information on Chemical Substances at its purchasing departments and research and development sites, including those of domestic affiliated companies, to reinforce the proper use of chemical substances. We use this system for the management of raw materials and the chemical substances contained in products.

The system comprises a database of raw materials and product formulation data, a database of regulatory data, and product formula development support functions. The adoption of the system has reinforced our framework for ensuring legal compliance regarding chemical substances used in products during product development across all our business fields. In addition, the system's accumulated data allows employees to instantly search through the chemical substances contained in products that have been released. This has helped enhance data management, secure traceability and reinforce our ability to ensure compliance.

In addition, as a member of the Joint Article Management Promotion-consortium (JAMP), we ensure that our chemicals departments provide customers with information on the chemical substances contained in products using JAMP's chemSHERPA common format.^{*1} We also provide information on REACH SVHCs.^{*2}

^{*1} chemSHERPA: A common scheme for the transfer across a supply chain of information about chemical substances contained in products.

^{*2} SVHC (substances of very high concern): Substances that are candidates for inclusion in REACH Annex XIV as substances subject to authorization. "Authorization" here refers to the step indicated in the name REACH, which stands for Registration, Evaluation, Authorisation and Restriction of Chemicals.



Management System for Information on Chemical Substances Diagram

Quality Audits

Lion's auditing officers and staff periodically carry out quality audits of Lion and its contractors, providing guidance on improvement as needed. Locations are chosen from among all the operations of Lion and its contractors that are subject to these audits, and the selection of locations to undergo on-site surveys is informed by the timing and results of previous surveys.

Reinforcing the Quality Management Network among Overseas Group Companies

The Lion Group is expanding operations across Asia in line with its mission of providing excellent goods and services that make a difference in everyday lives by redesigning habits. In recent years, the volume of intercompany import and export business between overseas Group companies has been expanding. At the same time, there is a growing trend toward tighter regulations internationally, increasing the importance of greater coordination among quality management staff in each country.

In light of these changes, starting in 2018, we held the first annual Asia QA* Meeting, bringing together import, export and quality management staff from overseas Group companies. In 2022, the meeting was once again held remotely (a practice begun in 2020), with discussions focusing mainly on the status of operations and issues on the ground as well as the creation of a system for coordination going forward, with the aim of reinforcing the Group-wide quality assurance system. Going forward, we will continue to implement initiatives like this, striving to provide better products and services to customers in all the countries where we do business.

* QA: Quality assurance



The Asia QA Meeting (2018)

Approach to Safety and Reliability

To ensure that customers can use Lion products with confidence, we evaluate the safety of raw materials and ingredients as well as of final products during use.

Safety of Raw Materials and Ingredients

Before using a raw material, we first review existing data and information to determine its physical characteristics and if it has any hazardous properties (hazard assessment) as well as whether we will be able to safely use it in the product being developed (risk assessment). With the wide-ranging customers that use our products in mind, and with reference to safety reports from international organizations and standards in and outside Japan, we determine whether or not the material is suitable for use in the product.

Furthermore, in addition to health-related considerations, we similarly examine the material's impact on the environment after its use by consumers in line with the latest scientific appraisals. Based on these comprehensive considerations, substances deemed to require caution are carefully documented and managed.

When existing data is insufficient to reach a determination, we perform safety tests using officially designated and other objective methods of evaluation. Through such testing, we determine the limits within which the raw material can be used safely, taking into account the way the product will be used. Finally, for raw materials deemed suitable for use, we establish standards based on their applications (such as use in pharmaceuticals, food products, quasi-drugs, cosmetics or sundries). Raw materials that meet these standards are used in product manufacturing.

As with the raw materials of the product contents, we use only materials that meet appropriate standards for product packaging and containers.

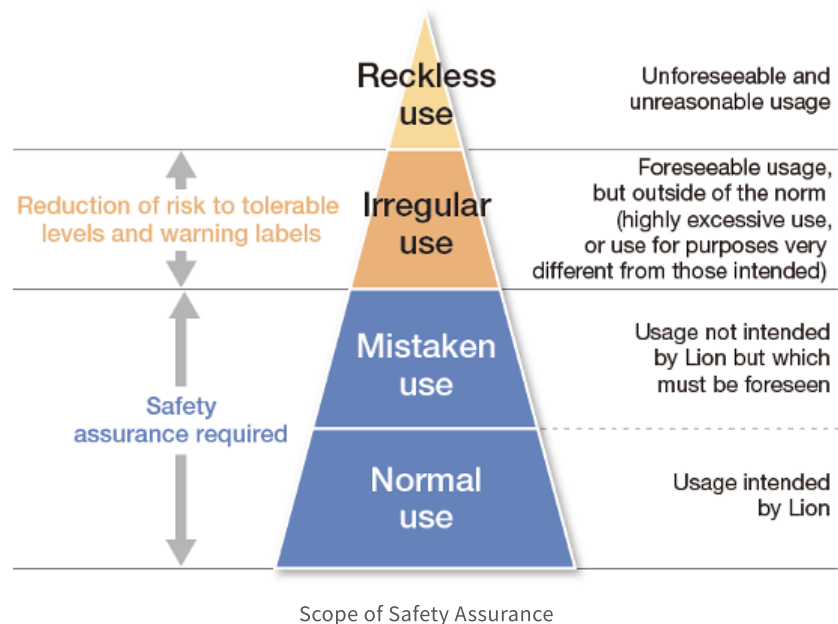
Even after products are launched, we continue to analyze research data on the raw materials and ingredients used to confirm that there are no issues with their continued use.

In some cases, small amounts of impurities arising from raw materials or manufacturing processes end up in products. Even if such impurities present no health concern, Lion implements quality management at every stage, including raw material purchasing and production, to reduce impurities as much as is feasible. One example of such efforts is Lion's response to a notice published by the Japanese government in 2012 about organic pigments that could have been unintentionally contaminated with polychlorinated biphenyls (PCBs). Upon the notice's publication, Lion moved quickly to confirm that there were no safety issues with its products. Since then, in accordance with the government's guidance, Lion has purchased and used such raw materials produced using designated best available technologies (BATs). Through efforts like these, we ensure that any impurities in our products are maintained at low levels that are safe for customers and the environment.

> Fragrance Policy

Safety of Products During Use

Giving due consideration to the various ways products may be used as well as product use by socially vulnerable customers, we perform safety evaluations based on an approach of avoiding risks at the product design stage. To this end, we use a checklist to determine whether the product design ensures safety in both “normal use” and “mistaken use” cases. For “irregular use” cases, we assess whether risk reduction is possible and whether the risk is tolerable, and as necessary clearly label the product with an explicit safety warning.



In addition, the quality verification meeting, which encompasses representatives of related departments, performs assessments based on customer use scenarios in order to prevent harm related to product use and to prevent the omission of items that should be checked for safety. If there is trouble with a product, we have an internal system in place, ready to promptly issue product recalls or otherwise respond as needed.

Centralized Management of Data on Bodily Issues Experienced by Consumers

Businesses must swiftly collect and centrally manage information from customers about the bodily issues they experience and quickly respond as appropriate. Information on bodily issues from customers who have used Lion products is collected and centrally managed by the Consumer Service Center. We have in place a framework for quickly and appropriately responding to such information, including sharing the information received with multiple specialized departments and reporting it to top management. Going forward, we will continue to educate staff involved in implementing responses about the importance of centralized data management and to collect and manage such information.

Approach to Responsible Product Representations

Basic Policy

In accordance with the [Lion Group Charter for Corporate Behavior and Behavioral Guidelines](#), Lion complies with the Pharmaceuticals and Medical Devices Act, Act against Unjustifiable Premiums and Misleading Representations, Health Promotion Act and other related laws and regulations. Furthermore, Lion strives to consider customer perspectives in order to make accurate and reasonable product representations (such as labels and advertising) that will not lead to misunderstandings or negative customer experiences.

To improve the quality of representations about all the products it sells (including food and pharmaceutical products), Lion has clearly defined its basic approach to product representation and established a representation drafting manual, comprising guidelines for preparing precise, appropriate product representations at each step of product development under its Product Management System. These guidelines apply to all product packaging and presentation as well as the wording and expressions used in instructions, pamphlets, sales handbooks, advertisements and other representations (including those for samples).

In line with the guidelines for product representations, representations are subject to stringent checks by specialized staff as well as external experts (attorneys, etc.), as needed. Through this system of thorough management, we advance the use of representations that are clear and easily recognizable to customers.

Lion's specialized representation checking staff strive to improve their expert abilities to ensure that they can make decisions and offer advice about representation quality that accurately reflect the latest legal interpretations, governmental tendencies and changes in society. To this end, they participate in lectures offered by governmental bodies and external seminars and, as needed, consult with external experts and governmental authorities.

Product Representations in the OTC Drug* Business

The information displayed on pharmaceutical product labels is subject to the stipulations of the Pharmaceuticals and Medical Devices Act (statutory labeling). The laws and regulations regarding fairness and appropriateness in pharmaceutical product advertising include the Pharmaceuticals and Medical Devices Act and the Standards for Proper Advertisement of Pharmaceuticals, etc., while industry self-regulations include the Japan Federation of Self-Medication Industries' Guidelines for the Proper Advertising of Over-the-Counter Medicines.

Pharmaceutical products serve to protect users' lives and health. Advertisements for pharmaceutical products must therefore serve not only as marketing tools, but as information sources that encourage customers to use products correctly. Such advertisements must not encourage improper use, abuse or overuse due to insufficient caution.

Lion's departments in charge of creating and checking product representations share pharmaceutical product information templates for statutory labeling and an advertising check sheet based on the Standards for Fair Advertising Practices concerning Pharmaceutical Products, etc., for advertisements. By ensuring that representations are created and managed based on a common understanding of the regulations stipulated in the Pharmaceuticals and Medical Devices Act, we strive to efficiently and accurately advance proper representations.

The Japan Federation of Self-Medication Industries has established an advertising screening committee, which evaluates pharmaceutical product advertisements after their publication. Comprising third-party and over-the-counter (OTC) drug manufacturer representatives, the committee works to ensure proper expressions in pharmaceutical product advertising and enhance confidence in such advertising. Lion participates as a corporate member, contributing to efforts to ensure proper OTC drug advertising.

* OTC drugs: Pharmaceutical products that can be purchased at a pharmacy or drug store without a prescription. (Source: Japan Self-Medication Industry)

Product Representations in the Food Product Business

The information displayed on food product labels is subject to the stipulations of the Food Labeling Act and the government's Food Labeling Standards (statutory labeling). In addition, laws and regulations regarding fairness and appropriateness in the health food products*¹ that Lion offers include the Act against Unjustifiable Premiums and Misleading Representations and the Health Promotion Act, while regulations related to fair competition for such products include the Code of Fair Competition Regarding the Labeling of Food for Specified Health Uses and its enforcement regulations, and industry self-regulations include voluntary standards for the proper advertising of foods with function claims.*²

Food products have three basic functions. The first and most important is nutrition (the primary function), the second is the sensory and enjoyment function (the secondary function) and the third is contributing to biological regulation to help maintain or improve health (the tertiary function). The food products that Lion sells are health food products that provide this tertiary function. While these products are thought to provide a health effect, it is important to ensure that they are properly marketed to avoid such misunderstandings as their being confused with pharmaceutical products or their effects being exaggerated.

Lion uses food product information templates for statutory labeling and an advertising check sheet based on related laws and regulations and voluntary industry rules for advertising. Furthermore, to ensure the provision of appropriate information to customers, we include a check by external experts (attorneys, etc.) as a third-party perspective during the food product advertising checking process.

The Japan Health and Nutrition Food Association, an industry organization, maintains a foods with function claims advertisement committee and foods with function claims advertisement screening committee, with the aim of enhancing the appropriateness of foods with function claims advertisements. The foods with function claims advertisement screening committee, which comprises third-party and manufacturer representatives, screens advertisements after their publication. Lion is a member of the foods with function claims advertisement committee, contributing to efforts to ensure appropriate representations of foods with function claims. Furthermore, Lion participates as a member of the operating committee and advertising study committee of the Foods for Specified Health Uses*³ Fair Trade Council, contributing to the prevention of inappropriate representations and exaggerated advertisements for foods for specified health uses as well as ensuring fair competition between businesses in the industry.

*1 Health Food Products

The term "health food product" generally refers to any product that is claimed to be beneficial to health. In Japan, health food products that are labeled as having certain functions based on standards of safety and effectiveness established by the national government are classified as foods with health claims. There are three types of foods with health claims: foods with function claims, foods for specified health uses, and foods with nutrient function claims.

*2 Foods with function claims are food products that display claims of functions for which, prior to sale, manufacturers must submit scientifically based information on safety and functionality to the Director-General of the Consumer Affairs Agency. The manufacturers themselves are responsible for ensuring the accuracy of such information.

*3 Foods for specified health uses

Foods for specified health uses are food products for which permission to display claims of health functions has been granted by the Director-General of the Consumer Affairs Agency based on evaluations by the agency of the product's safety and usefulness in maintaining or improving health.

Admonishment from the Consumer Affairs Agency Regarding Product Representations

Lion received an admonishment from the Consumer Affairs Agency regarding an advertisement for its product *Tomato Su Seikatsu Tomato Su Inryo* that ran from September 15 to November 27, 2015 in the *Nikkei Shimbun* on the grounds that said advertisement could be misunderstood by general consumers.

Lion takes this admonishment seriously. We have further reinforced advertisement submission management and are steadily advancing measures to prevent recurrences of such issues.

| Initiatives to Ensure Proper Use

Lion's food products, particularly its processed food products in tablet form, are easy to consume and therefore present the potential risk of excessive intake. By such means as displaying recommended intake amounts in large print on the front of packages, Lion strives to provide clear labeling so that consumers can use its health food products appropriately.

| Allergen Labeling

Lion requires its raw ingredient manufacturers and suppliers to provide information about their use of the seven ingredients that under the Food Labeling Standards are required to be listed on food product labels as allergens, as well as the 21 ingredients recommended for such labeling. In particular, we carry out tests as appropriate to ensure appropriate labeling regarding functional substances (used as ingredients in foods with function claims) and substances with specified uses (used in foods for specified health uses).

Seven raw ingredients required to be listed as allergens: Eggs, milk, wheat, buckwheat, peanuts, shrimp and crab
21 raw ingredients recommended to be listed as allergens: Apples, oranges, soy, sesame, etc.

Lion shares information about revisions to allergy labeling regulations and other such developments internally, mainly through a food safety team.

| Raising Awareness of Balanced Dietary Habits

Exercise, rest and a balanced diet are all important to maintaining and improving health. Japan's Food Labeling Standards require the packaging of foods with function claims, foods for specified health uses and foods with nutrient function claims^{*4} to display text reminding users of the fundamental importance of dietary balance based on different food groups. All of Lion's food products, including its general health food products, carry this text to enhance awareness of healthy dietary habits.

^{*4} Foods with nutrient function claims

Foods with nutrient function claims are food products that display claims of nutrient functions established by the government, backed by the manufacturer's self-certification that said items contain certain amounts of nutrients that are believed to affect the body based on scientific evidence (vitamins, etc.).

Labeling in the Languages of the Places Where Products Are Sold

To ensure that customers can accurately understand the features of our products, our product labels, including usage instructions and ingredient lists, are presented in the official languages of the places where they are sold.

| KireiKirei Hand Soap labels



Thai



Korean



Chinese

Employee Education and Training

To ensure thorough compliance with laws and regulations related to product representations (the Pharmaceuticals and Medical Devices Act, Act against Unjustifiable Premiums and Misleading Representations, Health Promotion Act, etc.), Lion provides e-learning for all employees and lectures for employees in related divisions as part of its legal education initiatives.

| OTC Drugs

Twice a year, Lion educates employees involved in the planning and sale of pharmaceutical and related products on product safety. This education, based on the Ministerial Ordinance on Good Vigilance Practice for Drugs, Quasi-Drugs, Cosmetics, and Medical Devices (the GVP Ordinance), teaches employees about the handling and correct use of safety information. Lion uses specified procedures for education about product representations to promote proper promotional activities. The education also covers related laws and regulations and appropriate product representations.

| Health Food Products

Twice a year, Lion educates employees involved in the food product business on product representation regulations, including those of the Health Promotion Act and Act against Unjustifiable Premiums and Misleading Representations. Through such efforts we strive to ensure thorough legal compliance.

Participation in Pharmaceutical Product Safety Initiatives

Pharmaceutical Product Safety Activities

In Japan, under the Pharmaceuticals and Medical Devices Act, businesses must obtain a marketing license to manufacture and sell pharmaceutical products and quasi-drugs. Per this law, businesses must conduct appropriate management and supervision by establishing and properly operating systems of quality assurance and post-marketing safety control for such products and appointing a general marketing director, quality assurance director and safety control director.

As a company that manufactures and sells pharmaceutical products, quasi-drugs, cosmetics and medical devices, Lion complies with such legal requirements and operates an appropriate marketing framework. Lion has created a manual for compliance with the GVP Ordinance for use in safety control. Safety control is carried out in accordance with this manual and managed by the safety control director. Furthermore, the safety control director manages the safety control divisions, and the general marketing director provides oversight to ensure proper operations and conducts post-marketing safety control. The safety control divisions operate according to internal manuals, including implementing post-marketing safety measures for the products Lion sells, collecting and evaluating safety data about pharmaceutical and other products, and, as needed, implementing safety measures.

Twice a year, the safety control divisions provide education and training to divisions that implement safety control to better promote the proper use of pharmaceutical and other products.

Participation in Industry Groups

To further enhance the safety of the pharmaceutical products it sells, Lion has been a member of the Japan Self-Medication Industry, an organization of OTC drug manufacturers, since 1978. A representative from Lion serves as a vice chair of said organization. The Japan Self-Medication Industry works to provide information about the correct use of OTC drugs and examines all kinds of issues related to OTC drugs, for example, researching how to make drug package inserts easier to read and understand.

Lion's safety control director regularly takes part in the organization's committee meetings to gather the latest information about pharmaceutical product safety for use in safety control.

In addition, to increase the safety of pharmaceutical products, Lion has been involved in creating shared guidelines for preparing product instructions and warnings in multiple languages. These guidelines help companies meet the needs of non-Japanese speakers by offering product inserts in English, Chinese and Korean.

In addition to the Japan Self-Medication Industry, in the area of pharmaceutical products, Lion is a member of the Pharmaceutical Manufacturers' Association of Tokyo, and in the areas of quasi-drugs and cosmetics, Lion participates in the activities of the Japan Dentifrice Manufacturers' Association (JDMA) and the Japan Cosmetic Industry Association. Through such participation, Lion suggests research initiatives and measures related to regulations and conducts educational programs for customers about correct product use with the aims of promoting the manufacturing and quality control of pharmaceutical and other products as well as post-marketing safety management and correct product use.

Animal Testing Policy

The Lion Group adheres strictly to the international principles of the 3Rs for animal testing (Replacement, Reduction, Refinement) and supports the philosophy of animal welfare.

We proactively work to thoroughly ensure the safety and enhance the functionality of our wide range of products and services to better serve our customers. In developing cosmetics (including medicated cosmetics), we do not use animal testing apart from exceptional circumstances in which it is required to ensure safety or satisfy legal requirements. Similarly, in developing other products, we employ alternative methods as long as the accuracy and replicability of the scientific data used as the basis for evaluating products are not negatively affected. When no alternative methods are available and we must use animal testing, we strive to do so properly and in line with the principles of the 3Rs and the laws of relevant countries.

Lion Corporation has long focused efforts on related research through participation in the Long-range Research Initiative of the Japan Chemical Industry Association and the Japanese Society for Alternatives to Animal Experiments. We will continue actively developing alternatives to animal testing and advancing business activities that contribute to both the health of our customers and animal welfare.

Initiatives to Respond to Our Customers

Sustainability Material Issue 10 Pursuing Customer Satisfaction and Trust



Approach

So that we may leverage inquiries received from customers to develop new products and improve our products and services, such inquiries are registered in a database operating under a strict personal information management system and shared across the Company through an information sharing system that excludes personal information.

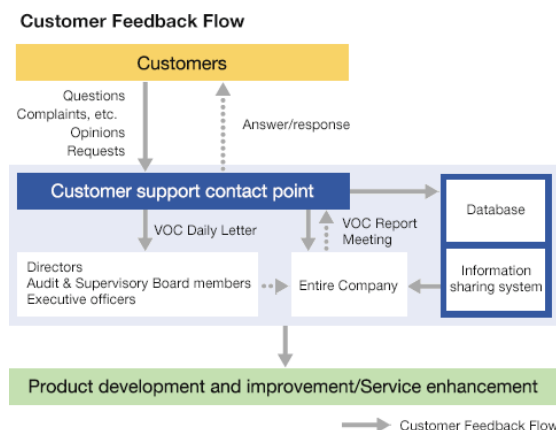
Items that are considered impactful to customer satisfaction and product use, and insights gleaned from contact with customers are reported daily to top management- and development-related departments in the form of the VOC^{*1} Daily Letter. Through such efforts, Lion works to improve customer support quality by gaining an understanding of the customer's perspective and by quickly considering and responding through improvement measures. In 2022, we sent out 240 VOC Daily Letters.

Customer feedback comes from a wide range of sources, including not only telephone calls and emails, but also SNSs^{*2} and the like. An internal dedicated organization (The Consumer Service Center) interprets and analyzes such this feedback and proactively disseminates information gleaned from it to the relevant departments.

*1 VOC: Voice of Customers

*2 SNS: Social networking services (Twitter, Instagram, etc.)

Overview



More information about how our customer feedback is put to concrete use is available [here \[Japanese\]](#)

Customer-Oriented Management Declaration

In the course of developing and providing products and services, Lion places the utmost priority on customer satisfaction. At the same time, by implementing environmental conservation activities and further enhancing the [corporate governance](#) system, we aim to ensure the high level of trustworthiness that stakeholders expect. Currently, government agencies, consumer groups and business associations are working together to promote customer-oriented management initiatives at companies. In January 2017, Lion voluntarily declared that it would proactively work toward customer-oriented management, and we report progress on this front on our website and to the Consumer Affairs Agency. Lion's voluntary declaration of customer-oriented management was revised to reflect the corporate philosophy introduced in 2021, and published on its website in March 2022.

More information about Lion's customer-oriented management declaration is available [here \[Japanese\]](#)

Received an Award in the Good Practices of Consumer-Oriented Management Awards for the Second Consecutive Year

Lion received the Minister of State's Award in the Good Practices of Consumer-Oriented Management Awards in 2020, and in 2021, won the Selection Committee Chairman's Award together with Kao Corporation. This award recognizes companies that have made a consumer-oriented management declaration and implemented outstanding initiatives based on such declarations.

Spurred on by this award, Lion will continue advancing consumer-oriented management and contribute to the realization of a sustainable society.



> [News Release: Lion Receives the Minister of State's Award in the Good Practices of Consumer-Oriented Management Awards](#) [PDF](#)

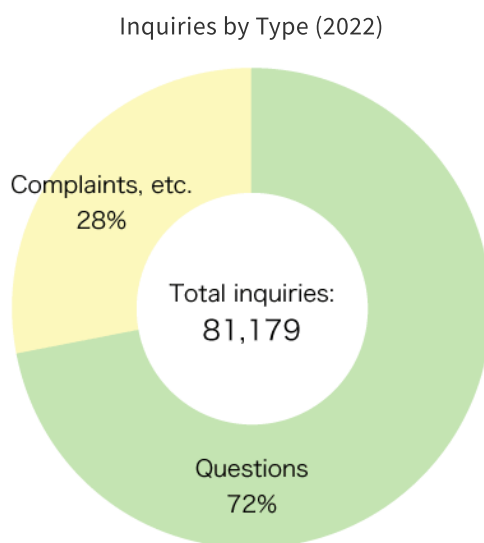
> [News Release: Kao and Lion Awarded the New Selection Committee Chairman's Commendation in the Good Practices of Consumer-Oriented Management Awards](#) [PDF](#)

Summary of Customer Inquiries in 2022

The Consumer Service Center receives an enormous volume of customer inquiries every year. In 2022, we received approximately 81,000 inquiries (excluding those sent to direct-to-consumer sales divisions), 95% of the previous year's volume. By content, questions about product use, retail outlets that carry Lion products, product quality, safety and other topics accounted for approximately 70% of all inquiries, while complaints and inquiries regarding problems and similar topics accounted for around 30%.

Going forward, we will continue aiming to provide an environment that facilitates customer inquiries while responding to inquiries in a sincere and timely manner. Contact information for inquiries by phone or email is available on the [customer support \[Japanese\]](#) page of Lion's website.

A list of contact points by topic is available [here \[Japanese\]](#).



Information Provision Leveraging Customer Feedback

The [customer support \[Japanese\]](#) page of Lion's Japanese-language website offers answers and solutions to common customer questions and problems as well as examples of products improved based on customer feedback, attracting considerable customer traffic. In addition, to customers that contact us by mail, we send a living information newsletter that includes content related to common customer questions and seasonal living tips, such as those from Lion's Meisters of Daily Life, as well as recommended articles on the Lidea website.

Going forward, we will continue to provide useful information to customers.



Customer support page on Lion's website [Japanese].



Recommended articles information from on the Lidea website [Japanese]

Examples of products developed or improved based on customer feedback are available [here \[Japanese\]](#).

Proactive Utilization of Employees

Lion strives to hire and develop the necessary human resources and foster an open and frank corporate culture in order to create innovative products and services that provide a high level of value to customers.

Fostering a Corporate Culture that Leverages Customer Opinions

We are working to foster a corporate culture in which all employees think and act based on an understanding of the customer's perspective.

We hold events for new graduate hires and product development staff, etc., in which they listen to recordings of customer inquiry calls or handle such calls themselves to experience hearing directly from customers. These events help participants understand the importance of the Company's contact points with customers and serve as an impetus to think about customer perspectives in their work. Furthermore, we report the status of customer inquiries at regular meetings in related departments and morning briefings at operating sites (offices, research institutes and plants) to share such information internally.

Going forward, we will work to further enhance employee awareness in order to better provide products and services based on customer perspectives.



Employees experience providing customer support over the phone

Leveraging an Understanding of Consumer Perspectives in Our Operations

We are working to foster a corporate culture in which all employees think and act based on an understanding of the customer's perspective. As part of our response to Japan's severe demographic graying, we have a set of equipment that simulates the physical conditions of old age on hand at all times at the Consumer Service Center. By listening to feedback from our senior customers and wearing the simulation equipment while looking at product labels or holding product containers, we strive to deepen our customer insight and foster consideration and understanding of seniors and all customers among our human resources. These insights and considerations are put to use in product development, customer support and communications.

We are expanding the range of these efforts to include not only staff involved in product development, but the communicators that staff our phone lines and the Meisters of Daily Life engaged in communication efforts.



Meisters of Daily Life using equipment that simulates old age

Initiatives to Provide Support that Satisfies Customers

We hold phone service training in which [customer support \[Japanese\]](#) phone operators learn the skills to quickly and accurately understand and respond to the issues that customers seeking support have as well as a broad knowledge of Lion products and related topics. Specifically, we offer training in which operators discuss a wide range of case studies to mutually reinforce their skills, study groups focused on the health and living issues behind products, and training in pronunciation and word choice to make themselves easier for customers to understand over the phone in order to enhance communication.

We have the results of these activities evaluated by a third party and strive to provide service that will better satisfy customers. In addition, we have launched two systems that enable us to resolve customers' problems 24/7, 365 days a year: a product retail distributor search service (February 2021) and a chatbot system (April 2021).

Further Enhancing Quality and Customer Satisfaction

Lion monitors its corporate brand penetration with the help of a market research company. The survey shown below examines the likelihood of product users recommending Lion products and services, the degree to which they feel they need such products and their desire to and their preferences at the time of questioning (for the purposes of the study, the Lion product users targeted were male and female general consumers over the age of 16). We will continue to gather objective data on customer opinions in order to provide high-quality products and services.

	2018	2019	2020* ¹	2021	2022
Overall number of survey respondents	752	784	783	773	783
Of these, current product users	644	641	664	628	640
Response rate* ² (%)	85.6	81.8	84.8	81.2	81.7
Recommendation rate* ³ (%)	43.6	43.1	47.6	40.0	44.7

Data from “Brand Strategy Survey,” Nikkei Research Inc.

*1 Overall scores of hygiene product suppliers increased due to the COVID-19 pandemic.

*2 Refers to the percentage of total survey respondents who reported that they currently use such products and services.

*3 Refers to the percentage of current users who intend to recommend the products and services.

Customer Support Initiatives at Lion Corporation (Korea)

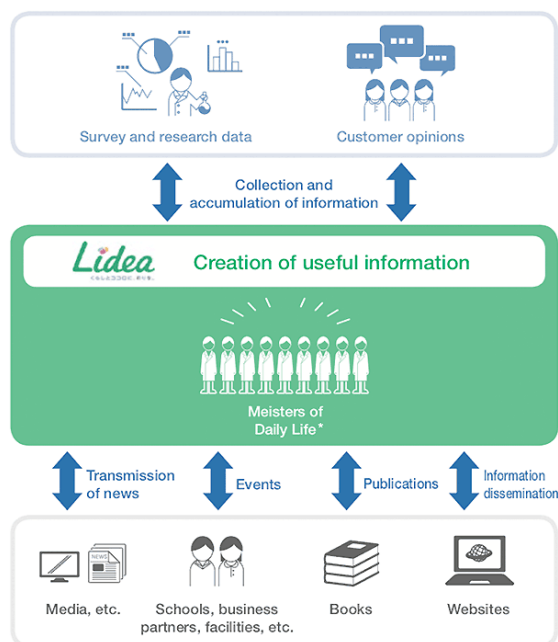
We maintain mechanisms for responding to customer opinions via customer support hotlines and marketing divisions at our overseas Group companies, as well.

Since 2004, Lion Corporation (Korea) has responded to customer opinions and requests in accordance with its customer inquiry response regulations via a customer support division. Quarterly reports on customer inquiries are made to management, and important requests are reported to management immediately.

Reinforcing the Provision of Information to Customers

Providing Useful Information for Daily Living and Promoting Educational Activities

Lion actively engages in communication with consumers with the aim of expanding our creation and dissemination of information that contributes to healthy and comfortable living.



* Specialists who research and provide information useful for comfortable, healthy living

Initiatives of the Meisters of Daily Life

Lion's Meisters of Daily Life, career researchers with specialist expertise, are conducting the following activities in the fields of oral care, healthcare, hygiene, laundry and living care. Meisters of Daily Life research useful lifestyle information to make everyday life healthy and comfortable and share colorful living ideas through various media and events.

Communication with Customers through Workshops



Oral care workshop at an elementary and junior high school (June 17, 2022)



Laundry workshop at a consumer lifestyle seminar (October 5, 2022)



Kaji × Kaji Happy Share Project Housework sharing seminar co-hosted by LION and Akashi City (October 9, 2022)



Hygiene seminar collaboration with a restaurant's website (October 19, 2022)



Seminars covering the healthcare and living care fields were conducted at the event (October 28, 2022)

Communication with Customers Using the “Lidea” Lifestyle Information Website

Lidea is a lifestyle information website aimed at inspiring curiosity about living habits and helping users cherish each day by providing content about Lion products, the technologies behind them, and approaches to daily living. The site provides accurate information that is useful for consumers’ daily living, presented mainly by the Meisters of Daily Life, lifestyle information specialists.

Going forward, Lion will continue to provide information useful for daily living through Lidea and use the information accumulated through Lidea to deepen diverse forms of communication with customers.



🔗 Lidea [Japanese] <http://lidea.today/>

Sustainability Communication Booklet

To help consumers easily and enjoyably understand Lion’s sustainability initiatives, Lion has created a booklet titled “Foundation of Daily Life: In Numbers” (in Japanese). The booklet uses numbers to illustrate a variety of social issues closely related to daily living and highlights the ways that Lion is working to help solve these issues through products, educational activities and communications.

The booklet is distributed at events related to health, cleanliness and the environment, where Lion comes into direct contact with consumers.



[Japanese]

Media for the Visually Impaired

Lion uses a variety of media to provide information for the visually impaired.

The Roots of Our Information Provision

Across Japan, Lion provides everyday household goods, such as detergents, toothpastes, toothbrushes, shampoos and household cleaners. We believe it is our mission to provide such products as well as clear information about them to all customers.



[> The Roots of Our Information Provision \[Japanese\]](#)

Sawatte Wakaru Tooth Brushing Book

In collaboration with Dai Nippon Printing Co., Ltd., Lion issues the *Sawatte Wakaru Tooth Brushing Book*, a health guidebook incorporating universal design with tactile diagrams for the visually impaired.



[> Sawatte Wakaru Tooth Brushing Book \[Japanese\]](#)

Making Products Barrier Free

The page below highlights products developed incorporating a barrier-free perspective and products that visually impaired customers have commented are convenient based on their actual usage experience.



[> Making Products Barrier Free \[Japanese\]](#)

Timeline of Initiatives

The page below provides a timeline of Lion's initiatives aimed at addressing the needs of the visually impaired.



[> Timeline of Initiatives \[Japanese\]](#)

Together with Supply Chains

Sustainability Material Issues 9 Building Responsible Supply Chain Management



Basic Approach

The Lion Group regards the creation of responsible supply chain management through reinforced coordination with materials manufacturers and production contractors as a key issue in its supply chain initiatives. To reduce the negative environmental and social impacts of business activities and advance sustainable mutual business development, we must work with suppliers to evolve our sustainability initiatives based on our [Procurement Principles](#). These principles clearly lay out Lion's policy of considering legal compliance, environmental conservation and respect for human rights when selecting suppliers.

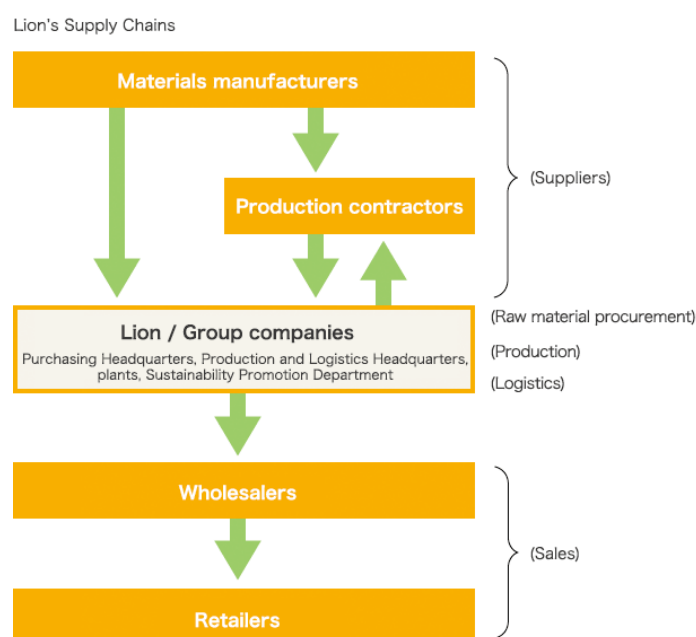
Furthermore, Lion recognizes the importance of promoting the sustainable procurement of palm oil, a key plant-based raw material for the Company, and is advancing initiatives to that end.

Instituting the LION Anti-Bribery Principles

The Lion Group established the [LION Anti-Bribery Principles](#) in January 2019 in light of developments around the world related to strengthening legal regulations against acts of bribery and corruption.

Going forward, we will continue working to ensure that our business activities are fully compliant with the laws and regulations of the countries and regions in which we do business.

Overview and Implementation Framework



Initiatives



Promoting Sustainability with Materials
Manufacturers and Production Contractors




Aiming for Sustainable Raw Material
Procurement



Promoting Sustainability with Materials Manufacturers and Production Contractors

Self-Checks Based on the Lion Group Supplier CSR Guidelines^{*1}

To advance responsible procurement activities, each year the Lion Group asks that the materials manufacturers and production contractors (suppliers) it works with implement self-checks based on the [Lion Group Supplier CSR Guidelines](#) . In this way, we are promoting the creation of frameworks throughout the supply chain to avoid risk related to human rights, labor practices, the environment, fair operating practices, consumer issues and compliance.

Since 2014, we have moved the self-checks entirely online, enabling suppliers to respond more efficiently. We also provide suppliers with feedback based on the self-check results. The result of these efforts is a system that continuously advances CSR procurement. We aim for a 100% response rate every year.

In 2022, Lion Corporation (Korea) requested self-checks from its 129 suppliers, achieving a response rate of 57%. Lion Daily Necessities Chemicals (Qingdao) Co., Ltd., requested self-checks from its 42 suppliers, achieving a response rate of 100%. Southern Lion Sdn. Bhd. requested self-checks from its 71 suppliers, achieving a response rate of 49%.

Additionally, self-checks^{*2} were also conducted by 72 trading partners of Lion Engineering Co., a domestic Group company, achieving a response rate of 99%.

We will continue to promote sustainability initiatives with our suppliers.

^{*1} The Lion Group Supplier CSR Guidelines comprise 21 guidelines under the five categories (Human Rights/Labor Practices, The Environment, Fair Operating Practices, Consumer Issues, Compliance)

➤ [Lion Group Supplier CSR Guidelines and Glossary \(English\)](#) 

➤ [Lion Group Supplier CSR Guidelines and Glossary \(Japanese\)](#) 


➤ [Lion Group Supplier CSR Guidelines and Glossary \(Japanese\) \(Lion Engineering Co. Ltd. version\)](#) 

➤ [Lion Group Supplier CSR Guidelines and Glossary \(Chinese\)](#) 

➤ [Lion Group Supplier CSR Guidelines and Glossary \(Korean\)](#) 

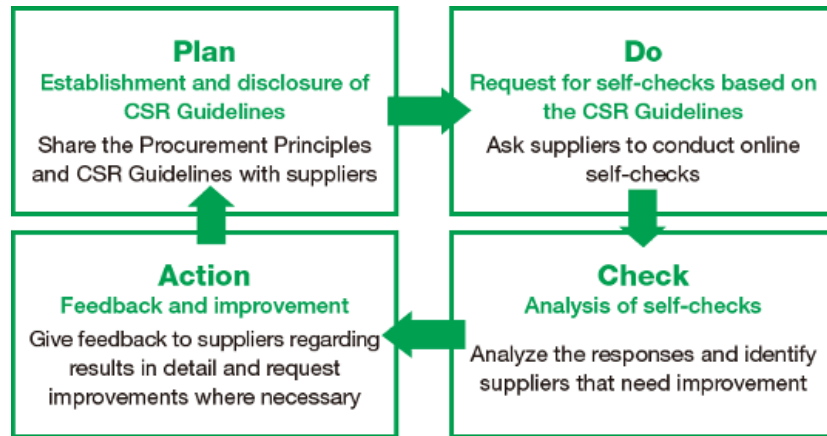
^{*2} Lion Engineering Co., Ltd.'s version of the self-check includes the addition of “Confrontation with antisocial entities: Cut off relations with antisocial entities and reject any unreasonable demands” to item 21.

Timeline of Sustainable and Responsible Procurement Initiatives

2005	Instituted the Basic Policy Regarding Purchasing and implemented appropriate procurement of raw materials and products.
2008	Established the Procurement Principles , which clarify our social and environmental considerations. Conducted a questionnaire survey for domestic and overseas raw material manufacturers and production contractors about their corporate activities regarding legal compliance, product service quality and safety, environmental considerations, labor practices and human rights, and fair trade.
2013	Amended the Procurement Principles and clarified our stance of considering legal compliance, environmental conservation and respect for human rights when selecting suppliers. Instituted the Lion Group Supplier CSR Guidelines  , which specify the sustainability initiatives we expect from raw material manufacturers and production contractors and asked our suppliers to conduct self-checks of their sustainability initiatives.
2014	Introduced an online self-check system.
2018	Lion Corporation (Korea) requested self-checks from its suppliers, expanding the number of countries in which the Group implements self-checks.
2019	<ul style="list-style-type: none"> Established the LION Human Rights Policy and LION Anti-Bribery Principles to clarify our stance on initiatives for sustainable and responsible procurement. Established the Sustainable Material Procurement Policy to advance initiatives aimed at the sustainable procurement of palm oil derivatives and pulp and paper products, which are key raw materials for the Lion Group. Took part in the Supplier Ethical Data Exchange (Sedex)—headquartered in the United Kingdom—in order to further reduce social and environmental risk in purchasing.
2020	Overseas Group company Lion Daily Necessities Chemicals (Qingdao) Co., Ltd. requested self-checks from its suppliers.
2021	Domestic Group company Lion Engineering Co., Ltd. requested self-checks from its suppliers.
2022	Overseas Group company Southern Lion Sdn. Bhd. requested self-checks from its suppliers.

The Lion Group does business with suppliers who have implemented self-checks based on the [Lion Group Supplier CSR Guidelines](#)  .

PDCA Cycle for Self-Checks

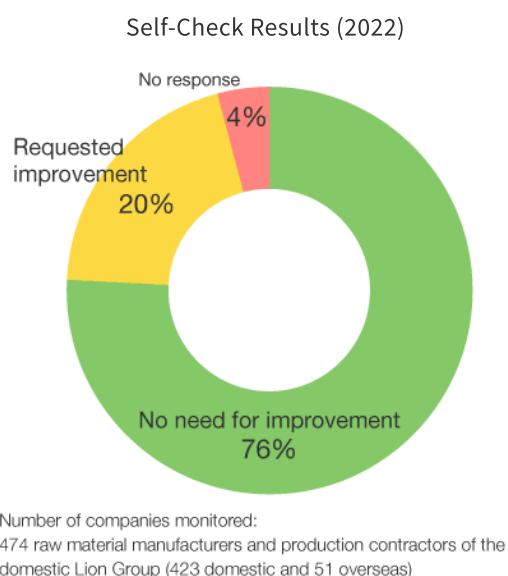


In order to ensure that our suppliers understand the importance of addressing sustainability-related issues, we include a section explaining the situation surrounding sustainability in our self-check request form. The self-check employs a three-step checking standard for each initiative and a detailed glossary.

Number of Suppliers Evaluated and Response Rate (Target: 100% every year)

	Suppliers	Response Rate
2017	625	99%
2018	610	98%
2019	585	99%
2020	574	100%
2021	502	100%
2022	474	96%

Results Summary



- The response rate in 2022 was 96%, and the average score, on a scale of 1 to 3 points, was 2.62, confirming that sustainability measures are being implemented throughout the supply chain.
- There were 21 suppliers that did not respond.

Key Suppliers

The Lion Group considers suppliers from whom it purchases substantial amounts of raw materials and suppliers that cannot be readily replaced to be key suppliers. We monitor the sustainability initiatives of key suppliers on an ongoing basis. Specifically, we define key suppliers as those that provide 80% or more (on a purchase price basis) of a given material used by the Lion Group and suppliers that are necessary to the Lion Group's ability to stably supply products to the market.


Key Suppliers

	Number of key suppliers	Portion of all primary suppliers that are key suppliers	Portion of purchasing that is from key suppliers (monetary basis, among all primary suppliers)
2017	90	14.4%	80%
2018	90	14.8%	87%
2019	90	15.4%	80%
2020	90	15.7%	89%
2021	90	17.9%	89%
2022	90	17.9%	89%

High-Risk Suppliers

After receiving the self-checks, the Lion Group confirms whether or not suppliers are meeting the standards it has set for its key sustainability items. Suppliers with low scores are designated as high-risk suppliers.

Selecting New Suppliers

Before doing business with a new supplier, Lion requires the company to perform a self-check based on the [Lion Group Supplier CSR Guidelines](#)  to confirm that the company meets the standards it has set for its key sustainability items.

Joined Sedex, the Supplier Ethical Data Exchange

Headquartered in the United Kingdom, Sedex is a not-for-profit organization that provides the world's largest platform for managing and sharing ethical supply chain data, with the aim of establishing ethical and responsible business practices in global supply chains. The Lion Group joined Sedex as an AB member at the end of 2019 in order to further reduce social and environmental risk in its purchasing. We encourage our suppliers to join Sedex to reduce the burden of self-checks and request that they use the platform provided by Sedex to submit their annual self-check responses. Of Lion's 90 key suppliers, 18 are using the Sedex platform (as of December 31, 2022). Going forward, we will continue to reinforce and enhance supplier management and risk management.



Employee Training on Sustainable Procurement

Lion provides sustainable procurement training to every purchasing department employee who is involved in buying. We also hold study groups to help employees obtain certification under the Certified Procurement Professional (CPP) system offered by the Japan Management Association.* Participants not only learn buying operation management and gain practical knowledge, they learn about the importance of procurement that takes into account the environment, ethics, safety and hygiene, human rights and other such factors as well as about working with suppliers.

When selecting suppliers and setting pricing and other terms, we always enter into agreements through negotiations rooted in fairness and transparency. We thoroughly enforce compliance with the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors through such means as training for Purchasing Headquarters employees.

In response to growing calls for CSR procurement, going forward, we will advance human resource development, including proactively sending employees to seminars related to purchasing and procurement.

* CPP: A qualification for persons involved in corporate purchasing and procurement indicating that the holder has acquired specialized knowledge in the field of purchasing and procurement.

 [CPP qualification website \[Japanese\]](#)

Aiming for Sustainable Raw Material Procurement

Sustainability Material Issue
Management

Building Responsible Supply Chain

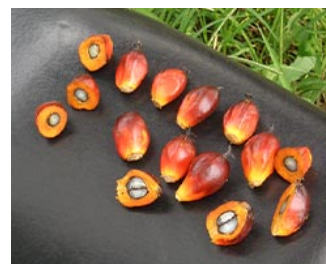


Approach

The Lion Group aims to contribute to the achievement of the Sustainable Development Goals (SDGs), a set of shared worldwide goals for 2030. However, palm oil derivatives and pulp and paper products, which are key raw materials in the Lion Group's products, present risks related to raw material procurement to sustainable development in terms of human rights, labor issues and environmental issues. To address these risks, we have established the [Sustainable Material Procurement Policy](#). Based on this policy, we are advancing initiatives aimed at the sustainable procurement of palm oil derivatives and pulp and paper products.

Sustainable Palm Oil Procurement

The Lion Group is proactively advancing the utilization of plant-derived materials that are carbon neutral and non-depletable. Among the plant-derived materials that Lion uses are derivatives of palm oil—the world's leading vegetable oil in terms of production volume. Palm oil is produced in principally Malaysia and Indonesia.



The Raw Material Behind Palm Oil: Oil Palms

Palm oil production is increasing year by year, partly because oil palms (the source of palm oil) are highly productive and can be harvested throughout the year. However, with the rapid expansion of production, a number of issues have arisen in producing regions, such as the destruction of tropical rainforests and wildlife habitats as land is cleared for the development of new plantations. Furthermore, improper farming operations involving a wide range of human rights and labor abuses that reflect a lack of social justice have been identified. These include poor labor conditions with inadequate consideration given to health and safety, low wages, improper treatment of immigrant workers and the use of child labor.

Since 2006, Lion has been a member of the “[Roundtable on Sustainable Palm Oil \(RSPO\)](#)”,^{*1} which works toward the resolution of such issues. In 2012, the Oleochemical Production Site of Lion Chemical Co., Ltd., a domestic affiliate that procures palm oil from Malaysia and Indonesia, passed the RSPO's supply chain certification system^{*2} inspection and was certified as a plant that may handle RSPO-certified palm oils. Accordingly, Lion Group started procuring RSPO-certified palm oils from 2012. The Lion Chemical Corporation Fine Chemical Production Site received RSPO supply chain certification in March 2020, and Lion Corporation and all its plants (the Chiba Plant, Odawara Plant, Osaka Plant and Akashi Plant) were certified in August 2020. Moreover, Lion Specialty Chemicals Co., Ltd. was certified in June 2022.

The Lion Group's aim for the end of 2030 is to ensure RSPO certification for all the palm oil derivatives it uses. As of the end of 2022, Lion had switched to RSPO-certified products for 99% of its domestic key raw materials.

Furthermore, regarding the palm oil derivative used in its consumer products, the Group's aim is to purchase only oil that can be traced to sustainability-conscious mills. To ensure traceability, the Group discloses a mill list detailing the key materials procured from its primary suppliers.

[> Mill list](#) 

Going forward, we will continue to work to procure sustainable palm oil.

*1 [The Roundtable on Sustainable Palm Oil](#)

The Roundtable on Sustainable Palm Oil (RSPO) believes that for palm oil production to be sustainable, it must not only be compliant with relevant laws and regulations, but economically sustainable, environmentally appropriate and socially beneficial. These requirements are laid out concretely in the RSPO Principles and Criteria. Only palm oil produced in accordance with these seven principles and 40 criteria can be RSPO-certified.

*2 RSPO Supply Chain Certification

This system certifies that RSPO-certified raw materials have a reliable delivery system in place throughout the entire supply chain, after audits by external auditors.



RSPO Supply Chain Verification certificates of the Lion Chemical Co., Ltd. Oleochemical Production Site and Fine Chemical Production Site

RSPO Supply Chain Verification certificate of Lion Corporation and all its directly owned plants

RSPO Supply Chain Verification certificate of the Lion Specialty Chemicals Co., Ltd.

Sustainable Pulp and Paper Procurement

Pulp and paper are used in the manufacture of the Lion Group's product packaging, booklets and pamphlets as well as in the copy paper and other office supplies the Company purchases. In order to better protect biodiversity in the procurement of these materials, based on the [Sustainable Material Procurement Policy](#), we are advancing the procurement of third-party-certified paper products. As of the end of 2022, 99% (by weight) of such products procured from domestic manufacturers was third-party certified, and 65% (SKU) of packaging materials for major products was third-party certified. In addition, we have identified the country of harvest's administrative divisions (states, provinces, etc.) for 100% of the woodchips and pulp used in our product packaging.

Participation in External Supply Chain Initiatives

Lion has been a member of the [Roundtable on Sustainable Palm Oil \(RSPO\)](#), an international initiative, since 2006. Furthermore, since 2012, Lion has taken part in the Supply Chain Subcommittee of the Global Compact Network Japan, contributing to the preparation of various publications, such as an introductory text on CSR procurement.



[Roundtable on Sustainable Palm Oil \(RSPO\)](#)



[Japan Sustainable Palm Oil Network \(JaSPON\) \[Japanese\]](#)



[United Nations Global Compact \(UNGC\)](#)

Holding the 12th Regional Purchasing Manager Meeting

The Lion Group holds the Regional Purchasing Manager meeting annually with the goals of reducing costs at the overall Group level and reinforcing communication between the purchasing staff of participating companies by fostering personal connections.

In 2022, the conference was held online in September, with participation from six countries, including Japan. At the meeting, the 12th of its kind, representatives from each company reported on their use of such sustainable packaging materials as mono-materials and recycled plastics as part of their ESG initiatives, challenges their Purchasing departments have been facing due to the COVID-19 pandemic, their cost reduction efforts and other issues in addition to sharing information. We will continue to support the purchasing activities of each company to strengthen the purchasing power of the entire Group.



Participating purchasing staff of each company at the online meeting

Participating Overseas Group Companies

- Lion Corporation (Thailand) Ltd.
- Southern Lion Sdn. Bhd.
- PT. Lion Wings
- Lion Corporation (Korea)
- Lion Daily Necessities Chemicals (Qingdao) Co., Ltd.

Green Purchasing

The second item of Lion's [Procurement Principles](#) states that Lion shall "Rationally select business partners not only on the basis of quality, cost and timely delivery, but also regulatory compliance, environmental protection, labor, and human rights, to fulfill our responsibility to customers and to create a sustainable, healthy society." In line with this principle, we promote environmentally friendly green purchasing on a Company-wide basis.

Along with green purchasing, we are committed to using environmentally friendly office supplies, including notebooks and company envelopes made from recycled paper and FSC certified paper. In addition, with the relocation to the new headquarters, we have shifted from a conventional purchasing model with multiple departments ordering such supplies independently to one in which a concierge counter handles bulk purchases, helping to regulate the overall volume of office supplies in stock.

Transition to Biomass Inks for Product Packaging

Products with reduced environmental impact are required if we are to minimize environmental problems such as marine plastic pollution and global warming. With this aim in mind, Lion has started using biomass inks* made from plant-based raw materials for some of the color inks used in product packaging (pouches, shrink films, attention seals, labels, etc.).

* Inks designed with biomass-derived raw materials as a portion of the resin component and comprising more than 10% plant-based ingredients in the ink film once dry.

Together with Employees

Sustainability Material Issue 3-7



Basic Approach

One of the growth strategies of Lion's Vision2030 is "Generate dynamism to realize innovative change." Under this strategy, we aim to have all employees spurring on one another in their respective growth processes and operating as autonomous individuals in order to generate waves of innovative change; that is, dynamism, across the organization as a whole. To do so, we are promoting corporate branding based on understanding of and resonance with our purpose—make a difference in everyday lives by redesigning habits: ReDesign—to help employees feel real value in working for Lion, thus improving employee engagement. Furthermore, in addition to our efforts to create employee-friendly workplaces from the perspective of human resource development—in everything from hiring to training, compensation and the fostering of healthy habits—we also aim to increase productivity and create new value by instilling a sense of professional fulfillment in every employee.

Through further advancement of corporate branding and LION Professional Fulfillment Reforms*, we are helping employees fully display their diverse capabilities to form a collective of human resources that will embody our purpose. In this way, we will continue to transform for sustainable growth.

* Initiatives to increase the professional fulfillment of each and every employee, develop personnel who generate new value and improve labor productivity.

Overview

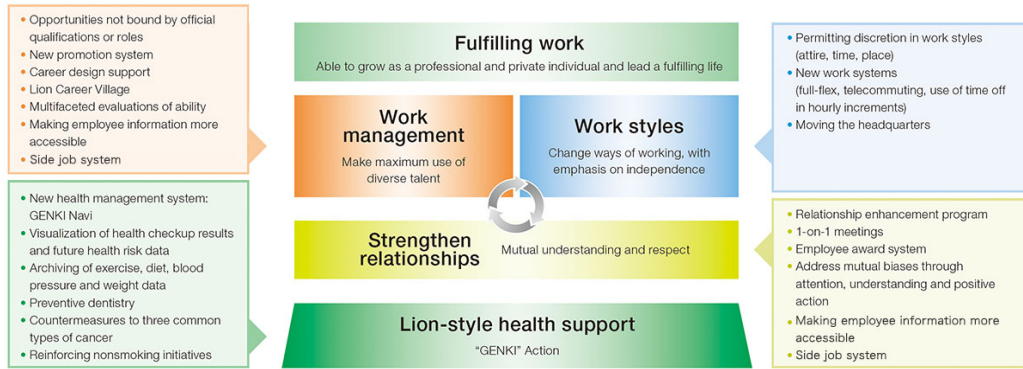
We are advancing a variety of initiatives rooted in the common approach of activating individuals and organizations. In addition to efforts to enable diverse human resources to succeed, promote diverse work styles and develop independent human resources, we aim to realize better workplace environments by maintaining and enhancing labor-management relations, health and safety (Figure 1).

Furthermore, via the Lion Professional Fulfillment Reforms, we are offering a wide range of options and opportunities for employees based on four overarching themes aimed at making maximum use of diverse talent. By doing so, we are working to create environments that allow employees to utilize their own strengths, find the work styles that best suit them and better coordinate with others (Figure 2).

Figure 1. Initiatives to Activate Individuals and Organizations



Figure 2. Lion Professional Fulfillment Reform Framework



Initiatives



Developing Human Resources



Promoting Work-Life Enrichment



Promoting Diversity and Inclusion



Improving Employee Health



Enhancing the Occupational Safety Management System



Labor-Management Relations

Developing Human Resources

Sustainability Material Issue

Developing Human Resources

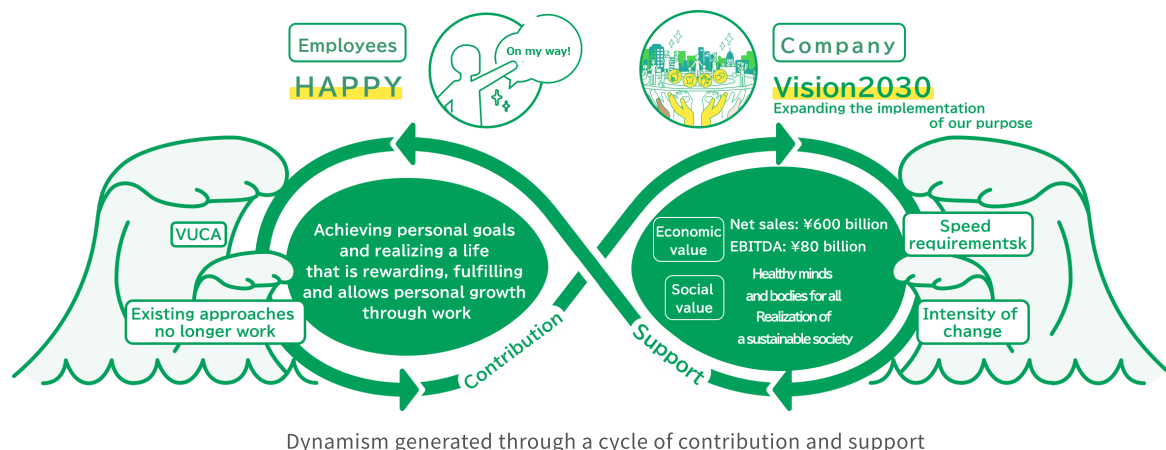


- ✓ Approach ✓ Lion's Ideal Human Resources
- ✓ Human Resource Development to Support Career Autonomy ✓ Career Autonomy Support Measures
- ✓ Human Resource Development Programs

Approach

The core concept of the Lion Group's human resource development is to generate human resources who proactively think and take action regarding their careers, work and work styles and engage in their work productively.

To put our purpose, "Make a difference in everyday lives by redesigning habits: ReDesign," into action, it is essential that each and every one of our employees is able to achieve a clear sense of professional fulfillment as well as ongoing personal growth and self-realization. We aim for all employees to operate as autonomous individuals, spurring one another on in order to generate dynamism across the organization as a whole. In this way, we seek to become an advanced daily healthcare company and contribute to the realization of healthy minds and bodies for all consumers.

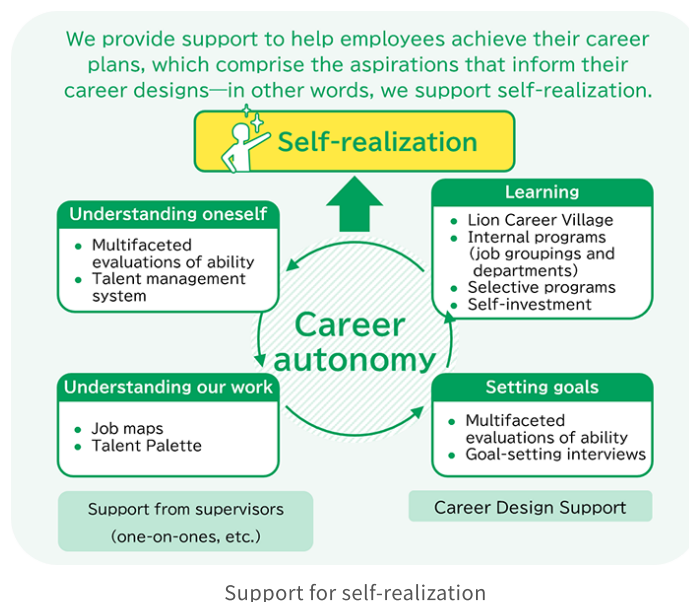


Dynamism generated through a cycle of contribution and support

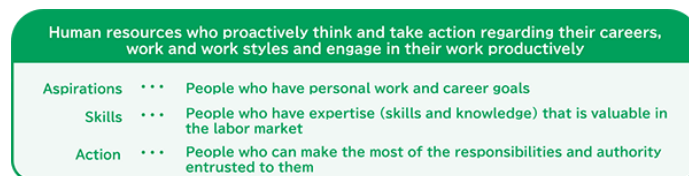
The Lion Group strives to foster habits that allow employees to feel secure and take on challenges so that they can realize career autonomy and exercise their diverse abilities. By doing so, we aim to develop human resources who generate innovative dynamism.

In addition to offering support that facilitates individual self-realization, the entire Company strives to foster a culture that encourages employee growth and to strengthen relationships between supervisors and subordinates. In this way, we strive to provide conditions that enable employees to feel secure across all departments.

To enable employees to realize the careers they have designed for themselves, we provide human resource development support that empowers them to grow through the autonomous acquisition of knowledge and experience and thus make maximum use of their diverse talents.



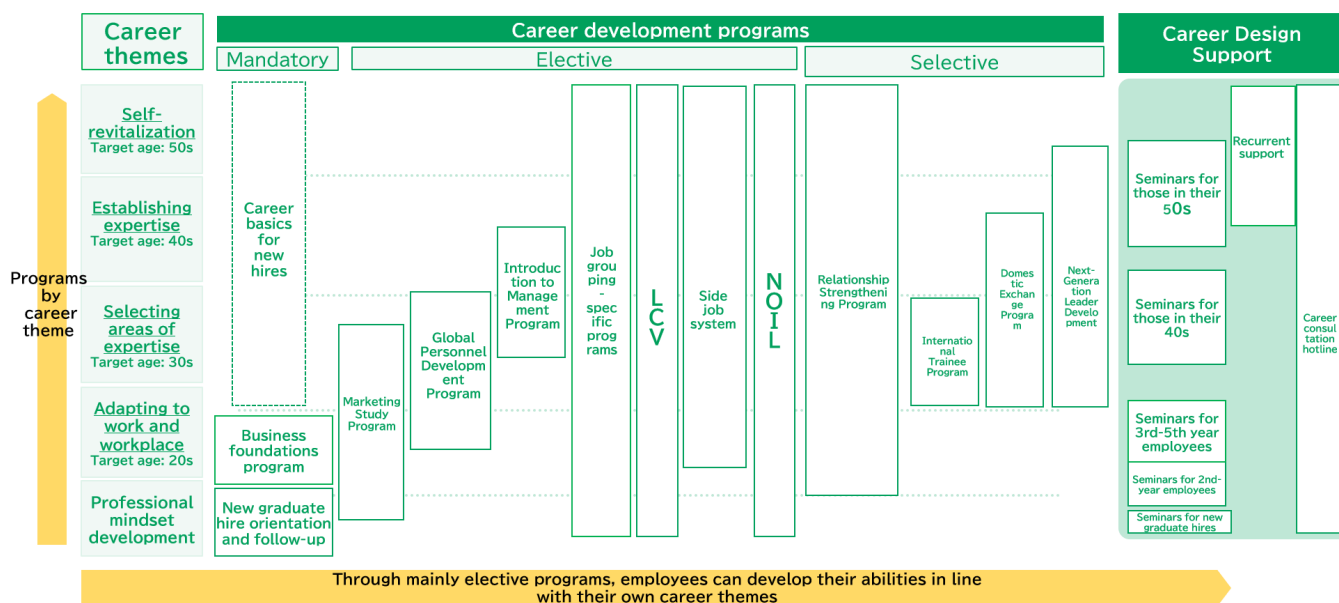
Lion's Ideal Human Resources



Human Resource Development to Support Career Autonomy

Key Points

Lion offers programs, most of which are elective, by career theme. Through these programs, we advance human resource development tailored to the growth of each individual employee.



Map of human resource development programs

- To nurture highly competent professionals, we implement human resource development through the head office, job groupings* and departments.



* Job groupings are cross-departmental categorizations of roles and job types that require similar expertise. The groupings serve to drive human resource development aimed at increasing expertise in specific areas and are utilized in coordination with the personnel-related initiatives of the head office and individual departments.

Career Autonomy Support Measures

Multifaceted Evaluations of Ability

One of the four overarching themes of the [Lion Professional Fulfillment Reforms](#) is Management. As a measure in this area, we carry out multifaceted evaluations of ability, providing an impetus for employees to autonomously grow and work in ways that better suit them.

Once a year, employees and their colleagues evaluate their behavioral characteristics and receive feedback from their supervisors. This initiative, adopted from fiscal 2021, helps spur self-directed, autonomous growth.

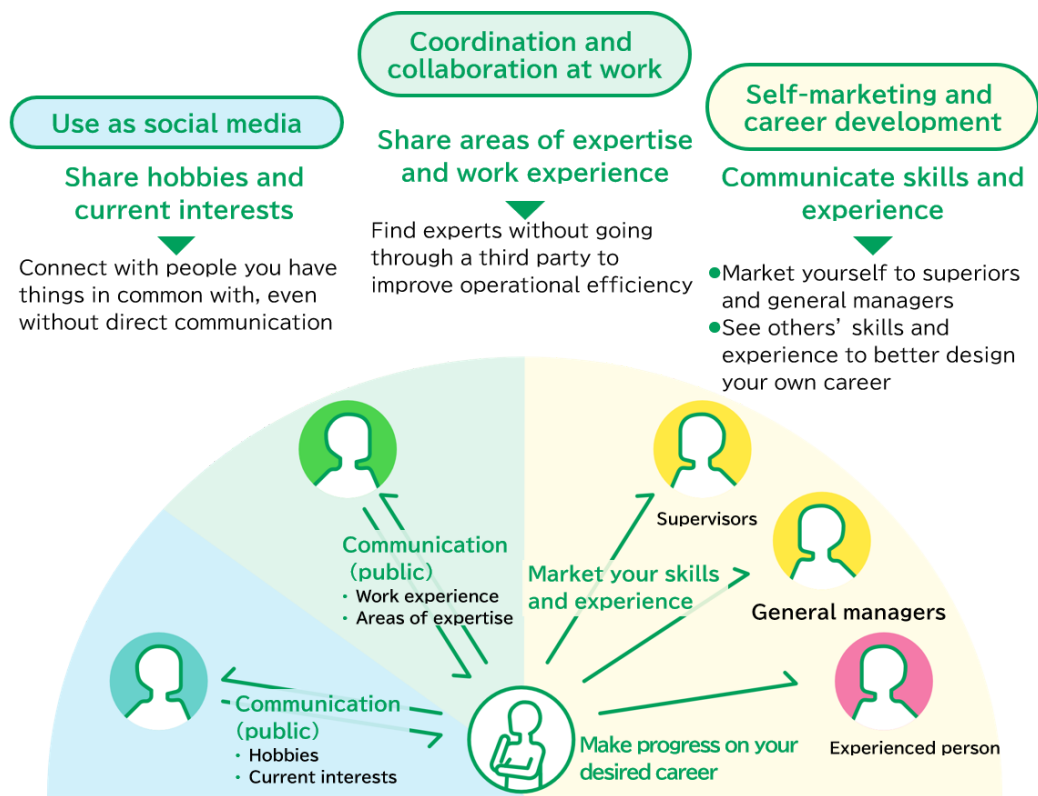


Multifaceted evaluations of ability provide material for use in helping employees grow both autonomously and with the guidance of supervisors

Talent Management System

One of the overarching themes of the [Lion Professional Fulfillment Reforms](#) is “Strengthen relationships.” Efforts in this area include the adoption of a talent management system that gathers existing data on individuals and organizations and enables them to register and broadcast additional information themselves.

Functioning like an internal social media platform for finding as well as connecting and collaborating with others, the system helps create opportunities to strengthen relationships.



The talent management system serves as a tool for communication

Job Maps

Job maps provide, on a single sheet, a clear visual explanation of the delineation of duties within each department, serving as an easy-to-use alternative to conventional detailed written explanations of duties by theme.

Introduced in January 2023, job maps include information on the specific duties of each role and the skills and competencies they require. This enables employees to take steps to prepare themselves for the career path they aspire to and is aimed at promoting self-development, ingenuity and ambitious effort.

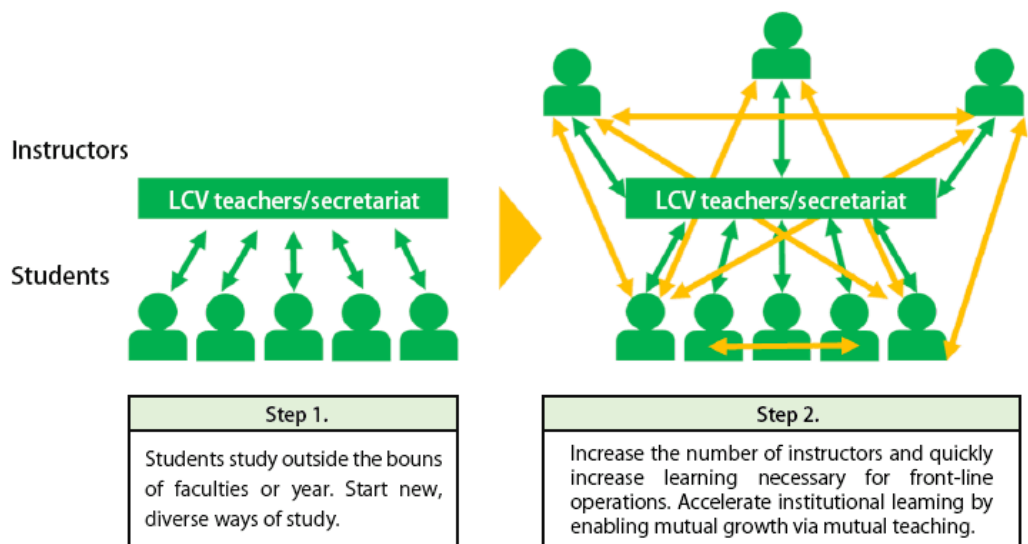
Lion Career Village (LCV)

Since 2019, to adapt to changing modes of learning while creating new learning opportunities, we shifted from conventional level-specific training to a more self-directed mode of learning via Lion Career Village (LCV), our platform for learning.



LCV offers programs divided into e-learning (mainly video content) and small group discussions. Users can access and learn from approximately 4,000 units of online content and discussion-style programs encompassing knowledge from within the Group and outside.

Going forward, to help employees gain knowledge that will further expand the breadth and depth of their work and with an eye to accelerating institutional learning, we will create environments that enable them to teach one another and share what they have learned.



Enhancing Lion Career Village (LCV)

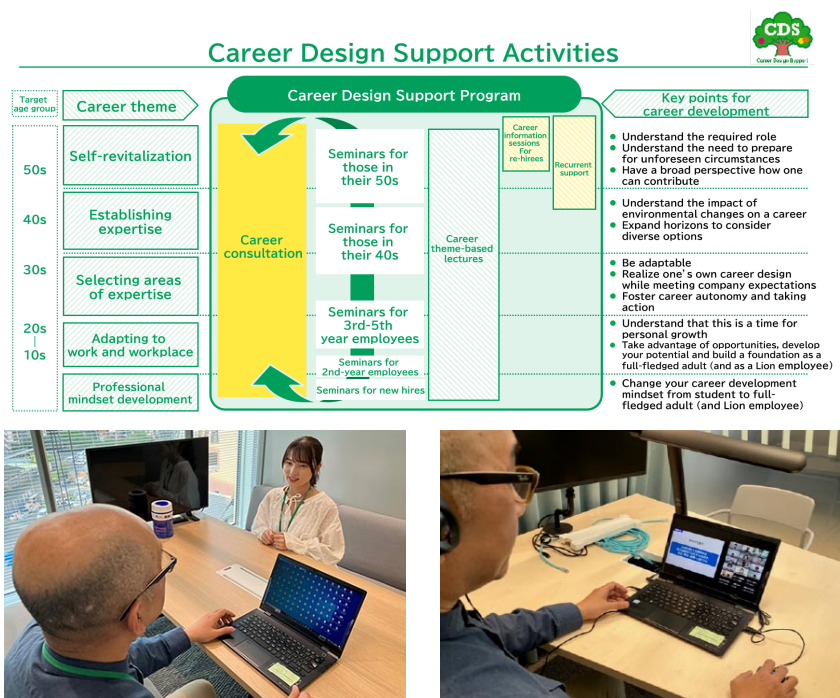
Going forward, we will continue to improve work environments that promote ambition and creation to help all employees advance their careers in an effort to reinforce front-line capabilities.

Human Resource Development Programs

Career Design Support

Lion has established the Career Design Support hotline to help employees practice conscious autonomy that will enable them to advance their careers based on their own aspirations and actions. The hotline allows employees to seek consultation about their careers and provides information from within and outside the Company, helping employees design their careers and rediscover their own potential.

We also hold career seminars for specific age groups and offer lectures on specific career themes to meet employees’ particular needs while helping them develop an awareness of the ways in which they can leverage their unique strengths and experience in their careers.



Orientation Program for New Graduate Hires

Purpose: Instilling an adult mindset and an understanding of the business structure while building a foundation for career autonomy

Overview: For all new graduate hires of all job types, we provide a curriculum that not only encourages a shift from the mindset of a student to that of a full-fledged adult but also incorporates a breadth of on-site experiences to promote an understanding of business structure.

Follow-up Program

Purpose: Providing opportunities for employees to review day-to-day tasks as well as to reexamine their individual aspirations and values and then utilize the realizations gained to design their own careers

Overview: We provide a curriculum centered on supporting junior employees (employees hired as new graduates in their first and second years with Lion) in designing their careers.

Marketing Study Program

Purpose: Providing study opportunities to enhance understanding of marketing for interested individuals

Overview: The Marketing Study Program has been implemented continuously in the Marketing Division since 2014. This program offers opportunities for the systematic study of such topics as practical marketing theory and planning design based on consumer insights and competitive strategies. The program also serves to develop marketing personnel in accordance with individual career paths.

Global Personnel Development Program

Purpose: Building the knowledge, insights and connections needed to forge autonomous careers by imparting basic skills necessary in globally capable personnel and an understanding of the Lion Group's overseas business in Asia

Overview: The Global Personnel Development Program was launched in 2021 to further expand Lion's overseas business in Asia. The program's training curriculum encompasses problem solving, understanding cultural differences and learning foreign languages as well as visits to overseas locations. Through the program, we are developing globally capable human resources who can excel across Asia, including Japan, based on outstanding expertise.

Introduction to Management Program

Purpose:

1. Understanding the roles expected of upcoming managers
2. Acquiring interpersonal management skills through both theoretical understanding and hands-on learning
3. Enhancing participants' understanding of Lion's corporate governance while instilling an awareness of proactively modeling compliance
4. Understanding managers' responsibility to look out for the mental health of subordinates and putting that responsibility into practice in the workplace

Overview: Comprising the Management Skill Training Program and Leadership Training Program, this program aims to impart both the knowledge and practical skills necessary for interpersonal management in management positions, covering such topics as compliance, understanding business conditions and looking out for the mental health of subordinates.

Side Job System

In 2020, we introduced a side job system (in which employees can either devise their own side job or choose from a number of options) to create opportunities for employees acting with conscious autonomy to gain knowledge and experience. Pursuing a side job can be an opportunity for employees to expand their own potential and take a fresh look at their own abilities. As such, we are both granting employees permission to work side jobs outside the Group and recruiting outside talent to work side jobs at Lion. By gaining experience outside the Company, employees can grow and evolve while expanding the breadth of their career and career options. Furthermore, we aim to leverage the external knowledge and connections that employees build through their side jobs to help create new value.

Expected Benefits

- Employees will build relationships outside the Group and broaden their horizons externally, enabling them to expand the breadth of their careers and grow as individuals. They will then be able to apply the experiences gained to their work at Lion.
- Lion will gain skills, knowledge and experience that it lacks internally.

NOIL

Under the theme of going beyond conventional healthcare wisdom, we launched NOIL, a program for selecting and implementing new business ideas in 2019, with the aim of continuously creating businesses that offer new value.



Held every year, the program has run three times thus far, each year collecting ideas based on diverse perspectives from among employees in not only the R&D Division and Marketing Division, but divisions across the Company, including sales divisions and the Production and Logistics Headquarters. The applicants examine issues faced by society and consumers and, on their own, come up with ideas aimed at resolving them that they turn into business proposals. To commercialize the ideas for new products and services that management and outside experts select as promising, the employees who submitted the ideas that are chosen are transferred to the Business Development Center, where they take a central role in building their new businesses.

Overall flow of the NOIL program



Commercialized Business: Kyuzituhack

I worked in sales for eight years after joining Lion, but I decided to apply to the NOIL program because I wanted to create a business based on my own ideas in order to offer something exciting to the world. I proposed a service, *Day Off Hack!*, to help customers mix up their stale regular routines. My idea was selected for development through NOIL in December 2019.



Kazuki Tanaka
Kyuzituhack Co., Ltd.

We established Kyuzituhack Co., Ltd. with venture capital funding, and I was appointed its president. I had my hands more than full, what with establishing the company, running it as president and developing its business. First, we developed *Day Off Hack!* (released October 2020), a service that connects users with interesting things to do outside the home. Then, in response to growing demand driven by the COVID-19 pandemic for home-based alternatives, we released *At-Home Hack!*, a service that delivers kits that provide fun, unexpected experiences that can be enjoyed at home (released March 2021). Since their release, the services have been well received, with more than 40,000 registered users.

Since 2022, we have been working on *Machi Hack!*, a service for creating experiences involving entire neighborhoods. This, too, has garnered positive feedback from customers.

Through services that offer encounters with new things you wouldn't think to seek out yourself, I hope we can offer new living habits and value in a fun and enjoyable way.



[Kyuzituhack \[Japanese\]](#)

Relationship Strengthening Program

Purpose:

1. Reviewing operational management and interpersonal management to redefine personal goals
2. Reconsidering the roles expected of colleagues and subordinates and reestablishing one's own goals as a manager
3. Enhancing management and leadership skills through both theoretical understanding and hands-on learning

Overview: In line with [Lion Professional Fulfillment Reforms](#), we are reinforcing initiatives to strengthen relationships as a foundation for promoting and enhancing the effectiveness of various measures related to skill development, work styles and work management.

Domestic Exchange Program

This program dispatches employees to business schools in Japan to acquire MBAs. Candidates are selected from among employees who have a strong desire to learn new skills and who have been with Lion for at least three years.

Next-Generation Leader Development

This program selects and trains highly skilled personnel to lead organizations.

Promoting Work-Life Enrichment

Sustainability Material Issue 4 Promoting Work-Life Enrichment



- ✓ Realizing Mid- to Long-Term Life Plans (Balancing Work and Nursing/Childcare)
- ✓ Workstyles That Help Realize the Daily Lifestyles That Employees Seek

In order to utilize the power of our human resources, it is necessary for a diverse range of people to demonstrate their diverse abilities and work in their own way. For this reason, we view work and life as one, and aim to create an environment that helps employees fulfill their ambitions through synergy between work and private life. We are committed to creating an environment in which each employee can realize their ambitions in life. To this end, we provide a variety of support services to help each employee realize their mid- to long-term life plan and daily lifestyle.

Realizing Mid- to Long-Term Life Plans (Balancing Work and Nursing/Childcare)

For individual employees to be able to realize their mid- to long-term life plan, it is necessary to expand the range of life planning options for events that have a large impact on life, such as childcare and nursing care.

Programs to Support a Balance Between Work and Nursing Care

Lion has enhanced support for employees engaged in nursing care of family members as part of efforts to create an environment that allows employees to continue to work with peace of mind while handling such responsibilities. In addition to ordinary annual paid leave, we have in place programs to support nursing care providers, including nursing care leave of up to 365 days, shorter work hours for nursing care (short hours flextime system), short-term nursing care leave and accumulated leave for nursing care (accumulated expired annual paid leave). Furthermore, we have set up a support website targeting employees aged 40 and over to better provide information on nursing care, including videos of caregiving seminars for managers and individuals.

Programs to Support a Balance Between Work and Nursing Care

Nursing care	365 days of nursing care leave	<ul style="list-style-type: none">Up to a total of 365 days of leave in one-day units may be taken per family member requiring nursing care (in accordance with laws and regulations, this is available up to three times per employee)
	Shorter work hours for nursing care (short hours flextime system)	<ul style="list-style-type: none">Employees may reduce their work hours (by up to two hours per day) as long as necessary to provide nursing careMay be used in combination with the flextime system
	Short-term nursing care leave	<ul style="list-style-type: none">Employees may take up to five days per year to provide nursing care for one family member or up to 10 days per year to provide nursing care for more than one family member
	Accumulated leave (Close relative nursing care)	<ul style="list-style-type: none">Accumulated expired annual paid leave (up to 60 days) may be used for the nursing care of close relatives <p>* Accumulated paid leave may also be taken for the employee's own medical care or for volunteering</p>

Programs to Support a Balance Between Work and Childcare

Lion is proactively enhancing its programs that support employees who are balancing work and childcare. We are expanding related programs in line with our action plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on Promotion of Women's Participation and Advancement in the Workplace and working to increase awareness among employees. As a result of these efforts, in 2022, 93% of eligible female employees (full-time employees only, excluding full-time contract employees) took childcare leave. The number of male employees taking childcare leave is rising at 68% across a wide range of departments.*

* Based on calculations of the percentage of care leave used in accordance with the Child Care and Nursing Care Leave Law

Employee motivation often falters during the early childcare years. Lion offers support for employees to help develop their careers while raising small children. For example, we have set up a website offering information for employees returning from childcare leave and raising small children as well as support for employees wanting to learn new skills while on childcare leave. To ensure proper understanding of the programs available, we hold individual orientations, attended by eligible employees and their supervisors, as well as pre-reinstatement seminars and post-reinstatement interviews in order to facilitate a smooth return to work and support ongoing career development.

Furthermore, to promote the professional participation and advancement of employees who are raising children, Lion offers a new work style—the short hours flextime system—combining the reduced work hours system and flextime system (the flextime system applies to all employees, excluding those working in certain workplaces at plants).

Programs to Support a Balance Between Work and Childcare

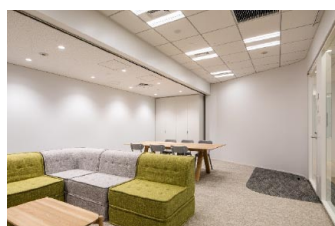
Childbirth	Maternity leave	<ul style="list-style-type: none"> • Six weeks before and eight weeks after childbirth (paid)
	Special leave for spouse's childbirth	<ul style="list-style-type: none"> • Two days (paid, with bonus)
Childcare	Special leave for childbirth	<ul style="list-style-type: none"> • Taken within 8 weeks of the expected delivery date or actual delivery date, whichever is later • Up to 28 days • Can be taken in two parts • First two weeks of initial leave* are paid, bonus deducted
	Childcare leave	<ul style="list-style-type: none"> • May be taken until the child is two years old • May be taken in two parts until the child is one year old • Can be taken in turns by parents between one year and one year and six months, and one year and six months to two years • First two weeks of initial leave* are paid, bonus deducted
	Shorter work hours for childcare	<ul style="list-style-type: none"> • Employees may reduce their work hours by up to two hours per day until the child finishes first grade • May be used in combination with the flextime system
	Exemption from overtime work	<ul style="list-style-type: none"> • Employees with children below elementary school age may apply for exemption from overtime work
	Leave to nurse sick children	<ul style="list-style-type: none"> • Employees may take leave in hourly units to care for injured or sick children below elementary school age (paid) • Employees may take up to five days per year for one child below elementary school age or up to 10 days per year for more than one such child

* Initial leave is the first leave taken, either for childbirth leave or childcare leave

[Employee Benefits \[Japanese\]](#)

Creating Comfortable Working Environments

When Lion relocated its head office in 2023, it installed family rooms and nursing rooms to enable employees who are raising children to work with peace of mind, as well as enable them to bring their children to work as necessary. Family rooms are primarily for use by employees who bring their children to work, but can also be used as regular meeting rooms. Nursing rooms have been set up for breastfeeding, pumping and lactation, and are used to support health and childcare for employees returning to work during the breastfeeding stage.



Family room



Nursing room

Initiatives Based on the Act on Advancement of Measures to Support Raising Next-Generation Children

Lion is aggressively working to create environments that allow employees to work while raising children so that all employees can exercise their abilities to the fullest.

As a result, Lion has fully accomplished the first five phases of its Action Plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children and received Kurumin certification for each. Through such initiatives as encouraging the use of childcare-related systems, providing support for smooth reinstatement after childcare leave and encouraging male employees to take parental leave, we have achieved a 100% retention rate for female employees one year after giving birth and a 71% usage rate for childbirth leave or parental leave among male employees (for the period of April 2015 to December 2018).

In addition, under the 5th Phase (covering April 1, 2015 to December 31, 2018) of our Action Plan, we advanced efforts to promote healthy work-life balance among all employees, not only those raising children, such as encouraging the use of annual paid leave and expanding the use of the work-from home system. As a result of these efforts, in 2019, Lion received special Platinum Kurumin certification from the Minister of Health, Labour and Welfare.

Kurumin Certification

2007	1st Phase	Received Kurumin certification as a childcare-supporting company from the Minister of Health, Labour and Welfare
2009	2nd Phase	Received Kurumin certification as a childcare-supporting company from the Minister of Health, Labour and Welfare
2011	3rd Phase	Received Kurumin certification as a childcare-supporting company from the Minister of Health, Labour and Welfare
2015	4th Phase	Received Kurumin certification as a childcare-supporting company from the Minister of Health, Labour and Welfare
2019	5th Phase	Received special Platinum Kurumin certification as a childcare-supporting company from the Minister of Health, Labour and Welfare > News Release [Japanese]



Kurumin certification mark



Platinum Kurumin

At present, under the 6th Phase of our Action Plan (covering February 1, 2019 to December 31, 2022), we have achieved our goal to create employee-friendly environments that allow employees to work while raising children and exercise their abilities to the fullest. After the 6th Phase is finished, we will continue to utilize our Platinum Kurumin certified system and disclose the required information on the Ministry of Health, Labour and Welfare's website.

[Support for Balancing Home and Work Life Information and Forum \(Ministry of Health, Labour and Welfare website\) \[Japanese\]](#)

6th Phase of Lion's Action Plan Based on the Act on Advancement of Measures to Support Raising Next-Generation Children: Goals and Status of Initiatives

Goal 1

Within the period of the Action Plan, implement support measures to create a working environment in which employees on childcare leave can smoothly return to work.

Initiatives

- 2019: Launched the Lion Career Village and provided support for self-study while on childcare leave and for career development after return to work.
- 2020: Held discussions about career development with internal instructors at pre-reinstatement seminars. Continued to provide explanations of childcare support systems to the supervisors of employees using said systems.

→Launched the Lion Career Village and provided support for self-study while on childcare leave and for career development after return to work. (Begun in January 2019, held annually)

Goal 2

Within the period of the Action Plan, have 13% or more of eligible male employees take childcare leave, one or more such employee takes long-term parental leave and 30% or more of such employees take special leave (for childbirth).

Initiatives

- 2019: Explained childcare leave systems to employees who filed childbirth registrations and to their supervisors and encouraged them to take leave.
- 2020: Began promoting the use of leave systems by featuring employees who have used them in the internal newsletter, thereby sharing real-life experiences of work-life balance improvement.

→In 2022, of the 67 male employees to whom children were born, 46 (68%) took childcare leave, and another 37 (50%) took special leave for the birth. As such, we achieved the target.

Goal 3

Within the period of the Action Plan, promote measures for understanding and use of the work-from-home system and implement for support the establishing the system.

Initiatives

- 2019: Expanded the departments and employees eligible to use the work-from-home system. Promoted understanding and use of the system through mass orientations, workplace orientations, individual meetings and other means.
- 2020: Began promoting the use of leave systems by featuring employees who have used them in the internal newsletter, thereby sharing real-life experiences of work-life balance improvement.
- 2021: Analyzed data on system usage by workplace in order to improve systems.

→In January 2020, we expanded the range of eligible employees to include approximately 70% of our regular employees and full-time contract employees, excluding those working in production divisions. In addition, to promote flexible and autonomous work styles, we have eliminated the previous one day per week limit on telecommuting. In January 2021, we launched the Knowledge Cafe, an internal intranet site about Lion

Professional Fulfillment Reforms, to introduce examples of telework usage and diverse work styles. The telecommuting rate is now around 50%, which allows for a better balance between work and private life.

Perspectives of Employees Balancing Work and Childcare

I used Lion's childcare leave in 2016 and again in 2019 when I gave birth to my children. Lion's various support systems had been well established when I had my first child, but they were further strengthened for my second child, and I felt that they created a very comfortable working environment for mothers. I was very anxious about returning to work after childcare leave because I could not imagine a life of raising two children while working, especially considering that I have not only one child, but also my second child. However, when I attended the Back-to-Work Seminars, I heard stories from more experienced mothers and was able to get a better picture of what it is like to balance work and family life. Talking with other mothers who were returning to work at the same time made me feel like I could do my best, and Lion's systems were being improved, so I was able to look at returning to work in a positive light.

I met my husband while working at Lion, and when I had my second child, he was also able to take childcare leave. The Company as a whole is very supportive of parenting, regardless of gender, so we were able to enjoy raising our children without hesitation, which I appreciated. Now, I am currently utilizing the short hours flextime system, the full flex system, and the telecommuting system. In addition, my superiors and coworkers are very understanding, so I am able to work in a flexible manner, which is very helpful, I feel that I am truly blessed to be able to work while raising my children.



Mariko Watanabe (at the time)
DX Promotion Department

Work Styles That Help Realize the Daily Lifestyles That Employees Seek

To achieve the daily lifestyles that employees seek, it is necessary to reduce overtime and long working hours, make the leave system more accessible and increase flexibility in working hours and locations.

Promoting Work Hour Management and Annual Paid Leave

We have been working to reduce long working hours and encourage employees to take annual paid leave since 2010. Through e-learning programs for employees throughout the Company, covering such topics as compliance, we are promoting understanding of appropriate work management, including work hour management. In addition, in order to achieve our 2023 target of 80% annual paid leave taken, we are implementing initiatives for all employees to take at least 5 days per year under a labor-management agreement.

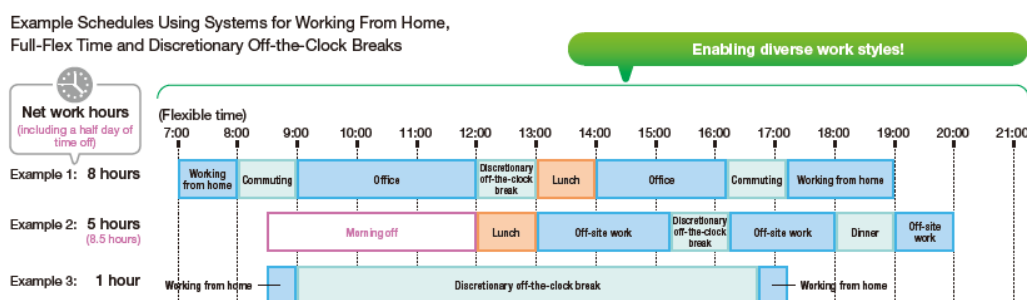
Rule Revisions to Promote Independent Work Styles

In 2015, we introduced a work-from-home system that promotes flexible work styles not bound to specific workplaces. This was done with the aims of accommodating autonomous work styles in line with the diversity of our employees and increasing productivity. In 2019, we improved our work-from-home related systems and their operation, including encouraging participation in the 2019 Telework Days campaign.^{*1} By the end of 2019, trial implementation had expanded to the point that the portion of employees who had used the work-from-home system at least once had grown to 49%.

To prevent the spread of the COVID-19 pandemic in 2020, the adoption of work styles that do not require employees to be present in offices or commercial premises was rapidly expanded, and digital tools were adopted throughout the Company. In January 2021, we reinforced our telecommuting and full-flex systems (eliminating core time and enabling employees to take discretionary off-the-clock breaks) in response to shifts in work styles due to the COVID-19 pandemic. This shift toward more independent work styles that accommodate diverse needs has resulted in a usage rate for these systems of around 50%.^{*2} The practice of work styles suited to individual needs continues to take root, helping improve professional fulfillment. Furthermore, because it is difficult to enable production site employees to freely set their own hours, we have established a system for such employees to take time off in hourly increments. This system makes it easier for employees to balance their private lives and work, helping to bolster motivation.

^{*1} The Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry, in collaboration with related government agencies and organizations, called on companies to implement telecommuting throughout Japan with the aim of expanding telecommuting nationwide and alleviating transportation congestion during the Tokyo Olympic and Paralympic Games.

^{*2} Excluding periods under state of emergency declarations related to COVID-19 pandemic.

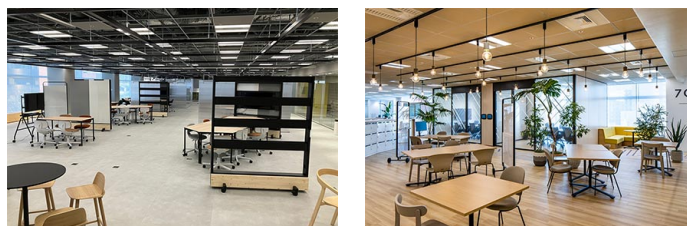


Smart Work

Since 2019, we have been relaxing rules about work attire. This is aimed at enabling employees to practice work styles that spark open innovation and creativity to the greatest extent possible.

In 2023, Lion relocated its headquarters, and the traditional mindset of requiring every employee to come into the office and sit in an assigned seat has been replaced with a work environment that, depending on the nature of their work and their mood, promotes employees' freedom of choice regarding time and place as well as work style, whether in person or from home.

In these and other ways, we are fostering employees who focus their efforts on the essential creative, high-value-added aspects of their work as well as a corporate culture that rewards doing so.



New office of headquarters

Volunteer Leave System

Lion has a special volunteer leave system (up to five days per year) to support employees participating in Company-designated volunteer activities as well as a general volunteer leave system (in which employees can use expired annual paid leave) to support employees participating in volunteer activities of their own choosing.

Japan is frequently affected by natural disasters, such as flooding and earthquakes. Through employees' active participation in activities to promote recovery in affected areas, we aim to contribute to local communities and enhance participants' awareness of social contribution.

From 2020 to 2022, due to the COVID-19 pandemic, the number of employees who participated was 0.



Forest maintenance participants, including employees using the special volunteer leave system

Employees Using Volunteer Leave

	2018	2019	2020	2021	2022
Users (days taken)	13 (16days)	15 (19days)	0	0	0

Employee Awareness and Behavior Survey

Since 2013, we have conducted an annual employee awareness and behavior survey of domestic Group employees in order to confirm changes in employee awareness and behavior, with the aim of achieving a state in which every employee feels fulfillment in their work. The results of the survey are used for measures to improve job satisfaction of employees.

Employee Awareness and Behavior Survey*

Employees take pride in their work

		2018	2019	2020	2021	2022
Lion Corporation (excluding employees on loan)	Overall survey response rate	91.5%	85.8%	83.0%	84.3%	89.5%
	Total response rate from men and women employees	96.2%	95.7%	97.3%	80.5%	77.1%
	Male	97.2%	96.5%	97.5%	82.8%	78.2%
	Female	94.5%	94.3%	96.8%	77.0%	78.1%
	Below 30 y/o	94.1%	94.0%	95.3%	74.9%	71.9%
	30–39 y/o	94.8%	93.9%	96.7%	78.9%	76.9%
	40–49 y/o	95.3%	96.1%	96.8%	79.0%	75.9%
	50–59 y/o	97.7%	95.7%	97.9%	84.6%	79.5%
	60 y/o and above	98.1%	98.0%	97.2%	85.4%	82.1%
	Non- Management Positions	95.1%	94.4%	96.6%	77.5%	74.9%
	Management Positions (Including officers)	98.5%	98.7%	98.8%	89.6%	85.1%

* Since the ratio reached close to 100% in 2020, the survey options were modified in 2021 to enable us to create even better working conditions.

Promoting Diversity & Inclusion

Sustainability Material Issue

Promoting Diversity & Inclusion



- ✓ Deepening Understanding of the Importance of Diversity & Inclusion
- ✓ Promoting the Professional Participation and Advancement of Women
- ✓ Promotion of International Employees ✓ Promotion of Mid-Career Hires
- ✓ Actively Promoting the Hiring of People with Disabilities ✓ Diverse Work Styles ✓ Employee Data

Deepening Understanding of the Importance of Diversity & Inclusion

Lion is promoting internal diversity and inclusion in order to improve the creativity of its business activities.

To maintain the sense of urgency required to create new value and address life and social issues, it is necessary to maximize the varied knowledge and experience of our diverse human resources so they are equipped to generate new ideas and innovations. We will create an environment and foster a corporate culture in which employees with diverse values and perspectives, regardless of nationality, gender or other attributes, respect each other and can fully demonstrate their individuality and abilities. Currently, a team responsible for diversity within the Human Resources Development Center is implementing a variety of measures to this end.

Since 2022, Lion has held workshops on unconscious bias for management and department managers. The workshops helped participants gain a proper, deeper understanding of diversity & inclusion, and discussed how everyone holds biases and the effects and issues they can cause. Going forward, we will expand this understanding to every manager and employee, and build an organization that is mutually receptive and where diverse and varied personnel can play an active role.



Unconscious bias workshop

Promoting the Professional Participation and Advancement of Women

Lion recognizes that the professional participation and advancement of women is indispensable to the further enhancement of corporate value and is proactively implementing measures to promote the professional engagement of women.

Based on the Act on the Promotion of Women's Participation and Advancement in the Workplace passed by the Japanese Diet in 2016, Lion is implementing measures to enable the long-term professional participation of women. These include expanding our childcare-related programs and implementing measures to support employees balancing childcare obligations with work.

To narrow the gap in compensation between men and women, the Company provides each employee with learning and fair growth opportunities while also providing training for evaluators aimed at ensuring that gender discrimination and unconscious bias do not affect their judgement of employees with regard to their education and training, care work responsibilities (i.e., home and childcare) and work experience. In March 2020, we endorsed and participated in the activities of "30% Club Japan¹",^{*1} a campaign targeting boards of directors comprising 30% women. The club provides opportunities to participate in meetings with other companies to exchange opinions on women's activities and programs that encourage young women to think about their careers.

In 2022, we launched a mentoring program and empowerment seminars to support leadership development for women and diverse career advancement. Through a range of initiatives, we have increased the proportion of female employees at the management level^{*2} on a non-consolidated basis to 12.8% (at the end of 2022). Looking toward 2030, we aim to advance the professional development and promotion of women on a Group-wide basis, targeting a rate of women in management of at least 30% for the Group and at least 35% for Lion Corporation.

Lion's Action plans based on the Act on Promotion of Women's Participation and Advancement in the Workplace and its Declaration are available on the Ministry of Health, Labour and Welfare's portal site for information about positive action to promote women's participation and advancement in the workplace.

[Lion's entry in the Ministry of Health, Labour and Welfare's database of companies submitting action plans and data based on the Act on Promotion of Women's Participation and Advancement in the Workplace \[Japanese\]](#)

^{*1} A global campaign founded in the United Kingdom in 2010 with the goal of increasing the percentage of women in key decision-making bodies, including boards of directors, to 30%.

^{*2} Personnel holding managerial positions at the level of manager or higher

Act on Promotion of Women's Participation and Advancement in the Workplace General Employer Action Plan

Lion Corporation

Lion Corporate has established the following action plan in order to create environments in which employees with diverse work styles and values can participate and advance, regardless of such factors as nationality, gender or age, and to further increase opportunities for value creation.

1. Plan duration: May 1, 2021 to December 31, 2030
2. Challenges we face:
 - Closing the gap in the proportion of men and women in management positions
 - Creating a corporate culture that respects and leverages diversity

3. Action plan

Target 1: A rate of women in management* of at least 35% by the end of 2030

From 2021:

- Revise evaluation systems to promote the professional participation and advancement of both men and women
- Build a career support system that eliminates bias and enables empowerment (enhance the mentoring system, create development plans that account for life events, etc.)
- Reinforce internal and external communication about management's commitment to promoting women's professional participation and advancement

* At the level of manager or higher, in general

Target 2: For 100% of eligible men to take childcare leave by the end of 2030

From 2021:

- Promote a shift in thinking toward leveraging diversity
- Implement training on unconscious bias
- Reinforce promotional activities to encourage the use of childcare leave
- Provide opportunities for reflecting on employee diversity

Promotion of International Employees

As of the end of 2022, Japanese employees account for 41.4% of the 7,587 employees in the consolidated Group. At overseas Group companies, employees native to those various countries and regions work closely with Asian consumers, proposing better practices and other activities. In Japan, foreign nationals comprise 1.5% of the total number of employees and 0.4% of the total number of managers. We aim to raise the ratio of foreign nationals in management positions to equal that in the total workforce by 2030. These efforts to promote the appointment of international employees are aimed at the achievement of business growth through the realization of a varied and diverse workforce.

Promotion of Mid-Career Hires

In order to further develop our current and new businesses, we are actively hiring and promoting mid-career hires who have experience, skills and expertise not previously available in the Company.

As a result of activities based on the recruitment plan for new graduates and mid-career hires in the medium-term human resources plan, the rate of mid-career employees hired during the three-year period from January 2020 to December 2022 was 33.9%. Furthermore, we are actively re-recruiting people who once left the Company for such reasons as career advancement or family circumstances.

As of December 31, 2022, the rate of mid-career hires to the total number of employees was 27.6%. The rate of mid-career hires in management positions was 11.5%, and we aim to have the same level of mid-career hires in management positions by 2030 as traditional employees.

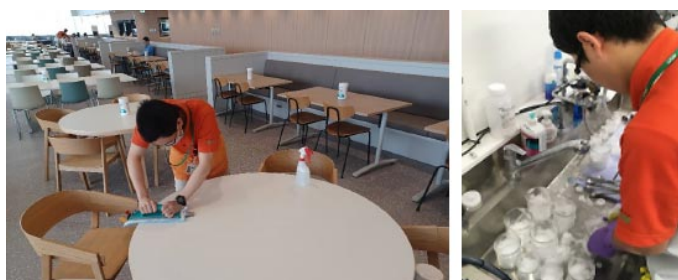
* Employees of the Company (excluding temporary employees, etc.)

Promoting the Hiring and Activities of People with Disabilities

Lion actively recruits people with disabilities year-round. We are committed to creating a work environment that allows people with disabilities to make the most of their individual skills while providing thoughtful employment that matches their abilities.

In April 2016, we established the special subsidiary Lion Tomoni Co., Ltd. as a workplace where people with disabilities who are willing to work can make the most of their individuality and work with stability. The business activities of Lion Tomoni help streamline and rationalize Group operations.

Lion Tomoni Co., Ltd.'s 32 employees with disabilities and ten instructors (as of December 31, 2022) engage in a wide variety of operations, such as cleaning the employee cafeteria and washing laboratory ware, preparing business cards and employee badges, and operating a stationery reuse service. Under the four promises of “safety first,” “act wholeheartedly,” “energetic greetings” and “demonstrating teamwork,” Lion Tomoni will continue to promote the hiring and professional participation of people with disabilities.



Cafeteria cleaning

Diverse Work Styles

Support Systems for Accompanying Spouses on Work Transfer

Since 2011, Lion has offered a spouse relocation support program for married couples who both work for Lion as a way of supporting the diversifying work styles of its employees. From 2022, the program has been expanded to include employees whose spouses work for other companies. When an employee's spouse is transferred to another location, the employee can choose from three options: change their work location, take a leave of absence for up to three years to accompany their spouse, or resign from the Company with the option of being rehired within five years.

Retired Employee Re-Hiring System

Lion introduced a system for re-hiring retired employees in 2006. Under the revised system, the Company seeks to increase the motivation of re-hired employees by providing an environment that allows them to work on terms similar to those applying to ordinary employees. This includes re-hiring all applicants, permitting changes of duties during their contract period and awarding performance-based bonuses. Furthermore, incorporating employee suggestions, the Company conducts explanatory orientations about the system for employees three years before they reach the standard retirement age as well as meetings with their superiors upon re-hiring to help them understand their new roles. In 2022, the re-hiring rate for retirees was 82.0%.

System for Re-Hiring Former Employees

Lion has established a system to re-hire former employees who have voluntarily resigned so that they might leverage their diverse life and career experience and knowledge in working at Lion again.

Regionally Based Employee Program

Lion has offered a regionally based employee program since 2013. This program is aimed at securing outstanding human resources who are contributing greatly from among Lion's pool of temporary employees and enabling regular employees to practice diverse work styles. Under the system, the whole of Japan is divided into seven blocks, and participating employees are guaranteed not be transferred out of the block of their choosing. These employees' compensation and benefits are on par with those of regular employees.

[> ESG Data_ Regionally Based Employee Program](#)

Employee Data



Improving Employee Health

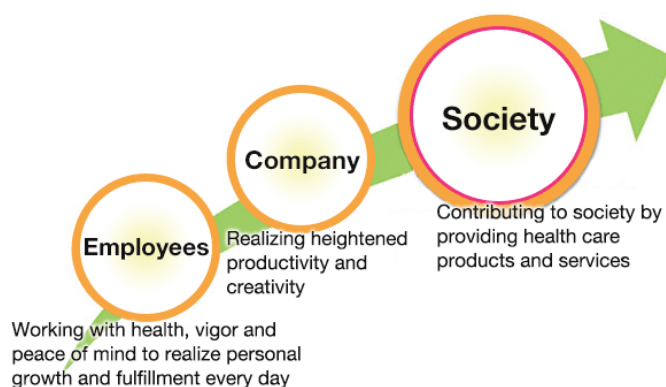
Sustainability Material Issue 6 Improving Employee Health



- ✓ Approach ✓ Guidelines (Guidelines for Health)
- ✓ Health and Productivity Management Strategy Map ✓ Implementation Framework ✓ Overview
- ✓ Lion-Style Health Support—"GENKI" Action ✓ Mental ✓ Physical ✓ Awareness
- ✓ Infection Countermeasures ✓ Lion Employee Preventive Dentistry Data
- ✓ Oral Care Seminars for Corporations

Approach

When employees act on their own initiative with a high level of health awareness to acquire sound health habits, it not only serves to maintain and improve their health, but helps them achieve personal growth and professional and personal fulfillment. This, in turn, serves to enhance corporate productivity and creativity and expand opportunities for Lion to contribute to society through sustainable growth.

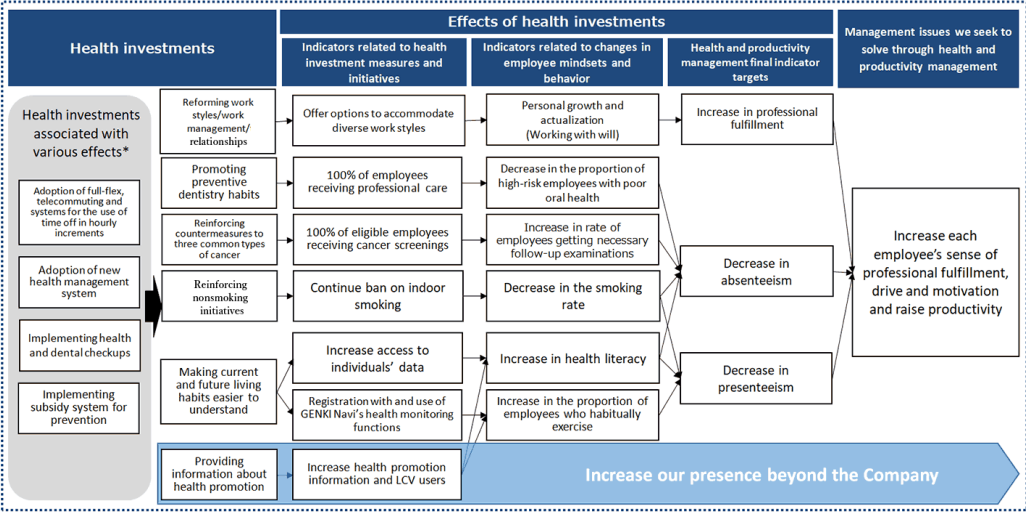


Guidelines

Lion believes that the health of employees is the management foundation underlying sound corporate growth. In line with this belief and in pursuit of its management vision, "Becoming an advanced daily healthcare company," the Company works in close coordination with employees and the Lion Health Insurance Society to support the formation of healthy habits in such areas as improving lifestyles, oral health, mental health, cancer prevention and anti-smoking, based on the [Guidelines for Health](#), with the goal of realizing healthy minds and bodies for all.

Health and Productivity Management Strategy Map:

Mapping out the ways that the effects of health investments connect with the management issues we seek to solve through Health and Productivity Management



* Generally, health investments correspond one-to-one to the indicators related to health investment measures and initiatives. However, some health investments correspond to multiple indicators related to health investment measures and initiatives. These health investments are deemed “health investments associated with various effects.”

Implementation Framework

Lion aims to promote health and vitality throughout the Company. To this end, the officer responsible for Company-wide health and productivity management (the director of the Human Resources Development Center) oversees general health management, while the [Health Support Office](#), the Lion Health Insurance Society, the individuals responsible for or promoters of health and productivity management at each office and industrial health staff (industrial physicians, health nurses, etc.) coordinate to promote organizational health management.

The officer responsible for Company-wide health and productivity management (the director of the Human Resources Development Center), along with representatives from the **Health Support Office** and the Lion Health Insurance Society hold regular joint meetings as the Health Maintenance Promotion Committee to discuss Company-wide health management issues and measures.









Health support offices have been set up at each of Lion's 11 domestic operating sites. At these offices, industrial health staff carries out health and productivity management operations. Each health support office coordinates with the Health Support Office at Lion's headquarters to manage such operations and implement measures aimed at improving health. The Headquarters Health Support Office formulates Company-wide health management policy, basic plans and annual plans, and coordinates the implementation of plans and gathering of related data.

Overview

Health Management Program—Mental, Physical and Awareness

For ease of understanding how each initiative fits into the program as a whole, we have broken down our health management program into three categories: mental, physical and awareness (awareness of self-directed health management). In each category, we are advancing health management measures for employees tailored by age group.

Health Management Program Overview

Age group	20s	30s	40s	50s	60s
Mental	Stress level checks				
	Mental health self-care classes (all age groups)				
	Mental health self-care classes (management level)				
	Workplace improvement activities leveraging collected data				
	Mental health consultation service				
	Reinstatement support for employees on leave due to mental health issues				
	Adoption of internal communication tools				
Physical	Health checkup				
	Health checkup follow-up interviews				
	Encourage employees to get additional examinations for items flagged in their health checkup results/Health guidance				
	Support for young employee		Specific health guidance		
		Preventive dentistry program (All Lion Health Activity, "ALOHA")			
		Campaign to encourage the use of dental floss and interdental cleaning tools			
		Campaign to encourage the use of professional care			
		Subsidy program for countermeasures to three common types of cancer			
		Support for quitting smoking			
	Addressing excessive work (labor management and meetings with employees working long hours)				
	COVID-19 infection prevention measures				
	Awareness		New health management system, GENKI Navi		
Providing information (website, internal newsletter, safety and health committees)					

Lion-Style Health Support—"GENKI" Action

We are implementing Lion-style health support, "GENKI" Action, to promote the formation of healthy habits. We support our employees' autonomous efforts to cultivate their strengths regarding their health, thereby empowering them to increase their sense of professional fulfillment and demonstrate their diverse abilities as they strive toward becoming human resources that embody Lion's Purpose: make a difference in everyday lives by redesigning habits: ReDesign.



| Key Measures

1. Health management system, GENKI Navi

We developed GENKI Navi, a new health management system, based on the concepts of making data (such as that about health status, countermeasures and future risk) easy to see and understand, enabling self-management (self-checks) and making health improvement efforts more fun. The system can be accessed using a computer or smartphone. Through the system, we aim to increase employees' health awareness and foster healthy habits. In addition, from April 18, 2022, we added a function that uses employees' health checkup data to clearly present future health risks. The purpose of this function is to utilize risk prevention results in health guidance to motivate employees to reflect on their living habits and change their behavior.

The system includes a wide range of functions, including the following.

- 1) Making employee's periodic health checkup data accessible (showing dental checkup results, changes over time, advice, etc.)
- 2) Self-check of data from daily life (input and see weight, step count, food, temperature, blood pressure, etc.)
- 3) Content to encourage employees to improve their living habits (setting goals, social media functions, etc.)
- 4) Answering medical questionnaires (for health checkups)
- 5) Stress level checks (self-checks)
- 6) The ability to earn health points

2. Fostering preventive dentistry* habits

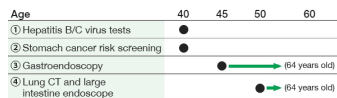
As an advanced daily healthcare company, Lion is focusing on initiatives to foster preventive dentistry habits among employees. In terms of self-care, we are providing health guidance during dental checkups, providing individual guidance to employees identified as high risk based on dental health questionnaires and checkup results, implementing a campaign to encourage the use of dental floss and interdental cleaning tools and providing educational videos. In terms of professional care, we are carrying out a campaign of subsidies for receiving professional care and recommending dentists to employees.

* An approach focused on prevention, rather than receiving treatment after cavities or other problems arise. This approach entails both receiving professional care at a dental clinic and practicing daily self-care on an ongoing basis.

3. Subsidy program for countermeasures to three common types of cancer*

The number of persons afflicted with and dying from cancer in Japan is steadily rising. However, advances in diagnostics and treatment are increasingly enabling the early detection and treatment of some cancers. In light of this, separate from employees' regular health checkups, Lion has introduced a subsidy program for countermeasures to three common types of cancer aimed at early detection and treatment. In particular, as cancers of the lungs, stomach and colon account for a large portion of cancer-related deaths, Lion subsidizes the expenses of detailed screenings for these types of cancers to make them more accessible to employees. The Company also responds to employee inquiries about consultations at medical institutions that provide such screenings.

For its proactive initiatives, Lion was given the 2022 Award for Companies Promoting Cancer Control under the Action Plan for Promotion of Cancer Control, which is a project commissioned by the Ministry of Health, Labour and Welfare. This is the second consecutive year Lion has received the award.



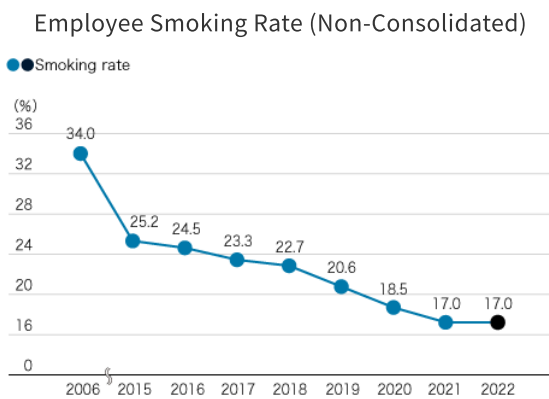
The 2022 Award for Companies Promoting Cancer Control
* Lung, stomach and colon cancers



Reinforced Age-Specific Cancer Screening from 2020 Onward

4. Reinforcing anti-smoking initiatives

We provide support and have created facilitative environments for employees who want to quit smoking in order to prevent exposure to secondhand smoke in the workplace. To improve work environments, in January 2020 we banned smoking during work hours, and in April 2020 we implemented official rules banning smoking indoors. Furthermore, for employees deemed at high risk of chronic obstructive pulmonary disease (COPD)* based on health questionnaire results, we provided meetings with industrial doctors, offered guidance related to quitting smoking and encouraged such employees to see a doctor.



* A disease in which the functioning of the lungs gradually deteriorates due to tobacco use and other factors.

Lion has issued the “GENKI” Report, a white paper on health that visualizes employee health status as well as illness prevention and health improvement efforts, allowing users to compare age-related data against a Company-wide average. The “GENKI” Report is shared with the officers responsible for health and productivity management and those tasked with its promotion at each office. Based on data furnished by Lion’s digital transformation (DX) departments, the report presents radar charts mapping various data to illustrate how close specific offices and organizations are to improving their health rankings. The report is intended to help each office and organization better understand its own health status and use this data to inform health promotion activities.



Selected under the Health & Productivity Stock Selection for the First Time

Under the Health & Productivity Stock Selection, the Lion Group has been selected from among listed companies that implement health management as a company that implements particularly outstanding initiatives.

For seven consecutive years since 2017, Lion has been recognized as a White 500 company under the Certified Health & Productivity Management Outstanding Organizations Recognition Program. This program recognizes enterprises engaging in outstanding efforts to promote health and productivity management based on initiatives to overcome health-related challenges in communities or the promotion of health-conscious activities led by the Nippon Kenko Kaigi.

This year's selection under the Health & Productivity Stock Selection is based on acclaimed initiatives that contribute to the promotion of health among not only employees but a wider range of people. Among these initiatives were measures to raise employees' health awareness and encourage the formation of healthy habits, such as activities addressing health issues specific to women that evolved from a voluntary researcher-driven level to full-blown Company-wide involvement, as well as lifestyle improvement activities for younger employees. More broadly, we were recognized for providing technologies and services that utilize know-how and data accumulated through years of preventive dentistry in combination with the Internet of Things (IoT) and AI.

We will continue our efforts to maintain and improve the health of our employees, contributing not only to their personal growth and the enrichment of their lives, but also to the development of our business and further corporate growth.



At the award ceremony

Mental

Lion established the Mental Health Basic Policy in 2004, and continually and systematically promotes mental care for employees based on the Guidelines for Maintaining and Improving Mental Health of Workers.

Mental Health Initiatives (Four Types of Care)

I (1) Self-Care

Stress Level Checks

Since 2006, before the amendment of the Industrial Safety and Health Act, Lion has been providing stress level checks for employees to assist them in their own self-care. In 2019, 98.0% of all employees underwent stress level checks.

Since 2020, the COVID-19 pandemic has driven rapid changes in lifestyles and ways of working. To address the psychological impact of these environmental changes, Lion conducted stress level checks twice in

2020 (these checks were previously conducted once per year). Every year, a high percentage of employees undergoes these stress level checks, and 2022 was no different at 98.8%. Employees found to have high stress levels were required to meet with industrial health staff.

In addition, GENKI Navi creates an environment that allows employees to conduct self-checks at any time, so that they can monitor their own stress profile and make use of it in their self-care. New employees (including mid-career hires) are provided self-care training at their time of employment and all employees participate in training once a year.

Stress Level Check Testing

	Tested employees	Test rate
2017	2,851	96.9%
2018	3,077	98.9%
2019	3,097	98.3%
April 2020	3,112	98.2%
November 2020	3,157	98.1%
2021	3,192	99.5%
2022	3,257	98.8%

Workplace Improvement Activities Leveraging Stress Level Check Data

After the results of stress level checks are compiled, each year, the officers in charge of health management at operating sites and Lion's headquarters provide feedback to individual workplaces. Based on analyses of workplaces' strengths and weaknesses, this feedback is used to help create more sound work environments. The Health Support Office provides feedback to high-risk workplaces, creating opportunities for dialogue about workplace issues and improvement measures.

Mental Health Care Education as Part of Level-Specific Training

As part of annual level-specific training, industrial health staff give lectures about the importance of mental self-care and related techniques.

| (2) Care via Line of Command

Lion aims to create workplaces that foster health and vitality by enhancing workplace communication and conditions.

Education about Care via Line of Command

Care via line of command refers to efforts on the part of supervisors, including employees' direct supervisors (directly above them in the workplace line of command), to help reduce their subordinates' stress and consider their mental health.

Specifically, we provide training to all managers and supervisors at the time of their promotion to management level to assure that all managers and supervisors are equipped to respond naturally and provide necessary care at any time.

Support for Reinstatement of Employees on Leave Due to Mental Health Issues

When an employee returns to work after leave due to mental health difficulties, we hold a support meeting, at which the individual's boss, the workplace health management officer and industrial health staff coordinate to provide support. We proactively utilize Rework* to help employees reacclimate to the workplace after their return.

* Rework: Short for "Return to Work," this program is aimed at supporting the smooth return to work of individuals after leave due to mental illness or disorder.

| (3) Care by Internal Industrial Health Staff

At the Health Support Office, Lion's supervising industrial physician, a psychiatrist and an industrial health nurse are available for consultation at any time. When responding to a request for consultation, we ensure that adequate consideration is given to ensuring privacy so that employees can feel at ease asking for advice about issues or concerns they may have. In line with the diversification of work styles, consultation is available not only in person, but via email, phone or online video conference, as needed. Furthermore, we have set up a mental health help desk in an effort to direct employees to the consultation resources they need, when they need them, in a clear manner. A career counselor offers counseling related to individuals' careers. The Health Support Office provides support finely calibrated to employees' individual health circumstances, including providing feedback after health checkups and health consultations after stress level checks.

| (4) Care by External Specialists

We maintain agreements with external institutions so that employees can easily consult with them over the phone or receive counseling. In addition, depending on the specific circumstances, the Health Support Office may refer employees for specialist treatment and works in coordination with such providers.

Physical

Every year, we provide both health and dental checkups for all employees. The items covered by these checkups exceed the legal requirements for such checkups. When an employee's checkup results indicate that they require further examination, we strongly encourage them to get such examination and provide individual guidance. The percentage of employees undergoing health checkups in 2022 was 99.9%.

Health and Dental Checkup Items for Specific Needs

- In-depth checkups: For employees age 40 or above. 21 legally required items + 11 additional items.
- Gynecological examinations: Age-specific examination items.
- Hepatitis B and C tests: For employees age 40 and above.
- Prostate cancer (PSA) examinations: For men age 50 and above.
- Stomach cancer (ABC) examinations: For employees age 40 and above.
- Dental checkups: For all employees. Dental hygienists provide health guidance. Includes health guidance from a dental hygienist.

Specific Health Checkups^{*1} and Specific Health Guidance^{*2} Related to Metabolic Syndrome

Lion's Health Support Office coordinates with the Lion Health Insurance Society to implement specific health checkups and specific health guidance related to metabolic syndrome. We strive to ensure that these serve as effective and clear inducements to employees to improve living habits that cause lifestyle-related illnesses.

Portion of Lion Employees Subject to Specific Health Checkups and Specific Health Guidance^{*3} Classified as Having Metabolic Syndrome or Pre-Metabolic Syndrome

	Metabolic syndrome	Pre-metabolic syndrome
2015	13.4%	12.2%
2016	12.6%	13.1%
2017	15.0%	14.0%
2018	13.5%	14.2%
2019	13.4%	14.9%
2020	13.6%	14.7%
2021	14.3%	14.4%
2022	13.6%	12.1%

Reference: 2020 data on specific health checkups and specific health guidance implementation from the National Federation of Health Insurance Societies; of 1,125 health insurance societies. 15.1% of all said societies' members were classified as having metabolic syndrome and 13.1% as having pre-metabolic syndrome.

*1 Health checkups to identify individuals who need specific health guidance, aimed at reducing the number of individuals who have visceral obesity (metabolic syndrome) or pre-metabolic syndrome in order to prevent lifestyle-related diseases, which are involved in approximately 60% of deaths in Japan. Specific health checkups are conducted for all insured persons and their dependents between the ages of 40 and 74.

*2 Health guidance, including providing information, helping generate motivation and offering proactive support from specialized staff (health nurses, registered dietitians, etc.) for individuals who, based on the results of specific health checkups, are at high risk of developing lifestyle-related illnesses and for whom the onset of metabolic syndrome is expected to be preventable through lifestyle improvement.

*3 Employees ages 40 and over (who are enrolled in the Company's health insurance).

Furthermore, in collaboration with the Lion Foundation for Dental Health (LDH), Lion has elucidated the link between gum disease and metabolic syndrome. We will continue to reinforce initiatives aimed at the prevention of gum disease and metabolic syndrome among employees going forward.

| Proactive Encouragement and Guidance

Under the joint leadership of the Lion Health Insurance Society and the director of the Human Resources Development Center, individuals identified as requiring specific health guidance are encouraged to receive health guidance. We strive to offer a health guidance program that facilitates understanding of the goals of specific health guidance and what it comprises while making it easy for individuals to take action and enjoyable for them to continue their efforts.

In 2020, as an internal collaborative initiative, we provided Lion's Lactoferrin products and an email newsletter to employees who signed up, supporting their lifestyle improvement efforts. Furthermore, a dedicated registered dietitian from the Lion Health Insurance Society provided nutritional guidance internally. Through these and other efforts, Lion proactively provided support, working with professionals with abundant knowledge and experience from in and outside the Company.

| Support for Young High-Risk Individuals

With the aim of reducing the number of people needing specific health guidance, we examined changes in weight among our young employees. We found that the weights of 86% of male employees had increased 5% or more within the first 10 years of employment. A person's 30s are a time of major lifestyle changes for both men and women, and inappropriate living habits can lay the foundation for lifestyle-related illnesses.

Therefore, in 2022, we offered Lactoferrin and distributed materials effective for lifestyle improvement to raise health awareness and support lifestyle improvements among obese employees in their 30s. According to a survey, 60% of participants responded that following our actions they had since become more weight conscious, and the rate of satisfaction with the support offered was 78%. In 2023, in order to further increase the program's efficacy and support its continuation we are following up on the distribution of materials with periodic emails containing relevant information created in collaboration with a full-time dietitian from the Lion Health Insurance Society.

| Making Healthy Behavior a Habit (Health Point Initiative)

Lion added a health point system to the 2022 GENKI Navi to help make adopting healthy habits more positive and enjoyable for employees, even amid the restrictions implemented during the COVID-19 pandemic, a time filled with major lifestyle changes. In a post-enrollment survey, more than half of the 1,107 participants responded that they walked 1,000 more steps per day than usual during the system's implementation. The satisfaction rate among respondents was 73%.

We are planning to expand the initiative's duration in 2023, making adopting health living habits even more enjoyable for all of our employees by bringing the whole Company together through friendly competition between departments and other fun improvements.

Preventive Dentistry Program

Since the 1970s, Lion has implemented in-house dental checkups, brushing guidance, scaling and cleaning, education via lectures and other preventive dentistry measures.

In 2002, in cooperation with the Lion Health Insurance Society and LDH, Lion launched All Lion Oral Health Activity (ALOHA), aimed at increasing employees' health management abilities. ALOHA is based on practicing oral health management primarily through the provision of regular oral checkups to all employees and primary prevention as well as support to enhance employees' self-directed health management abilities. In accordance with three-year plans, we have been implementing a PDCA cycle for the dental health program and are currently implementing the ALOHA VII plan. The content of dental checkups varies depending on whether the individual is receiving professional dental care, placing greater emphasis on health guidance for those who are not in order to foster awareness of the importance of professional care.

Furthermore, we seek to increase the ratio of employees who use interdental cleaning goods and are able to effectively implement preventive dentistry through both self-care and professional care. Our main activities are shown below.

- Chairside health guidance during dental checkups
- Promotional campaign to promote the use of dental floss and interdental cleaning products (distribution of merchandise and educational videos)
- Information dissemination in conjunction with in-house promotional campaigns and measures
- Monitoring of oral function by age group via Salivary Multi Tests
- Recommending medical examinations for those at high risk of oral health problems
- Oral care education for mid-career hires (videos)



A dental checkup and health guidance with adequate infection prevention measures in place

Practicing Preventive Dentistry (Encouraging Professional Care)

Lion is proactively promoting preventive dentistry both within the Company and externally. In line with the belief that it is important that employees practice preventive dentistry, we offer limited-time financial incentives for receiving professional care to spur employees to find a primary care dental clinic where they can receive regular professional oral care.

Due to the COVID-19 pandemic, the campaign to encourage the use of professional care was suspended, but was resumed in April 2021. We are working to communicate the importance of receiving professional care and exploring creative ways of motivating employees to receive such care, such as distributing original logo stickers and digital backgrounds for electronic devices that can be used when working remotely.

Employee Food Service Committee

We regularly hold meetings of the employee food service committee to enhance the offerings at our employee cafeterias. In consideration of employee health, we strive to offer healthy, delicious meals. Furthermore, we display information on the calorie, sodium and sugar content of all menu items and seek ways to make meals healthier, such as offering reduced-sodium soy sauce.

Supporting Cultural and Athletic Activities

Lion supports employees' cultural and athletic activities with the aim of helping employees cultivate healthy minds and bodies and deepen friendly bonds.

Cultural clubs include Japanese tea ceremony and flower arrangement, while athletic clubs include yoga, Pilates, basketball, tennis, soccer and baseball. A total of approximately 700 employees take part in 52 such clubs nationwide. Club activities take place after work hours or on weekends and help employees foster healthy minds and bodies.

Providing Sports-Related Opportunities to Employees

To boost employee health, we are implementing a variety of initiatives aimed at supporting and encouraging sports-related activities and have become a member of the Sport in Life Consortium. For its efforts, Lion was recertified as a Sports Yell Company 2023 by the Japan Sports Agency (in Japan, “yell” refers to cheering and shouts of encouragement).

- Encouraging employees walk or bike to work
- Holding walking events
- Holding health discussions at Safety, Hygiene and Disaster Prevention Committee meetings
- Recommending cultural and athletic activities
- Sponsoring outside walking events



Creating Pleasant Work Environments

To ensure that employees can work in comfort, every two months, Lion measures indoor humidity, temperature, and concentrations of carbon monoxide and carbon dioxide, as well as dust at its workplaces.

We also regularly take measurements related to noise and lighting to confirm that there are no problems in our work environments.

Data Health Plan Initiatives

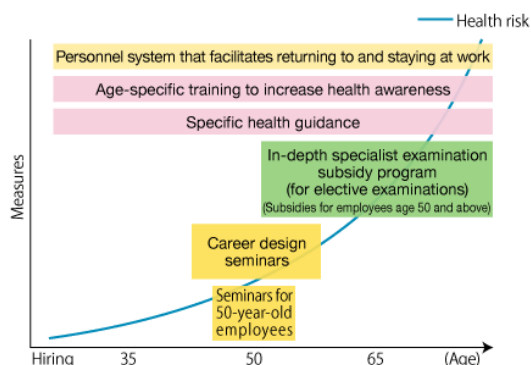
The government’s Japan Revitalization Strategy includes the key issue of “Extending the nation’s healthy life expectancy.” To address this issue, as part of “developing a new system concerning the promotion of preventive care and health management,” the strategy calls for all health insurance societies to analyze such data as health insurance claims to develop, announce, implement and evaluate effective and efficient “data health plans” in order to help maintain and improve the health of their members.

Lion has for some time been promoting initiatives in the area of data-based healthcare in cooperation with the Lion Health Insurance Society.

- Specific health guidance is the foundation of our initiatives in this area; we provide finely tailored health guidance and encourage employees to seek care after health checkups and provide health guidance using AI-generated health risk predictions
- We have implemented a wide variety of collaborative measures, such as a walking campaign

Awareness

Based on particular criteria, we are reinforcing specific measures designed to reflect the timing of changes in the body while working to improve health literacy.



Health Promotion Seminars for 50-Year-Old Employees

Since 2013, we have held the annual LIS21 Senior health promotion seminar for 50-year-old employees. To control health risks that rise significantly with age, bolstering self-directed health management skills is crucial. We also aim for the seminar to serve as an opportunity for employees at the landmark age of 50 (given increasingly long lifespans) to reflect on their circumstances and lives from multiple perspectives, including their health, work, and home life going forward, so that they can engage with their work with a renewed sense of vigor.

Although we had planned in-person group seminars for 2020 and 2021, they were postponed due to the COVID-19 pandemic. In 2022, we held online training that combined a seminar and a video session. There were 277 participants, a participation rate of 98.9%. The online seminar featured lectures on topics of high interest to people in their 50s, such as health, career and domestic life. The video session featured original content on specific health issues and measures, such as cancer prevention, the prevention of lifestyle-related illness, preventing frailty and oral health.

The training was very well-received. According to a survey, more than 90% of respondents felt the information was concrete and easy to understand and were satisfied with the seminar, which was designed from the perspective of someone their age.

LIS21 Senior Participation

	Participants	Participation rate
2015	140	87%
2016	152	76%
2017	100	68%
2018	95	68%
2019	120	85.7%
2020	240 ^{*1}	-
2021	277 ^{*2}	98.9%
2022		

*1 In 2020, the seminar was held in a video viewing format through the Lion Health Insurance Society

*2 Participants originally scheduled for 2021 are included in the figures for 2022

Initiatives for Specific Women's Health Issues

Company's researchers conscious of the issues involved with the advancement of women's roles in the workplace assembled and voluntarily established the Well-Being Lounge, a program to raise the level of health literacy needed to improve one's well-being. The Well-Being Lounge has since become a Company-wide program that is deepening our overall understanding of health issues specific to women.

In 2022, a total of about 300 people, both men and women, participated in the program. According to a survey, satisfaction with the program was reported by more than 90% of respondents and more than 80% reported an increase in their knowledge and awareness of the related issues. In collaboration with other companies, we also offered seminars on diet related to women's health and opportunities to learn about fertility issues and infertility treatments from individuals who have dealt with such subjects first-hand and those who support them.

In 2023, we plan to establish an external fertility and infertility treatment consultation service to promote the improvement of well-being.



Members of the Well-Being Lounge

[> News Release: Women's Health and Productivity Awards \[Japanese\]](#) 

Infection Countermeasures

COVID-19 Infection Prevention

In the early stages of the pandemic, we quickly set up a taskforce to prevent the spread of COVID-19. We concretely defined such terms as “suspected close contact” and “suspected infection.” Applying these definitions, when an employee was suspected of having an infection, we distributed PCR test kits to operating sites (or provided vouchers for testing off-site) to determine whether the employee was infected as soon as possible, minimizing the period of worry and the spread of infection. In June 2021, the taskforce swiftly made the decision to conduct workplace vaccinations. To date, we have conducted three rounds of workplace vaccination at two vaccination sites in eastern and western Japan.

Influenza Infection Prevention

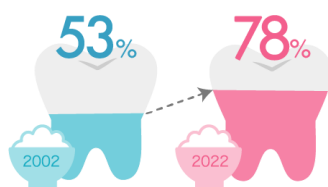
In preparation for the winter influenza season, Lion decided to bear the full cost of influenza vaccinations for employees and conducted vaccinations at its operating sites.

Lion Employee Preventive Dentistry Data

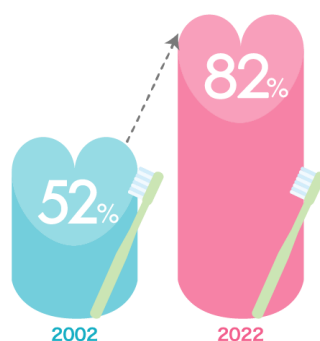
*Data on “GENKI” Action Subjects

Self-Care

Employees Who Brush Their Teeth After Lunch

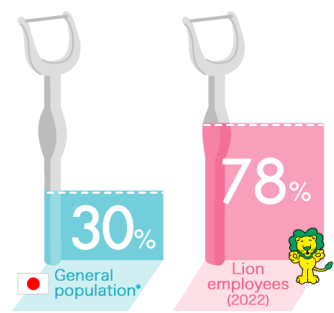


Employees Who See Toothbrushing* as Highly Important



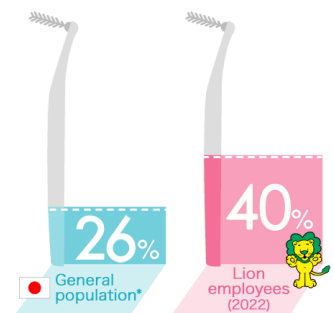
* Employees who brush at least twice a day for at least three minutes

Employees Who Use Dental Floss



* Fiscal 2014 comprehensive oral care survey (women ages 20–59)

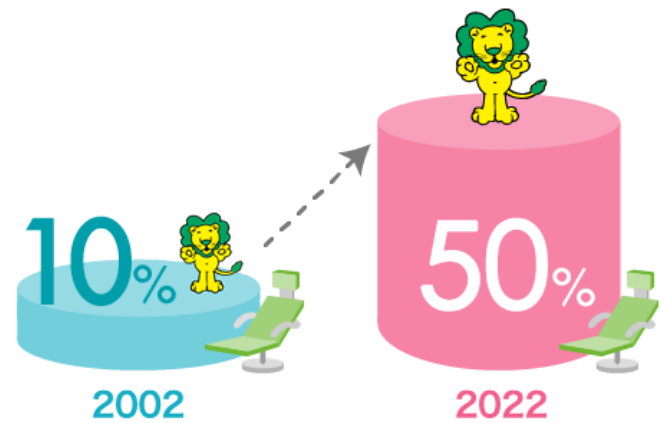
Employees Who Use Interdental Brushes



* Fiscal 2014 comprehensive oral care survey (women ages 20–59)

Professional Care

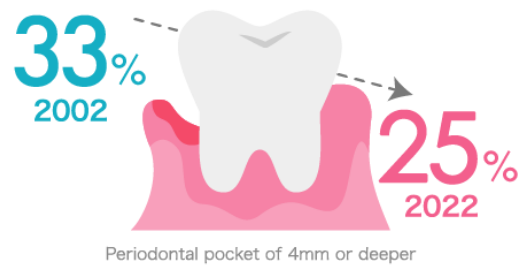
Employees Who Received Professional Care at a Dental Clinic During the Year*



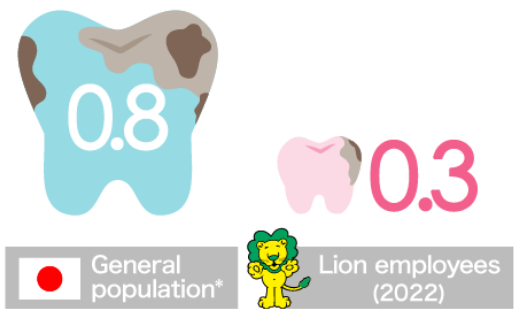
* Employees who went for regular cleanings at dental clinics during the year (excludes employees undergoing treatment)

Employee Oral Health Data

Proportion of Employees Suffering from Gum Disease

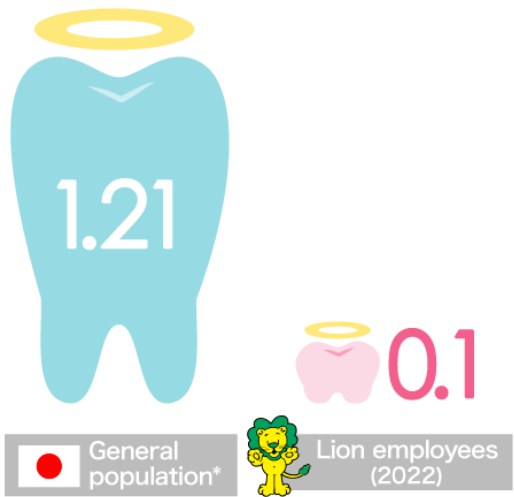


Average Number of Cavities Per Person



* 2016 Odontopathy Survey (Ministry of Health, Labour and Welfare) Ages 20–59

Average Number of Teeth Removed Per Person



* 2016 Odontopathy Survey (Ministry of Health, Labour and Welfare) Ages 20–59

Oral Care Seminars for Corporations

In order to promote preventive dentistry, we offer oral care seminars for outside companies in addition to our own.

[Click here for more details. \[Japanese\]](#)

Enhancing the Occupational Safety Management System

Sustainability Material Issue 7 Enhancing the Occupational Safety Management System



- ✓ Approach
- ✓ Establishment of the Safety, Health and Disaster Prevention Policy
- ✓ Implementation Framework
- ✓ Emergency Response
- ✓ Initiatives (Facility Safety/Occupational Safety)

Approach

We are taking steps to enhance our occupational safety and health management system throughout the Lion Group.

Driven by the fundamental principle that safety is its absolute top priority, Lion has added disaster prevention items to the Occupational Safety and Health Management System (OSHMS)* based on the guidelines of Japan's Ministry of Health, Labour and Welfare to establish a unique Safety, Hygiene and Disaster Prevention Management System. Since 2009, we have operated this system at all domestic Group companies, and since 2012 we have included internal audits in our efforts to improve the system's effectiveness. In addition, since 2014 we have been holding the Safety, Hygiene and Disaster Prevention Meeting (originally launched in 1992 as the Environmental Security Conference). We work in accordance with Lion's unique OSHMS to reduce potential hazards and risks, continuously maintain work environments, create safer workplace environments and build related systems.

* A system for the systematic and organized operation and management of health and safety activities.

Establishment of the Safety, Health and Disaster Prevention Policy (Occupational Health and Safety Policy)

Lion has established the AL Safety, Health, and Disaster Prevention Policy to define our commitment to ensuring the safety and health of all employees of the Lion Group and establishing a comfortable and pleasant work environment. This policy applies to all employees of domestic Group companies and is reviewed and updated every January.

Implementation Framework

Twice a year, the Company holds the Safety, Hygiene and Disaster Prevention Meeting. Chaired by a member of top management (Director Fumitomo Noritake), the meetings deliberate on Company-wide measures to ensure facility safety and occupational safety (including work environment improvement) as well as hygiene (health problem prevention and mental health maintenance), and disaster prevention (emergency response) measures and coordinate ongoing initiatives aimed at thoroughly eradicating risk.

Each operating site and domestic Group company has established a Safety, Health and Disaster Prevention Committee based on the Industrial Safety and Health Act and while effectively utilizing this committee, reflects the opinions of all employees within each operating site to resolve issues, including problems specific to each site.

Our domestic companies actively support overseas Group companies in their safety, health and disaster prevention activities. In 2018, we established a Safety and Disaster Prevention Promotion Department directly below the management level, further strengthening the Lion Group's occupational health, safety and disaster prevention management system.

Top Safety Audits

Lion implements top safety audits of domestic production division plants, with the chair of the Safety, Health and Disaster Prevention Meeting serving as the responsible officer. These audits, conducted from an objective standpoint, mainly examine systematically whether appropriate mechanisms for safety and disaster prevention are in place, whether Lion's Safety, Health and Disaster Management System is being operated properly, and whether the level of safety and disaster management is improving. By providing guidance and suggestions related to eliminating accidents and disasters through top safety audits, Lion works to further increase the safety of each plant and create environments in which employees can work with peace of mind and safety.



Top safety audits at the Akashi Plant
led by Meeting Chairman Noritake (2022)

Emergency Response

The Company has created detailed manuals and plans of action on how to respond in the event of natural disasters, such as large-scale earthquakes. In addition to these plans, which differ depending on the severity and scale of the disaster as well as the extent of damage incurred, the Company conducts Company-wide and individual disaster drills at each operating site.

For larger disasters, a disaster response headquarters has been established to take action. A remote disaster response headquarters has also been established in light of the rising use of remote work in the wake of the COVID-19 pandemic as well as the possibility of a disaster occurring overnight or on a holiday and the challenges of maintaining a facility with all relevant members physically in attendance. Accordingly, we have been conducting joint disaster prevention drills and remote disaster response headquarters activities since 2020.

We will further upgrade our disaster response system and continue to reinforce our disaster prevention activities in anticipation of an increasing frequency and severity of natural disasters and the further diversification of work styles.

Initiatives (Facility Safety/Occupational Safety)

Facility Safety

In 2022, one abnormality^{*1}, a leak, occurred just as it had in 2021. While equipment failure was partially to blame, it was also due in part to human error resulting in incorrect equipment settings. The cause has been investigated by both the head office and the affected department, and corrective action has been taken, with all production plants making improvements based on investigations of similar problems.

As part of our ongoing facility safety initiatives, we utilize information on plant accidents that have occurred at other companies to strengthen our safety management and maintain the skills, techniques and awareness of our operators. Serious types of accidents that occur within facilities that handle dangerous substances include fires/explosions and leaks. To prevent these, since 2016, we have provided ongoing basic education on static electricity, which can ignite fires, as well as periodic education at plants about corrosion, the main cause of leaks, to enhance awareness and knowledge.

In addition, to further enhance corrosion prevention-related efforts and elucidate the causes of facility corrosion issues at plants, we engage in technological exchanges with specialized outside institutions.

Furthermore, we implement level-specific education for facility operators to foster awareness and knowledge regarding change management^{*2} as part of efforts to reinforce management of facility safety.

To address facility aging, we designate standards for routine inspections and maintenance by degree of importance and carry them out accordingly.

Going forward, we will continue working to reinforce technological capabilities related to facility safety, including systematic human resource development, from a medium- to long-term perspective.

^{*1} Fires, explosions, leaks, etc.

^{*2} Management activities that prevent risks associated with changes in facilities or operating conditions.

Facility Abnormalities				
2018	2019	2020	2021	2022
0	0	0	1	1

Occupational Safety

In 2022, the number of labor-related accidents for the domestic Group was 14, excluding cases that occurred during commutes to work (of these, five accidents led to lost work time). Analysis of the causes of these accidents categorized them as follows: five falls, five collisions, three cuts or punctures and one instance of heatstroke. The main cause of these accidents appeared to be a lack of caution (such as taking shortcuts or deviating from rules) attributable to employees' overfamiliarity with operations or the carelessness of unskilled workers. When occupational accidents occur, the department in which the accident took place investigates the cause and takes measures to prevent recurrence, and the Safety and Disaster Prevention Department ensures that corrective actions are taken and that the entire Company is aware of the situation.

To prevent occupational accidents, it is crucial to enhance our safety management system and heighten every members' awareness of occupational safety. In addition to safety awareness education via Company-wide internal e-learning and implementing risk simulation training using conventional machinery, Lion uses digital technology to provide hazard sensitivity training, such as VR risk simulation training, at our plants and research institutes.

To reinforce safety culture, we also hold safety training development programs for managers and key persons in the workplace, including Plant Top Safety Training and Workplace Safety Training for Key Persons at all production division plants.



Participation in the 2022 Company-wide Internal e-learning Course

Eligible employees	Participation rate
4,306	97.8%

Employees who Participated in Risk Simulation Training (Safety Training) in 2021 (Internal education)

Chiba Plant	Odawara Plant	Osaka Plant	Akashi Plant	Hirai Research Center	Odawara Research Center	Total
81	127	29	78	134	68	517



Risk simulation training utilizing on-site machinery is implemented at each plant




Risk simulation training utilizing VR technology (Second left: Chiba Plant; right, at a research center in Hirai)

Workplace Safety Training for Key Persons

Plant Top Safety Training	Workplace Safety Training for Key Persons
32	16


Targeting plantmanagers and key persons in 2022

ゼロ災害へ  全員参加

『指差し唱和で始めます。』

ゼロ災でいこう ヨシ！

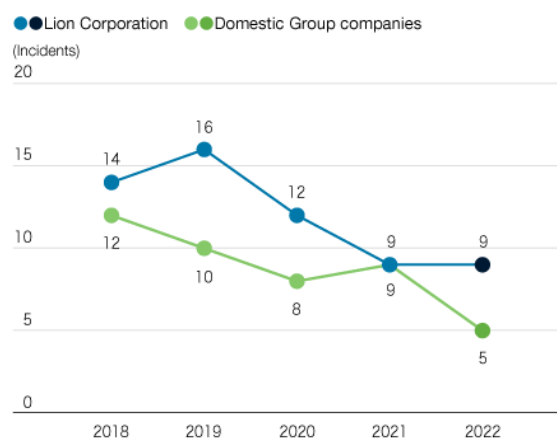
『ゼロ災でいこう』
だれひとりけがを出さないように、一生懸命熱意をもって先取りの安全活動に取り組もうという意が込められています。



Participants in the remote 2022 Workplace Safety Level Improvement Training for Key Persons

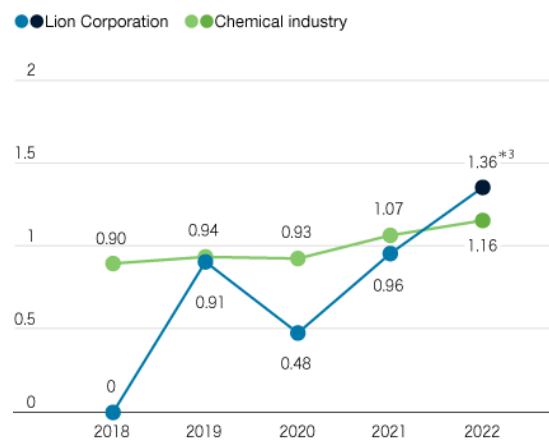
Occupational Accidents Incidents

Occupational Accidents^{*1}



*1 Excludes accidents that occurred during commutes to work

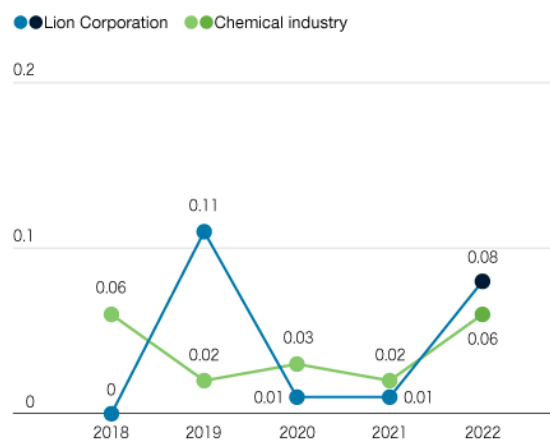
Production Division
Occupational Accident Frequency^{*2}



*2 Rate of accidents leading to death, lost work time of one day or more, or loss of bodily function without loss of work time

*3 Third-party verification

Production Division
Occupational Accident Severity Rate^{*4}



*4 Severity rate: Lost work days / Total work hours (thousands of hours)

Cumulative Accident-Free Work Hours at the 2022 Year-End (Thousands of Hours)

Research and development divisions		Production divisions			
Hirai	Odawara	Chiba	Odawara	Osaka	Akashi
6,251	4,503	185	1,977	534	2,845

Number of fatalities due to occupational accidents*5

	2018	2019	2020	2021	2022
Employee (Lion Corporation)	0	0	0	0	0*3
Employee (Domestic Group Companies)	0	0	0	0	1*3

*5 Including dispatched employees and part-time employees

*3 Third-party verification

Global Initiatives

In 2022, representatives from the Safety and Disaster Prevention Department and overseas managerial divisions visited PT. Lion Wings (Indonesia) to provide direct guidance on the improvement of insecure areas and disaster prevention training. Due to the COVID-19 pandemic, we had been striving to provide this and other overseas Group companies with timely advice and guidance through remote meetings and internal e-mails. Going forward, we will continue to provide guidance and support according to the situation at each company and strive to reinforce the Lion Group's safety, health and disaster prevention systems.

Overseas companies are also continuing to strengthen hygiene protocols (temperature checks, hand washing, disinfection, and wearing masks) aimed at preventing COVID-19 infection, which is having a synergistic effect with occupational safety measures.



An example of pointing and calling in Indonesia



A disaster drill in Indonesia

AL Safety Exchange Conference

To strengthen the safety, health and disaster prevention systems at All Lion (AL), we hold a safety exchange conference that brings together safety managers from overseas and domestic production division plants. Although the 2022 conference was also held remotely due to COVID-19, a total of 64 participants, 27 from overseas and 37 from Japan, exchanged opinions and information on safety and disaster management and the challenges they face. We are working to strengthen cooperation at AL and to improve the level of safety throughout the Group by, for example, introducing best practices at our domestic plants. We will continue to hold regular meetings to improve our safety, health and disaster prevention activities, while working to create a safe and secure work environment for the entire Group.

Participating Overseas Group Companies

- Lion Corporation (Thailand) Ltd.
- Southern Lion Sdn. Bhd.
- PT. Lion Wings
- Lion Kallol Limited
- Lion Corporation (Korea)
- Lion Daily Necessities Chemicals (Qingdao) Co., Ltd.

Labor-Management Relations

- ✓ Promoting Amicable Labor-Management Relations
- ✓ The Lion Workers' Union
- ✓ Labor-Management Relations Data

Promoting Amicable Labor-Management Relations

Approach

Lion executes labor agreements with the Lion Workers' Union to promote sound labor-management relations based on mutual understanding and trust. As it does so, the Company adheres to the Lion Group Charter for Corporate Behavior, which is based on an understanding of the social mission and responsibilities of the Company. Thus, in cooperation with its workers union, the Company works to grow its business and maintain and improve the working conditions of union members.

The agreements provide that: the Company shall recognize the freedom of union members to engage in lawful union activities; the Company shall not treat union members disadvantageously by reason thereof; and the Company and the union shall engage in labor-management meetings on a regular basis to consult with each other as equals.

Operating under a union shop agreement,* Lion endeavors to build amicable labor-management relations, in which employees and management proactively conduct such activities as reporting on business conditions and exchanging opinions about the working environment at labor-management meetings. At overseas Group companies, we actively maintain communication between employees and management in order to create a better work environment through the labor-management meetings and strive to establish and maintain sound labor-management relationships.

* A labor agreement in which workers are employed by a company on condition of becoming a member of a specific labor union.



A hybrid online/in-person labor-management meeting

The Lion Workers' Union

Approach

The mission of the Lion Workers' Union is to pursue the happiness and well-being of its members. To that end, the union seeks to maintain and improve the quality of its members' work environments and standards of living and to contribute to the independent growth of each individual to ensure a secure future. Through its activities, the union aims to increase the professional satisfaction of its members, in turn contributing to the development and growth of the Company. To fulfill its mission and principles, the Lion Workers' Union has established a medium- to long-term vision that it has been implementing since August 2015.

Lion Corporation (Korea) Receives the Prime Minister's Award for Labor-Management Culture

The Labor-Management Culture award is given by the government of South Korea (the Ministry of Employment and Labor) to companies that have built and firmly established cooperative labor-management relations. It is one of the highest awards in the field of labor in South Korea.

Lion Corporation (Korea) ("LCK") received the Prime Minister's Award for Labor-Management Culture in 2017 in recognition of its initiatives aimed at building good labor-management relations.

The main initiatives of LCK recognized by the prize were as follows.

- Held labor-management talks four times a year to discuss work environments and implemented approximately 60% of the improvements suggested at these talks
- Treated non-regular employees (such as temporary and contract employees) on par with regular employees in terms of employee benefits and opportunities to participate in events
- With "fulfilling a spirit of love" and "people-centered management" as the foundations of its personnel policy, gave non-regular employees demonstrating excellent work attitudes and abilities priority when filling regular employee positions
- Designated a monthly volunteer day, with employees actively participating in social contribution activities

> Activities at Lion Corporation (Korea)

Labor-Management Relations Data

	Scope	2020	2021	2022
Ratio of companies with an independent trade union or collective bargaining agreements	Lion Group	86.4%	86.4%	86.4%
Ratio of employees represented by an independent trade unions or covered by collective bargaining agreements	Lion Corporation (including employees on loan)	66.2%	77.9%	65.9%
	Lion Group	73.4%	75.1%	72.9%

Going forward, we will continue to advance initiatives aimed at building better labor-management relations.

Respect for Human Rights

Sustainability Material Issue

Respecting Human Rights



Basic Approach

The Lion Group implements various measures in accordance with its purpose of making a difference in everyday lives by redesigning habits: ReDesign. One such measure is the [Charter for Corporate Behavior](#), which states that “We shall respect human rights ... observing both the spirit as well as the letter of all applicable laws and international rules.” Another is the [Behavioral Guidelines](#), which state that the Group will not permit child labor or forced or coerced labor, will provide equal employment opportunities and treat employees fairly, and will take an active interest in the human rights practices of its suppliers.

Lion has also declared its support for and adherence to the International Bill of Human Rights (the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights), which stipulates the fundamental human rights of all people in the world, as well as the [Ten Principles of the United Nations Global Compact](#), the ILO Declaration on Fundamental Principles and Rights at Work and the Children’s Rights and Business Principles.

Respect for human rights is indispensable to the pursuit of happiness and a higher quality of life. Lion recognizes that it has a responsibility as a company to affirm diversity, including that of race, religion, gender, sexual orientation, age, nationality and disability, and to fully respect all human rights. Furthermore, it recognizes that doing so strengthens its business foundation.

Human Rights Policy

In 2019, based on the framework of the [United Nations Guiding Principles on Business and Human Rights](#)¹, the Lion Group established the [LION Human Rights Policy](#) to further clarify its stance on human rights abuses as well as its global efforts in this area. Since then, Lion has periodically reviewed its human rights policy to ensure the strength of its efforts.

In 2023, with the approval of the Board of Directors, we amended the LION Human Rights Policy in light of social conditions surrounding business and human rights as well as the status of the Group's human rights due diligence* efforts, taking into careful consideration the elements necessary to the policy going forward.

The amended policy clearly stipulates, in great detail, a management system that emphasizes respecting human rights (human rights due diligence) and remedies to violations (internal and external whistle-blowing system) in addition to other related matters. The revised policy has been translated into the languages of the countries and area in which Lion does business and disclosed to stakeholders involved in the Group's business activities via the websites of Group affiliated companies and other means.

The Human Rights Policy applies to all executives and employees of the Lion Group. Moreover, the Group’s business partners and suppliers are required to support and respect the policy. The Human Rights Policy also stipulates that in the event of a conflict between internationally recognized human rights and national or local laws and regulations, the Group will seek to ensure that internationally recognized human rights principles are respected.

* Measures that companies must take to avoid violating human rights and to provide relief to victims of violations.

Implementation Framework

Initiatives regarding human rights are seen by the S Subcommittee (Social Environment). When called for, these meetings report matters to the Senior Executive Committee or refers or presents them to the Executive Committee and the Board of Directors. Participants in these investigative meetings mainly comprise representatives of relevant divisions, such as the Corporate Planning Department, Legal Department, Human Resources Development Center, Purchasing Headquarters, Overseas Strategic Planning Department and Sustainability Promotion Department. The officer responsible for the meetings is also responsible for the S Subcommittee, which operates under the Sustainability Promotion Council, which is, in turn, overseen by the Sustainability Promotion Department.

Initiatives



Measures to Prevent Human Rights Abuse
(Human Rights Due Diligence)

Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)

Sustainability Material Issue

Respecting Human Rights

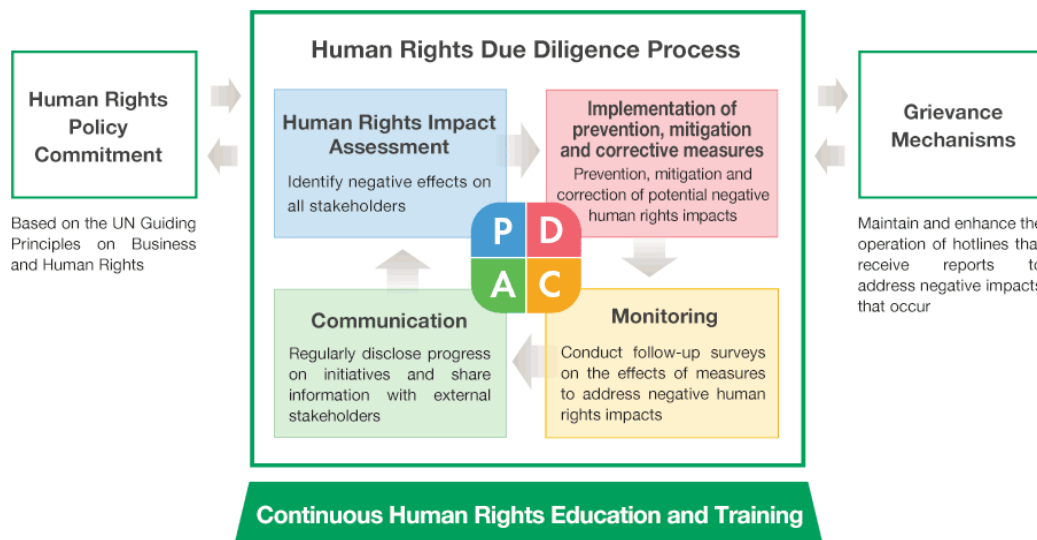


- ✓ Human Rights Due Diligence
- ✓ Human Rights Impact Assessment
- ✓ Implementation of Prevention, Mitigation and Corrective Measures
- ✓ Monitoring
- ✓ Communication (Stakeholder Engagement)
- ✓ Initiatives at Overseas Group Companies
- ✓ Initiatives to Prevent Human Rights Violations along the Value Chain

Human Rights Due Diligence

The Lion Group is committed to taking responsibility for identifying, preventing, mitigating and addressing negative human rights impacts caused or contributed to by its business activities. To do so, we implement human rights due diligence* through the following process based on the UN Guiding Principles on Business and Human Rights and reflecting the advice of external experts.

Recognizing that human rights risks may change as the Lion Group's business and operating conditions evolve, we will seek better ways to enhance the effectiveness of our efforts, such as by regularly reviewing the human rights issues anticipated in the Group.



Overview of Human Rights Due Diligence

* Corporate measures to avoid causing human rights violations and provide remediation for the victims of such violations

Human Rights Impact Assessment

Overview of Anticipated Human Rights Risks in the Group's Business Activities

The Group's main business encompasses the development, manufacture and sale of household products. Among these, we notably handle many cleaning products, including laundry detergents. The surfactants that comprise the washing ingredients of such products are derived from palm oil, palm kernel oil and their derivatives, which are renewable and carbon-neutral raw materials. The main production areas for palm oil are Malaysia and Indonesia, and we recognize that these countries and areas are not only high risk regarding human rights, but also face environmental, human rights and sustainable procurement issues, such as deforestation due to illegal land clearing. Specifically, we must be vigilant with regard to labor and environmental risks such as overwork for palm plantation workers, the use of child labor and smoke damage from illegal slash-and-burn forest clearing, supply risks related to raw materials for Lion products, and reputation risks from various stakeholders due to the use of unsustainable raw materials.

In addition, for household products, we use many packaging materials (paper and pulp), including individual packaging and cardboard boxes for shipping. Therefore, potential supply risks and reputation risks are anticipated due to the use of wood chips—the raw material of paper and pulp—for which sufficient forest management cannot be assured.

In the manufacturing process, we are supplied with many types of raw materials from a wide array of material manufacturers and work with a large number of production contractors. Therefore, we assume transactions with suppliers whose sustainability activities are insufficiently advanced present potential raw material and product supply risks and reputation risks.

Furthermore, with regard to planning, manufacturing and selling household products, we have in place multiple departments throughout the entire value chain, including procurement, research, planning, production, sales and administration and as of December 31, 2022, consisting of over 7,500 consolidated employees. The content of its business operations is finely segmented. As such, human rights violations could occur, including race and gender discrimination and harassment as well as conflict between employees regarding work content and employee benefits. This could hinder the smooth execution of business.

Identification of Human Rights Issues Anticipated in Lion's Business Activities

In order to further clarify the potential and actual human rights risks that may occur in the value chain in the countries and areas where the Group operates, we have identified as relevant to the Group's business activities the following human rights issues* from the International Bill of Human Rights, the Ten Principles of the UN Global Compact, the ILO Declaration on Fundamental Principles and Rights at Work, the Children's Rights and Business Principles and other international standards related to human rights.

In identifying human rights issues, we have referred to the social context surrounding business operations and human rights, the United Nations Environment Programme Finance Initiative (UNEP) and guidelines on human rights formulated by the Japan Business Federation.

* Identified Human Rights Issues

Forced and coerced labor; freedom of movement and residence; child labor; right to an education; rights of young workers; freedom to form and join trade unions; equal pay for equal work; discrimination in hiring; discrimination in conditions of employment; discrimination in opportunities and evaluations; protection of motherhood and childhood; harassment; freedom of thought and religion; overwork and excessive working hours; right to rest and leisure; just compensation and living wages; freedom of choice of employment and protection against unemployment; right to safe and healthy working conditions; right to a decent standard of living and health; right to social security; right to privacy; impacts on the lives of local residents; access to water; environmental management; consumer safety and health

The Lion Group's Human Rights Impact Assessment and Identification of Priorities

The Lion Group identified certain human rights issues as potential challenges to its business activities through an assessment of potential and actual impacts on our stakeholders: our employees and temporary employees; business partners including third-party contractors; suppliers; communities including indigenous peoples; and consumers.

Based on the United Nations Guiding Principles Framework and other guidelines on human rights, we assessed the scale of human rights violations, the scope of those violations, the possibility of resolution and the likelihood of occurrence. This task was undertaken mainly by persons responsible for the relevant departments as well as an investigative committee on human rights and external experts, who after making a comprehensive judgment, created a risk map that identified outstanding human rights issues which are priorities for the Company.

Implementation of Prevention, Mitigation and Corrective Measures

To prevent, mitigate and remedy negative human rights impacts, priorities identified by the human rights impact assessment, the following actions will be taken.

Priority Issues for Rights Holders	Measures to prevent, mitigate and correct negative impacts
Suppliers using forced labor, child labor, the rights of young workers, overwork and excessive working hours, the right to enjoy safe and healthy working conditions, freedom of residence and relocation, the right to education, freedom of work and employment security	<ul style="list-style-type: none"> Promote procurement of third-party certified raw materials (RSPO and FSC certified products) Promotion of Sedex membership among major suppliers Promote implementation of self-checks based on the Lion Group Supplier CSR Guidelines Add human rights clauses to the memorandum of the Lion Group Supplier CSR Guidelines <p>To prevent, mitigate and correct the negative impacts of such violations as suppliers using forced labor, we will promote the procurement of RSPO and FSC certified products, Sedex membership of major companies and Lion Group Supplier CSR Guidelines self-checks. We will also add the Lion Human Rights Policy, the International Bill of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work to the memorandum of the Lion Group Supplier CSR Guidelines and require that the human rights policy be endorsed and followed by suppliers as well.</p>
Community access to clean water resources, impact on local livelihoods and environmental management	<ul style="list-style-type: none"> Addition of individual environment-related questions to the Lion Group Supplier CSR Guidelines self-check Conduct interviews with suppliers with low self-check scores <p>To prevent, mitigate and correct such negative impacts as lack of access to water resources in communities of local residents living near supplier bases, we will add questions regarding environmental management in the subrecipient self-check to ascertain the status of specific initiatives for the community. In addition, we will encourage suppliers with low scores to take corrective action by conducting additional interviews.</p>
Overwork, excessive working hours and internal employee harassment among our business partners	<ul style="list-style-type: none"> Ensure that all employees are familiar with the Lion Group Charter of Corporate Behavior and the Lion Human Rights Policy Raise awareness of human rights among employees through e-learning and training programs <p>To prevent, mitigate and correct the negative effects of overwork and excessive working hours at our business partners, we are working to disseminate and establish the Lion Group Charter of Corporate Behavior and the Lion Human Rights Policy through e-learning and training programs for our employees. We will also appropriately disseminate information regarding the Lion Human Rights Policy and AL Heart Hotline available through avenues such as the Company's website to our business partners.</p>
Consumers' right to privacy	<ul style="list-style-type: none"> Strengthening of information security measures <p>To prevent and reduce the risk of personal information leaks and thereby protect consumers' right to privacy, we have established policies and</p>

Priority Issues for Rights Holders	Measures to prevent, mitigate and correct negative impacts
	<p>regulations such as the Personal Information Management Regulations, the Basic Policy of Our Information Management, the Information Management Regulations and the Information Security Regulations in accordance with the Act on the Protection of Personal Information.</p> <p>We also implement annual e-learning programs on information security and information management systems as part of employee education, and strengthen information security measures, including personal information protection at overseas affiliates, in accordance with laws and regulations.</p>

Monitoring

Each preventive, mitigating and corrective measure is assigned a qualitative or quantitative indicator and the investigative committee on human rights regularly monitors the progress of each measure, reporting to the person responsible for the relevant department while tracking and evaluating their efficacy.

Communication (Stakeholder Engagement)

External Disclosure

The status of human rights initiatives, etc. will be published on the Company's website as necessary.

Education, Dialogue

The Company implements annual e-learning training for all domestic employees (including part-time employees) to ensure that the Lion Group Charter of Corporate Behavior and the Lion Human Rights Policy are widely understood and firmly established.

In addition, every year we conduct a Compliance Awareness Survey for all domestic employees (including part-time employees) to quantitatively and qualitatively assess their awareness of compliance, including with regard to human rights and workplace behavior, while providing feedback to each department on the results to raise employee awareness and create a better environment.

In 2022, in promoting human rights due diligence, we held study sessions and exchanged opinions on business and human rights with directors, Audit & Supervisory Board members, executive officers, managers of divisions with human rights jurisdiction and external experts to deepen understanding of the issues.

Participation in External Initiatives on Human Rights

The Group also participates in such external initiatives as workshops held by the Human Rights Due Diligence (HRDD) Subcommittee of the Global Compact Network Japan (GCNJ) to promote understanding of social conditions surrounding human rights. The Japan Cosmetic Industry Association (JCIA), to which we belong, has formulated Sustainability Guidelines and, through a social issues subcommittee, held a seminar for its members on respect for human rights and gender equality in 2023.

Access to Relief

The Group has established the AL (All Lion) Heart Hotline, an internal and external whistle-blowing system, as a grievance mechanism to manage complaints about transgressions of business ethics, particularly those involving human rights.

Through this system, whistleblowers can be stakeholders from outside the Group, like business partners. The privacy of whistleblowers and informants is safeguarded and secrecy is assured for any investigations. Aside from anonymous reports, etc., all instances are also relayed to all informants.

Initiatives at Overseas Group Companies

Risk Assessment in the Lion Group

We conduct interviews with the heads of eight overseas Group companies on issues regarding human rights that are assumed to be incorporated into their business activities. During those hearings the Company uses the Sustainability Status Sharing Sheet, which with the help of external experts, identifies the issues that need to be considered in the countries and areas where we operate with respect to key sustainability issues as a means of ascertaining the status of prevention, mitigation and corrective measures and responses, as well as monitoring the progress of such measures and responses.

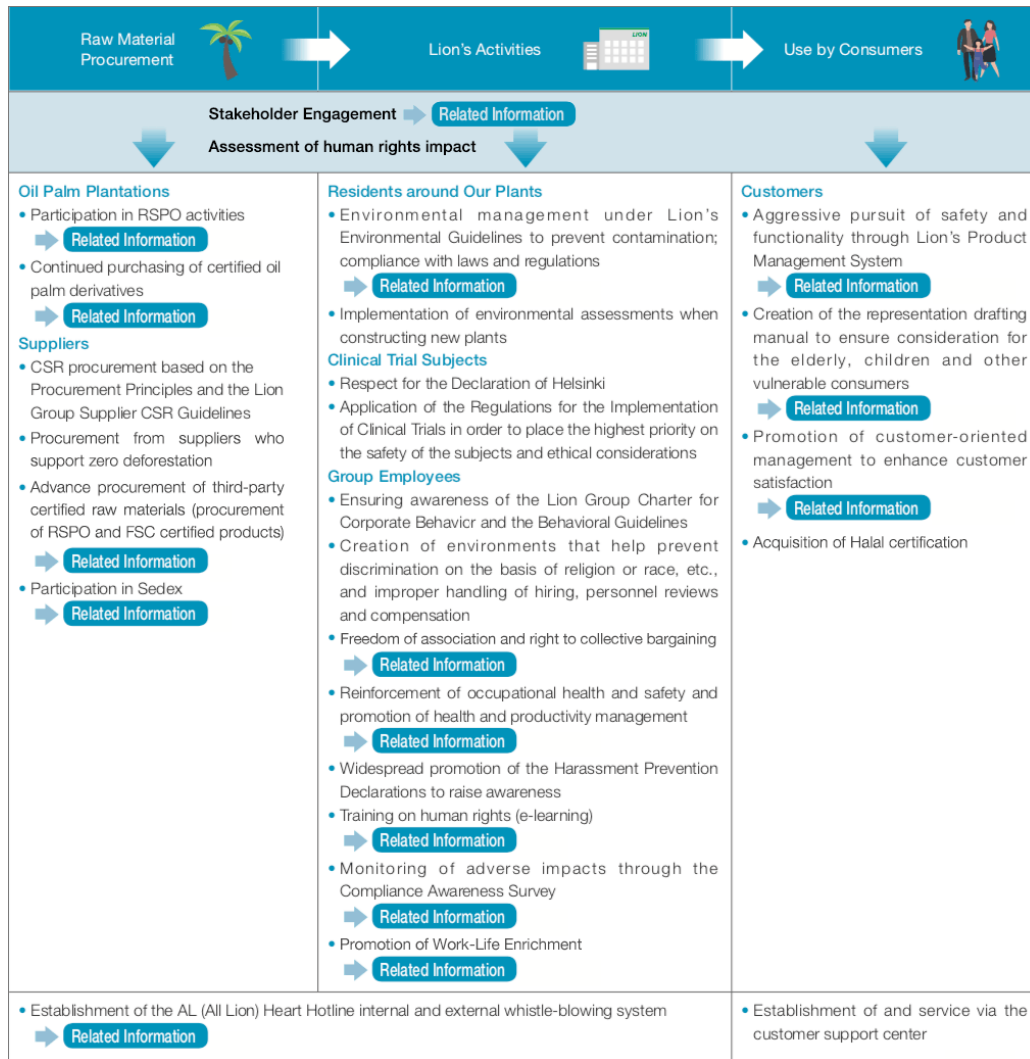
Risk Assessment of Suppliers

For suppliers that conduct business with our overseas affiliates, we implement self-checks based on the Lion Group Supplier CSR Guidelines to assess the impact of suppliers on matters related to the Group's Procurement Policy, including human rights and labor.

Initiatives to Prevent Human Rights Violations along the Value Chain

The Group is taking the following steps to reduce the risk of potential human rights violations along various value chains involving the procurement of raw materials, activities at the Company and use by consumers.

An overall layout of our efforts to prevent human rights violations by value chain and stakeholder



Initiatives in Raw Materials Procurement

The Lion Group has clarified its stance on sustainability, including legal compliance, environmental conservation and respect for human rights in its Procurement Policies as part of its efforts to prevent human rights violations in raw material procurement. The Group is also evolving its efforts with its suppliers.

We are also promoting the sustainable procurement of palm oil, our main plant-based raw material, as we recognize the importance of such efforts.

(1) Raw Materials

Prevention and Mitigation Measures	Targets and Progress in 2022
Procure third party-certified raw materials → Procure products certified by the Roundtable on Sustainable Palm Oil (RSPO) and Forest Stewardship Council (FSC)	<ul style="list-style-type: none"> Target: 100% procurement of RSPO-certified materials Progress: 99% of key raw materials are RSPO-certified (scope: consumer products sold in Japan)
	<ul style="list-style-type: none"> Target: 100% procurement of FSC-certified materials Progress: 65% of materials are FSC-certified (percentage of product types sold in Japan); we are promoting the use of paper certified by the FSC or the Programme for the Endorsement of Forest Certification (PEFC) and recycled paper as copy paper and in office supplies
Promote trade with suppliers with the ability to resolve social and environmental problems that may occur in the supply chain → Suppliers that support efforts aimed at zero deforestation	<ul style="list-style-type: none"> Target: Procurement from suppliers that support efforts aimed at zero deforestation: All suppliers Progress: 48%. 43% of suppliers of palm oil and related materials and 53% of suppliers of paper and pulp (scope: raw material suppliers for the Lion Group in Japan)

(2) Suppliers

Prevention and Mitigation Measures	Progress in 2022
Regular risk evaluations of the sustainability activities of suppliers	Implementing self-checks based on the Lion Group Supplier CSR Guidelines for suppliers of Lion, domestic Group companies, Lion Corporation Korea, Qingdao Lion and Southern Lion Sdn. Bhd.
	Risk assessment through Sedex: 18 companies
Identification of high-risk suppliers	Set standards for high-risk suppliers for self-checks based on the Lion Group Supplier CSR Guidelines
Audits of high-risk suppliers and formulation of improvement plans	High-risk suppliers were not applicable

* As of March 2023

Initiatives in Customer Use

As part of our efforts to ensure that our customers can use our products safely and with peace of mind, we have established a Product Management System, a set of rules that defines our business processes and quality assurance at each stage of product development. In addition to complying with the Act on Pharmaceuticals and Medical Devices, the Act against Unjustifiable Premiums and Misleading Representations, the Health Promotion Act, and other related laws and regulations, we have established a representation drafting manual and conduct accurate and moderate advertising and promotions that do not cause misunderstanding or discomfort, taking the customer's viewpoint into consideration.

In countries and areas where many Muslims live, such as Malaysia and Indonesia, we are working to obtain Halal certification* so that local consumers can use our products with peace of mind.

* Certification under systems for labeling products that have cleared halal certification standards with a halal-certified mark. A halal certificate issued by a certifying body officially recognized by the country's halal certification authority is required to sell products with a halal-certified mark.

Examples of Halal-Certified Products



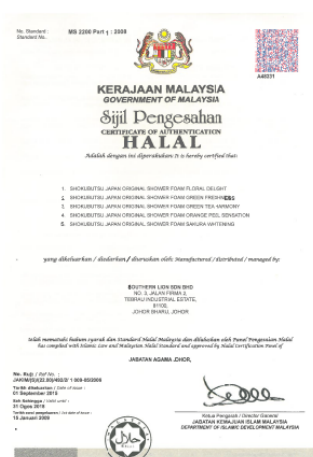
Systema toothpaste sold in Indonesia



Shokubutsu body wash sold in Malaysia



An Indonesian halal certificate



A Malaysian halal certificate

Integrated Report & Sustainability

- ✓ Integrated Report 2023
- ✓ Lion Sustainability Website 2022 <PDF>
- ✓ Back Numbers
- ✓ Lion's Sustainability: SDG-Related Initiatives
- ✓ Lion Sustainability Communication Book [Japanese]
- ✓ Lion Eco Pamphlet [Japanese]
- ✓ "Hygiene and Health Care in Times of Disaster" book [Japanese]

Integrated Report 2023



[Download All Pages](#)  (7.78MB)

Contents

Our Purpose

- Corporate Philosophy
- Lion at a Glance
- Creating Habits and Achieving Business Growth
- Value Creation Process
- Top-Priority Sustainability Material Issues

Our Strategy

- Message from the Chairman
- Message from the President
- Message from the Director Responsible for Finance
- Medium-term Management Plan
- Accelerate Growth in Four Fields of Value Creation
Business Development Aimed at the Evolution and Expansion of Habit Redesign
- Oral Health
- Infection Control
- Smart Housework
- Expansion of the Overseas Business
- Research and Development
- Intellectual Property
- Digital Transformation (DX)
- Supply Chain Management
- Human Resource Development
- Message from the Director Responsible for Sustainability
- Sustainability: Approach and Management
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Corporate Governance

- Messages from External Directors
- Corporate Governance
- Compliance
- Risk Management
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- Results by Business Segment
- Consumer Products Business (Japan)
- Overseas Business
- Industrial Products Business
- Financial and Non-Financial Highlights
- Key Financial Data
- Key Non-financial Data
- External Evaluations and Participation in External Organizations
- Corporate Overview and Stock Information

Lion Sustainability Website 2023 <PDF>



> [Download All Pages](#)  (47.0MB)

Selected Pages

- > [Contents](#)  (0.32MB)
- > [Message from Management](#)  (0.78MB)
- > [Lion's Sustainability](#)  (13.0MB)
- > [Lion's SDG-Related Initiatives](#)  (1.19MB)
- > [Creating Healthy Living Habits](#)  (16.1MB)
- > [Together with the Environment](#)  (6.52MB)
- > [Ensuring Product Safety and Reliability](#)  (1.31MB)
- > [Together with Supply Chains](#)  (0.68MB)
- > [Together with Employees](#)  (3.62MB)
- > [Respect for Human Rights](#)  (0.65MB)
- > [Integrated Report & Sustainability](#)  (0.63MB)
- > [Editorial Policy and Guideline Reference Tables](#)  (0.51MB)

2022 Back Number

> [Lion Sustainability Website 2022 <PDF>](#)  (36.5MB)

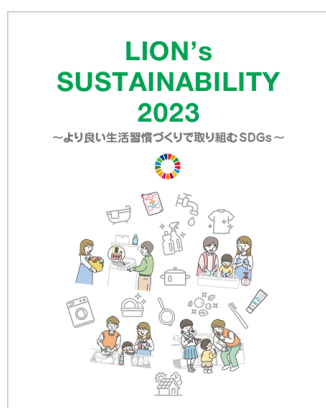
Back Numbers

- > [Integrated Report 2022 \(10.0MB\)](#)
Subject Period: January 1, 2021 to December 31, 2021 
- > [Integrated Report 2021 \(10.3MB\)](#)
Subject Period: January 1, 2020 to December 31, 2020 
- > [Integrated Report 2020 Sustainability \(6.3MB\)](#)
Subject Period: January 1, 2019 to December 31, 2019 
- > [Sustainability Report 2019 Full Book \(8.4MB\)](#)
Subject Period: January 1, 2018 to December 31, 2018 
- > [Sustainability Report 2018 Full Book \(10MB\)](#)
Subject Period: January 1, 2017 to December 31, 2017 
- > [CSR Report 2017 Full Book \(10.6MB\)](#)
Subject Period: January 1, 2016 to December 31, 2016 

- > CSR Report 2016 Full Book (16.7MB)
Subject Period: January 1, 2015 to December 31, 2015 
- > CSR Report 2015 Full Book (13.3MB)
Subject Period: January 1, 2014 to December 31, 2014 
- > CSR Report 2014 Full Book (8.6MB)
Subject Period: January 1, 2013 to December 31, 2013 
- > CSR Report 2013 Full Book (8.6MB)
Subject Period: January 1, 2012 to December 31, 2012 
- > CSR Report 2012 Full Book (10.8MB)
Subject Period: January 1, 2011 to December 31, 2011 
- > CSR Report 2011 Full Book (11.9MB)
Subject Period: January 1, 2010 to December 31, 2010 
- > CSR Report 2010 Full Book (14.1MB)
Subject Period: January 1, 2009 to December 31, 2009 
- > CSR Report 2009 Full Book (3.7MB)
Subject Period: January 1, 2008 to December 31, 2008 
- > CSR Report 2008 Full Book (3.1MB)
Subject Period: January 1, 2007 to December 31, 2007 

Lion's Sustainability: SDG-Related Initiatives

| 2023



> A3-size LION's SUSTAINABILITY 2023 (for viewing) [Japanese]  (10.8MB)

> A4-size LION's SUSTAINABILITY 2023 (for printing) [Japanese]  (11.0MB)

*Click URLs in the PDF to jump to related videos and web pages.

| 2022 Back Number

> Lion's Sustainability: SDG-Related Initiatives 2022  (11.0MB)

| 2021 Back Number

> Lion's Sustainability: SDG-Related Initiatives 2021  (6.8MB)

Lion Sustainability Communication Booklet

“Foundation of Daily Life: In Numbers”



> Lion Sustainability Communication Booklet [Japanese]  (PDF: 4.2MB)

Lion Eco Pamphlet

This pamphlet uses graphs and illustrations to explain Lion's environmental initiatives.



[> Lion Eco Pamphlet \[Japanese\]](#)  (PDF: 5.0MB)

“Hygiene and Health Care in Times of Disaster”book

This PDF offers information on hygiene and health care amid disasters. The PDF explains the importance of hand cleanliness care and oral care in times of disaster and provides helpful advice on preparing for emergencies and food safety in disaster situations.


Information for families on disaster preparedness and caring for young children, the elderly and people with disabilities in the event of a disaster is also included.



[> Six-page version: Print and fold at the center. \[Japanese\]](#) 

Editorial Policy and Guideline Reference Tables

Editorial Policy

- Since 2011, we have systematized our initiatives for sustainability in accordance with ISO 26000, an international standard concerning corporate social responsibility. Our reporting is structured to reflect this.
 - [Lion Integrated Report 2023](#)  is intended to provide Lion's shareholders, investors and other stakeholders with key information about the Company's initiatives for increasing its corporate value over the medium to long term by fulfilling its purpose of "Make a difference in everyday lives by redesigning habits: ReDesign," facilitating deeper understanding of the Lion Group.
 - The sustainability website provides additional detailed reporting on Lion's ESG data, initiatives related to the SDGs and other sustainability initiatives.
-

Referenced Guidelines:

| *Integrated Report*

- International Integrated Reporting Framework issued by the Value Reporting Foundation (VRF)
- Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation issued by the Ministry of Economy, Trade and Industry

| *Sustainability Website*

- The Environmental Reporting Guidelines (2018) issued by the Ministry of the Environment
 - GRI Sustainability Reporting Standards issued by the Global Reporting Initiative
 - ISO 26000: 2010 Guidance on social responsibility issued by the Japanese Standards Association
-

Scope of Coverage:

Lion Corporation and all of its consolidated subsidiaries are covered, in principle.

* Where the scope of coverage of reported activities or data differs from the above, a description is provided.

* Overseas consolidated subsidiaries are also covered by the [Sustainability Material Issues and Objectives for 2030](#).

Period Covered

- *Integrated Report 2023*: From January 1, 2022 to December 31, 2022
- Sustainability Website: From January 1, 2022 to Present

* Some parts also include information about activities conducted outside of the above periods.







Guideline Reference Tables







➤ [GRI Sustainability Reporting Standards Reference Table](#)


➤ [Reference Table for United Nations Global Compact COP \(Advanced Level August 2016 Version\)](#)

GRI Sustainability Reporting Standards 2016 Reference Table

Note: “-” in the table indicates that the contents of the item are not reported on Lion's sustainability website.

Universal Standards		Website
General Disclosures 2016		
Organizational Profile		
102-1	Name of the organization	> Company Overview
102-2	Activities, brands, products, and services	> Business Segment
102-3	Location of headquarters	> Domestic Offices and Plants
102-4	Location of operations	> Domestic Offices and Plants
102-5	Ownership and legal form	> Company Overview
102-6	Markets served	> Business Segment
		> Domestic Affiliates
		> Overseas Affiliates
102-7	Scale of the organization	> Financial Highlights
102-8	Information on employees and other workers	> Together with Employees
		> Employee Data
102-9	Supply chain	> Together with Supply Chains
102-10	Significant changes to the organization and its supply chain	> Notice Concerning the Acquisition of Shares of Vietnam-Based MERAP HOLDING CORPORATION 
		> Notice Concerning the Business Transfer of Lactoferrin and Other Foods with Function Claims to NISSIN FOOD PRODUCTS CO., LTD. through a Corporate Split (Simplified Absorption-Type Split) 
		> Notice of Planned Additional Investment in Bangladesh Joint Venture (Subsidiary) 
		> Lion to Establish a Joint Venture Company in Bangladesh 
		> Notice Concerning the Results of the Acquisition of Treasury Stock through Off-Auction Own Share Repurchase Trading (ToSTNeT-3), the Completion of the Acquisition, and the Cancellation of Treasury Stock 
		> Notice Concerning the Determination of the Acquisition Price of Treasury Stock through Off-Auction Own Share Repurchase Trading (ToSTNeT-3) 
102-11	Precautionary Principle or approach	> Internal Control System
		> Risk Management
		> Compliance
102-12	External initiatives	> Initiatives and External Evaluation
		> Participation in External Environmental Initiatives
		> Main Activities (Recycling Resources)

Universal Standards		Website
		> Participation in Pharmaceutical Product Safety Initiatives
		> Participation in External Supply Chain Initiatives
		> Participation in External Human Rights Initiatives
Universal Standards		Website
102-13	Membership of Associations	> Initiatives and External Evaluation
		> Participation in External Environmental Initiatives
		> Eco-First Commitment
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		> Building Relationships with Communities and External Organizations
		> Participation in External Supply Chain Initiatives
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102-14	Statement from senior decision-maker	> Medium-Term Management Plan
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102-15	Key impacts, risks, and opportunities	> Quarterly Financial Statements / Supplementary Materials
		> Internal Control System
		> Risk Management
		> Disclosure based on TCFD recommendations
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	> Corporate Philosophy
		> Charter for Corporate Behavior / Behavioral Guidelines
102-17	Mechanisms for advice and concerns about ethics	> Compliance
Governance		
102-18	Governance structure	> Basic Approach to Corporate Governance
102-19	Delegating authority	> Basic Approach to Corporate Governance
102-20	Executive-level responsibility for economic, environmental, and social topics	> Leadership Team
102-21	Consulting stakeholders on economic, environmental, and social topics	> Stakeholder Engagement
		> Sustainability Material Issues and Objectives for 2030
102-22	Composition of the highest governance body and its committees	> Basic Approach to Corporate Governance
		> Lion Corporation Basic Corporate Governance Policy 
		> Corporate Governance Report 
102-23	Chair of the highest governance body	> Corporate Governance Report 
Universal Standards		Website
102-24	Nominating and selecting the highest governance body	> Lion Corporation Basic Corporate Governance Policy 
		> Corporate Governance Report 
102-25	Conflicts of interest	> Securities Report [Japanese]
102-26	Role of highest governance body in setting purpose, values, and strategy	> Lion Corporation Basic Corporate Governance Policy 

Universal Standards		Website
102-27	Collective knowledge of highest governance body	 > Lion Corporation Basic Corporate Governance Policy 
102-28	Evaluating the highest governance body's performance	 > Lion Corporation Basic Corporate Governance Policy 
		 > Lion Receives the 2020 Tokyo Governor Prize for Corporate Governance of the Year
		 > Corporate Governance Report 
102-29	Identifying and managing economic, environmental, and social impacts	 > Sustainability Material Issues and Objectives for 2030
102-30	Effectiveness of risk management processes	 > Internal Control System
		 > Risk Management
102-31	Review of economic, environmental, and social topics	 > Internal Control System
		 > Risk Management
102-32	Highest governance body's role in sustainability reporting	 > Sustainability Management (Implementation Framework)
102-33	Communicating critical concerns	 > Management Message
		 > Compliance
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		 > Risk Management
		 > Sustainability Management (Implementation Framework)
102-34	Nature and total number of critical concerns	 > Compliance
		 > Initiatives to Respond to Our Customers
102-35	Remuneration policies	 > Securities Report [Japanese]
		 > Lion Corporation Basic Corporate Governance Policy 
		 > Compensation System for Corporate Officer
102-36	Process for determining remuneration	 > Securities Report [Japanese]
		 > Compensation System for Corporate Officer
102-37	Stakeholders' involvement in remuneration	 > Securities Report [Japanese]
		 > Compensation System for Corporate Officer
102-38	Annual total compensation ratio	 > Compensation System for Corporate Officer
102-39	Percentage increase in annual total compensation ratio	 > Compensation System for Corporate Officer

Universal Standards		Website
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102-40	List of stakeholder groups	➤ Stakeholder Engagement
102-41	Collective bargaining agreements	➤ Stakeholder Engagement
		➤ Labor-Management Relations
102-42	Identifying and selecting stakeholders	➤ Stakeholder Engagement
102-43	Approach to stakeholder engagement	➤ Stakeholder Engagement
102-44	Key topics and concerns raised	➤ Sustainability Material Issues and Objectives for 2030
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102-46	Defining report content and topic Boundaries	➤ Editorial Policy and Guideline Reference Tables
102-47	List of material topics	➤ Sustainability Material Issues and Objectives for 2030
102-48	Restatements of information	-
102-49	Changes in reporting	-
102-50	Reporting period	➤ Editorial Policy and Guideline Reference Tables
102-51	Date of most recent report	June 30, 2023
102-52	Reporting cycle	-
102-53	Contact point for questions regarding the report	-
102-54	Claims of reporting in accordance with the GRI Standards	➤ Editorial Policy and Guideline Reference Tables
102-55	GRI content index	This Table
102-56	External assurance	➤ Third-Party Verification (Environment)
		➤ Third-Party Verification (Social)
Management Approach and Topic-specific Standards		Website
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Economic Performance		
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201-1	Direct economic value generated and distributed	➤ Quarterly Financial Statements / Supplementary Materials
201-2	Financial implications and other risks and opportunities due to climate change	➤ Disclosure based on TCFD recommendations
201-3	Defined benefit plan obligations and other retirement plans	➤ Securities Report [Japanese]

Universal Standards		Website
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103	Management Approach	-
203-1	Infrastructure investments and services supported	-
203-2	Significant indirect economic impacts	-
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103	Management Approach	> Promoting Sustainability with Materials Manufacturers and Production Contractors
204-1	Proportion of spending on local suppliers	-
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103	Management Approach	> Charter for Corporate Behavior / Behavioral Guidelines
205-1	Operations assessed for risks related to corruption	-
205-2	Communication and training about anti-corruption policies and procedures	> Compliance
205-3	Confirmed incidents of corruption and actions taken	-
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103	Management Approach	-
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Materials		
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		> LION Eco Challenge 2050 Long-Term Environmental Objectives
		> Realizing a Decarbonized Society
		> Realizing a Resource-Circulating Society
301-1	Materials used by weight or volume	> ESG Data and Third-Party Verification > Recycling Resources
301-2	Recycled input materials used	> ESG Data and Third-Party Verification > Using Recycled Plastics
301-3	Reclaimed products and their packaging materials	> Aiming for Sustainable Raw Material Procurement > Using Recycled Plastics
Energy		
103	Management Approach	> Environmental Approach and Policy / Management
		> LION Eco Challenge 2050 Long-Term Environmental Objectives
		> Realizing a Decarbonized Society
302-1	Energy consumption within the organization	> ESG Data and Third-Party Verification > Energy Consumption
302-2	Energy consumption outside of the organization	> Logistics Division Initiatives > Greenhouse Gas Emissions throughout the Supply Chain
302-3	Energy intensity	> Reduce CO₂ Emissions throughout Business Activities

Universal Standards		Website
302-4	Reduction of energy consumption	➤ Energy Consumption
		➤ Reduce CO ₂ Emissions throughout Business Activities
302-5	Reductions in energy requirements of products and services	➤ Reduce CO ₂ Emissions throughout Product Life Cycles
Water		
103	Management Approach	➤ Environmental Approach and Policy / Management
		➤ LION Eco Challenge 2050 Long-Term Environmental Objectives
		➤ Realizing a Resource-Circulating Society
303-1	Water withdrawal by source	➤ ESG Data and Third-Party Verification
		➤ Reducing Water Use
303-2	Water sources significantly affected by withdrawal of water	➤ Overview of Lion's Biodiversity-Friendly Business Activities
303-3	Water recycled and reused	➤ The Chiba Plant's Wastewater Recycling Facilities
Biodiversity		
103	Management Approach	➤ Environmental Approach and Policy / Management
		➤ Lion and biodiversity
		➤ Biodiversity Conservation Activities

Universal Standards	Pages to find in Lion Integrated Report 2022 (PDF)	Website
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	➤ Biodiversity Conservation Initiatives
304-2	Significant impacts of activities, products, and services on biodiversity	➤ Overview of Lion's Biodiversity-Friendly Business Activities
304-3	Habitats protected or restored	➤ Biodiversity Conservation Initiatives
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	➤ Biodiversity Conservation Initiatives
Emissions		
103	Management Approach	➤ Environmental Approach and Policy / Management
		➤ Realizing a Decarbonized Society
		➤ LION Eco Challenge 2050 Long-Term Environmental Objectives
305-1	Direct (Scope 1) GHG emissions	➤ Scope 1 and 2 Greenhouse Gas Emissions from Domestic Operating Sites (tons)
		➤ Scope 1 and 2 Greenhouse Gas Emissions from Overseas Operating Sites (tons)
305-2	Energy indirect (Scope 2) GHG emissions	➤ Scope 1 and 2 Greenhouse Gas Emissions from Domestic Operating Sites (tons)
		➤ Scope 1 and 2 Greenhouse Gas Emissions from Overseas Operating Sites (tons)
305-3	Other indirect (Scope 3) GHG emissions	➤ Greenhouse Gas Emissions throughout the Supply Chain
		➤ LION Eco Challenge 2050 Long-Term Environmental Objectives
305-4	GHG emissions intensity	➤ Reduce CO₂ Emissions throughout Business Activities
305-5	Reduction of GHG emissions	➤ Reduce CO₂ Emissions throughout Business Activities
305-6	Emissions of ozone-depleting substances (ODS)	-
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	➤ ESG Data and Third-Party Verification
		➤ Management of Chemical Substances

Universal Standards		Website
Effluents and Waste		
103	Management Approach	➤ Environmental Approach and Policy / Management
		➤ Realizing a Resource-Circulating Society
306-1	Water discharge by quality and destination	➤ Management of Chemical Substances
306-2	Waste by type and disposal method	➤ Reducing Waste
306-3	Significant spills	➤ Legal Compliance
306-4	Transport of hazardous waste	➤ Management of Chemical Substances
306-5	Water bodies affected by water discharges and/or runoff	➤ Overview of Lion’s Biodiversity-Friendly Business Activities
		➤ Environmental Impact Surveys of Surfactants MES and MEE
Environmental Compliance		
103	Management Approach	➤ Environmental Approach and Policy / Management
307-1	Non-compliance with environmental laws and regulations	➤ Legal Compliance
Supplier Environmental Assessment		
103	Management Approach	➤ Promoting Sustainability with Materials Manufacturers and Production Contractors
		➤ Sustainable Material Procurement Policy
308-1	New suppliers that were screened using environmental criteria	➤ Promoting Sustainability with Materials Manufacturers and Production Contractors
308-2	Negative environmental impacts in the supply chain and actions taken	➤ Aiming for Sustainable Raw Material Procurement
Social		
Employement		
103	Management Approach	➤ Employment information [Japanese]
401-1	New employee hires and employee turnover	➤ Together with Employees
		➤ Employee Data
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	-
401-3	Parental leave	➤ Promoting Work-Life Enrichment
Labor/Management Relations		
103	Management Approach	➤ Labor-Management Relations
402-1	Minimum notice periods regarding operational changes	-

Universal Standards	Pages to find in Lion Integrated Report 2022 (PDF)	Website
Occupational Health and Safety		
103	Management Approach	> Enhancing the Occupational Safety Management System
403-1	Workers representation in formal joint management-worker health and safety committees	> Enhancing the Occupational Safety Management System
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	> Enhancing the Occupational Safety Management System
403-3	Workers with high incidence or high risk of diseases related to their occupation	-
403-4	Health and safety topics covered in formal agreements with trade unions	-
Training and Education		
103	Management Approach	> Developing Human Resources
404-1	Average hours of training per year per employee	> Employee Data
404-2	Programs for upgrading employee skills and transition assistance programs	> Human Resource Development to Support Career Autonomy
404-3	Percentage of employees receiving regular performance & career development reviews	-
Diversity and Equal Opportunity		
103	Management Approach	> Promoting Diversity & Inclusion
405-1	Diversity of governance bodies and employees	> Promoting Diversity & Inclusion
405-2	Ratio of basic salary and remuneration of women to men	> Employee Data
Non-discrimination		
103	Management Approach	> Promoting Diversity & Inclusion
406-1	Incidents of discrimination and corrective actions taken	> Promoting Diversity & Inclusion

Universal Standards		Website
Freedom of Association and Collective Bargaining		
103	Management Approach	> Labor-Management Relations
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
Child Labor		
103	Management Approach	> Respect for Human Rights
408-1	Operations and suppliers at significant risk for incidents of child labor	> Human Rights Due Diligence
Forced or Compulsory Labor		
103	Management Approach	> Respect for Human Rights
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
Human Rights Assessment		
103	Management Approach	> Respect for Human Rights
412-1	Operations that have been subject to human rights reviews or impact assessments	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
412-2	Employee training on human rights policies or procedures	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
Local Communities		
103	Management Approach	> Social Contribution Activities
413-1	Operations with local community engagement, impact assessments, and development programs	> Social Contribution Activities
413-2	Operations with significant actual and potential negative impacts on local communities	-

Universal Standards		Website
Supplier Social Assessment		
103	Management Approach	➤ Together with Supply Chains
414-1	New suppliers that were screened using social criteria	➤ Selecting New Suppliers
414-2	Negative social impacts in the supply chain and actions taken	➤ Aiming for Sustainable Raw Material Procurement
Public Policy		
415-1	Political Contributions	➤ Political Contributions
Customer Health and Safety		
103	Management Approach	➤ Ensuring Product Safety and Reliability
416-1	Assessment of the health and safety impacts of product and service categories	➤ Approach to Quality Assurance, Safety and Reliability
		➤ Safety of Products During Use
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-
Marketing and Labeling		
103	Management Approach	➤ Ensuring Product Safety and Reliability
417-1	Requirements for product and service information and labeling	➤ Approach to Responsible Product Representations
417-2	Incidents of non-compliance concerning product and service information and labeling	➤ Approach to Quality Assurance, Safety and Reliability
417-3	Incidents of non-compliance concerning marketing communications	-
Customer Privacy		
103	Management Approach	➤ Handling of Personal Information
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-
Socioeconomic Compliance		
103	Management Approach	➤ Compliance
419-1	Non-compliance with laws and regulations in the social and economic area	-

Reference Table for United Nations Global Compact COP



Lion Group announced its support for the [UNGC](#) in 2009 and takes part in related initiatives. As upstanding member, COP (Communication on Progress) on the status of initiatives on ten principles in the four areas of “Human Rights,” “Labour,” “Environment” and “Anti-Corruption” is submitted once a year. The Lion’s sustainability activities introduced in the Integrated Report 2022 and websites are laid out in this Reference Table based on the GC Advanced COP Self-Assessment (Updated 19 August 2016).

Criteria for the GC Advanced Level (August 2016 Version)	Website
General	
Does your COP contain a statement by the CEO (or equivalent) expressing continued support for the Global Compact and renewing your company's ongoing commitment to the initiative and its principles?	➤ Management Message
Does your COP contain a description of actions and policies related to the following issue areas? Human Rights, Labour, Environment, Anti-Corruption	➤ Charter for Corporate Behavior / Behavioral Guidelines
	➤ Sustainability Material Issues and Objectives for 2030
	➤ LION Human Rights Policy
	➤ Environmental Policy
	➤ Together with Employees
Does your COP include qualitative and/or quantitative measurement of outcomes illustrating the degree to which targets/performance indicators were met?	➤ LION Anti-Bribery Principles
	➤ Sustainability Material Issues and Objectives for 2030
	➤ Stakeholder Engagement
	-
	Available on our website
a) Through the UN Global Compact website only	-
b) COP is easily accessible to all interested parties (e.g., via its website)	➤ Stakeholder Engagement
c) COP is actively distributed to all key stakeholders (e.g., investors, employees, consumers, local community)	➤ Initiatives and External Evaluations
Both b) and c)	-
How is the accuracy and completeness of information in your COP assessed by a credible third-party?	
The COP describes any action(s) that the company plans to undertake to have the credibility of the information in its COP externally assessed, including goals, timelines, metrics, and responsible staff	-
Information is reviewed by multiple stakeholders (e.g., representatives of groups prioritized in stakeholder analysis)	-
Information is reviewed by a panel of peers (e.g., members of the same industry, competitors, benchmarked leaders, others organized via Global Compact Local Network)	-
Information is assured by independent assurers (e.g., accounting or consulting firm) using their own proprietary methodology	➤ Conducting Third-Party Verification (Environment)
	➤ Conducting Third Party Verification (Society)
Information is assured by independent assurers (e.g., accounting or consulting firm) against recognized assurance standard (e.g., ISAE3000, AA1000AS, other national or industry-specific standard)	-
Other established or emerging best practices	-
The COP incorporates the following high standards of transparency and disclosure:	
Applies the GRI Sustainability Reporting Guidelines	➤ GRI Standard
Is ‘in accordance - core’ with GRI G4	-
Is ‘in accordance - comprehensive’ with GRI G4	➤ Integrated Report 2023 
Applies elements of the International Integrated Reporting Framework	-

Criteria for the GC Advanced Level (August 2016 Version)	Website
Provides information on the company's profile and context of operation	> Company Overview
	> Business Segment
	> Integrated Report 2023 p4 
Which of the following Sustainable Development Goals (SDGs) do the activities described in your COP address?	
SDG 1: End poverty in all its forms everywhere	 Inclusive Oral Care [Japanese]
SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture	-
SDG 3: Ensure healthy lives and promote well-being for all at all ages	> Lion's SDG-Related Initiatives
	> Creating Healthy Living Habits
SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	> Creating Healthy Living Habits
	> Environmental Communication
SDG 5: Achieve gender equality and empower all women and girls	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	> Together with Employees
	> Promoting the Professional Participation and Advancement of Women
	 Kaji × Kaji Happy Share Project [Japanese]
SDG 6: Ensure availability and sustainable management of water and sanitation for all	> Compliance
	> LION Eco Challenge 2050 Long-Term Environmental Objectives
	> Reducing Water Use
SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all	> Initiatives to Establish Cleanliness and Hygiene Habits
	> LION Eco Challenge 2050 Long-Term Environmental Objectives
	> Disclosure based on TCFD recommendations
	> Reduce CO2 Emissions throughout Business Activities
	> Realizing a Resource-Circulating Society
SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	> Promoting Sustainability with Materials Manufacturers and Production Contractors
	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	> Together with Employees
	> Developing Human Resources
	> Promoting Work-Life Enrichment
	> Promoting Diversity & Inclusion
	> Occupational Safety and Safety of Facilities
	> Labor-Management Relations
	> Health and Productivity Management

Criteria for the GC Advanced Level (August 2016 Version)	Website
	➤ Promoting Sustainability with Materials Manufacturers and Production Contractors
Criteria for the GC Advanced Level (August 2016 Version)	Website
SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	➤ LION Eco Challenge 2050 Long-Term Environmental Objectives
	➤ Realizing a Resource-Circulating Society
	➤ Reduce CO₂ Emissions throughout Business Activities
SDG 10: Reduce inequality within and among countries	🔗 Inclusive Oral Care [Japanese]
	➤ Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	➤ Together with Employees
	➤ Developing Human Resources
	➤ Promoting Diversity & Inclusion
	➤ Promoting Sustainability with Materials Manufacturers and Production Contractors
	➤ Compliance
SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable	-
SDG 12: Ensure sustainable consumption and production patterns	➤ Together with the Environment
	➤ LION Eco Challenge 2050 Long-Term Environmental Objectives
	➤ Measures Aimed at Realizing a Resource-Circulating Society—Reducing Container and Packaging Materials—the 3Rs and Renewable Materials
	➤ Toothbrush Recycling Program
	➤ Aiming for Sustainable Raw Material Procurement
	➤ Ensuring Product Safety and Reliability
SDG 13: Take urgent action to combat climate change and its impacts	➤ Together with the Environment
	➤ LION Eco Challenge 2050 Long-Term Environmental Objectives
	➤ Toothbrush Recycling Program
	➤ Promoting Sustainability with Materials Manufacturers and Production Contractors
	➤ Ensuring Product Safety and Reliability
SDG 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development	➤ LION Eco Challenge 2050 Long-Term Environmental Objectives
	➤ Realizing a Resource-Circulating Society
	➤ Reducing Water Use

Criteria for the GC Advanced Level (August 2016 Version)	Website
	› Biodiversity Conservation Activities
	› Promoting Sustainability with Materials Manufacturers and Production Contractors
Criteria for the GC Advanced Level (August 2016 Version)	Website
SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	› Together with the Environment
	› LION Eco Challenge 2050 Long-Term Environmental Objectives
	› Biodiversity Conservation Activities
	› Promoting Sustainability with Materials Manufacturers and Production Contractors
SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	› Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	› Promoting Sustainability with Materials Manufacturers and Production Contractors
	› Basic Approach to Corporate Governance
SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development	› Stakeholder Engagement
	› Social Contribution Activities
	› Initiatives and External Evaluations
	› Toothbrush Recycling Program
	› Social Contribution Activities
	› Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	› Promoting Sustainability with Materials Manufacturers and Production Contractors
With respect to your company's actions to advance the Sustainable Development Goals (SDGs), the COP describes:	
Opportunities and responsibilities that one or more SDGs represent to our business	› Lion's Sustainability
	› Risks and Opportunities Related to Sustainability Material Issues in the Value Chain
Where the company's priorities lie with respect to one or more SDGs	› Sustainability Material Issues and Objectives for 2030
	› Lion's SDG-Related Initiatives
Goals and indicators set by our company with respect to one or more SDGs	› Sustainability Material Issues and Objectives for 2030
How one or more SDGs are integrated into the company's business model	› Lion's Sustainability
	› Risks and Opportunities Related to Sustainability Material Issues in the Value Chain
	› Sustainability Material Issues and Objectives for 2030

Criteria for the GC Advanced Level (August 2016 Version)		Website
The (expected) outcomes and impact of your company's activities related to the SDGs		➤ Risks and Opportunities Related to Sustainability Material Issues in the Value Chain
If the companies' activities related to the SDGs are undertaken in collaboration with other stakeholders		➤ Contributing to the Achievement of the SDGs
		➤ Lion's SDG-Related Initiatives
Other established or emerging best practices		➤ Toothbrush Recycling Program
Items	Implementing the Ten Principles into Strategies & Operations	
Criterion 1	The COP describes mainstreaming into corporate functions and business units	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	➤ Medium-Term Management Plan
	Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc) ensuring no function conflicts with company's sustainability commitments and objectives	➤ Management Message
		➤ Sustainability Management (Implementation Framework)
		➤ Basic Approach to Corporate Governance
		➤ Corporate Governance Report 
	Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy	➤ Medium-Term Management Plan
	Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	➤ Basic Approach to Corporate Governance
		➤ Sustainability Management (Implementation Framework)
	Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs	➤ Sustainability Material Issues and Objectives for 2030
	Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts	➤ Basic Approach to Corporate Governance
		➤ Internal Control System
		➤ Risk Management
	Other established or emerging best practices	-
Criterion 2	The COP describes value chain implementation	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	➤ Sustainability Material Issues and Objectives for 2030
		➤ Together with Supply Chains
	Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts	➤ Sustainability Material Issues and Objectives for 2030
		➤ Risks and Opportunities Related to Sustainability Material Issues in the Value Chain
		➤ Together with Supply Chains
	Communicate policies and expectations to suppliers and other relevant business partners	➤ Procurement Principles
		➤ Sustainable Material Procurement Policy
		➤ Lion Group Supplier CSR Guidelines 
	Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence	➤ Sustainability Material Issues and Objectives for 2030
		➤ Compliance
		➤ Risk Management
		➤ Self-Checks Based on the Lion Group Supplier CSR Guidelines

		> Joined Sedex, the Supplier Ethical Data Exchange
	Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners	> Employee Training on Sustainable Procurement
	Other established or emerging best practices	-
Items	Robust Human Rights Management Policies & Procedures	
Criterion 3	The COP describes robust commitments, strategies or policies in the area of human rights	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Sustainability Material Issues and Objectives for 2030
		> Respect for Human Rights
	Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights)	> Human Rights Policy
	Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company	> Charter for Corporate Behavior / Behavioral Guidelines
		> Human Rights Policy
	Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services	> Charter for Corporate Behavior / Behavioral Guidelines
		> Human Rights Policy
	Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties	> Charter for Corporate Behavior / Behavioral Guidelines
		> Human Rights Policy
	Other established or emerging best practices	-
Criterion 4	The COP describes effective management systems to integrate the human rights principles	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Sustainability Material Issues and Objectives for 2030
		> Respect for Human Rights
	Process to ensure that internationally recognized human rights are respected	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	On-going due diligence process that includes an assessment of actual and potential human rights impacts	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	Internal awareness-raising and training on human rights for management and employees	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	Operational-level grievance mechanisms for those potentially impacted by the company's activities	> Compliance
	Allocation of responsibilities and accountability for addressing human rights impacts	> Compliance
	Internal decision-making, budget and oversight for effective responses to human rights impacts	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
	Process and programs in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action	> Participation in External Supply Chain Initiatives
		> Participation in External Human Rights Initiatives
	Other established or emerging best practices	-

Criterion 5	The COP describes effective monitoring and evaluation mechanisms of human rights integration	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Sustainability Material Issues and Objectives for 2030
		> Respect for Human Rights
	System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain	> Compliance
		> Sustainability Material Issues and Objectives for 2030
		> Promoting Sustainability with Materials Manufacturers and Production Contractors
	Monitoring drawn from internal and external feedback, including affected stakeholders	> Compliance
		> Internal Control System
		> Risk Management
		> Promoting Sustainability with Materials Manufacturers and Production Contractors
	Leadership review of monitoring and improvement results	> Basic Approach to Corporate Governance
		> Internal Control System
		> Risk Management
		> Compliance
	Process to deal with incidents the company has caused or contributed to for internal and external stakeholders	> Basic Approach to Corporate Governance
		> Compliance
		> Corporate Governance Report 
	Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue	> Compliance
	Outcomes of integration of the human rights principles	> Human Rights Policy
		> Compliance
	Other established or emerging best practices	-

Items	Robust Labour Management Policies & Procedures	
Criterion 6	The COP describes robust commitments, strategies or policies in the area of labour	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Sustainability Material Issues and Objectives for 2030
	Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies	> Human Rights Policy
	Reflection on the relevance of the labour principles for the company	-
	Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectoral, national).	> Charter for Corporate Behavior / Behavioral Guidelines
	Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners	-
	Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation	> Charter for Corporate Behavior / Behavioral Guidelines
	Participation and leadership in wider efforts by employers' organizations (international and national levels) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government).	-
	Structural engagement with a global union, possibly via a Global Framework Agreement	-
	Other established or emerging best practices	-
Criterion 7	The COP describes effective management systems to integrate the labour principles	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Together with Employees
	Risk and impact assessments in the area of labour	> Sustainability Material Issues and Objectives for 2030
	Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards	> Together with Employees
		> Labor-Management Relations
	Allocation of responsibilities and accountability within the organization	> Basic Approach to Corporate Governance
	Internal awareness-raising and training on the labour principles for management and employees	> Together with Employees
		> Developing Human Resources
	Active engagement with suppliers to address labour-related challenges	> Promoting Sustainability with Materials Manufacturers and Production Contractors
	Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers	> Compliance
		> Labor-Management Relations
	Other established or emerging best practices	-

Criterion 8	The COP describes effective monitoring and evaluation mechanisms of labour principles integration	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Sustainability Material Issues and Objectives for 2030
	System to track and measure performance based on standardized performance metrics	> Sustainability Material Issues and Objectives for 2030
		> Developing Human Resources
		> Initiatives (Occupational Safety/ Facility Safety)
		> Promoting Diversity & Inclusion
		> Promoting Work-Life Enrichment
		> Improving Employee Health
	Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future	> Labor-Management Relations
	Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards	-
	Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices	-
	Outcomes of integration of the Labour principles	> Measures to Prevent Human Rights Abuse (Human Rights Due Diligence)
		> Compliance Awareness Survey
		> Promoting Diversity & Inclusion
	Other established or emerging best practices	-
Items	Robust Environmental Management Policies & Procedures	
Criterion 9	The COP describes robust commitments, strategies or policies in the area of environmental stewardship	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Sustainability Material Issues and Objectives for 2030
		> Together with the Environment
		> Environmental Approach and Policy / Management
		> LION Eco Challenge 2050 Long-Term Environmental Objectives
	Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)	> Environmental Approach and Policy / Management
	Reflection on the relevance of environmental stewardship for the company	> LION Eco Challenge 2050 Long-Term Environmental Objectives
	Written company policy on environmental stewardship	> Environmental Approach and Policy / Management
	Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners	> Promoting Sustainability with Materials Manufacturers and Production Contractors
	Specific commitments and goals for specified years	> LION Eco Challenge 2050 Long-Term Environmental Objectives
	Other established or emerging best practices	> Recycling Resources

Criterion 10	The COP describes effective management systems to integrate the environmental principles	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	➤ Environmental Approach and Policy / Management
	Environmental risk and impact assessments	➤ Disclosure based on TCFD recommendations
		➤ Overview of Environmental Burden Created by Business Activities
		➤ Realizing a Resource-Circulating Society
		➤ Realizing a Decarbonized Society
	Assessments of lifecycle impact of products, ensuring environmentally sound management policies	➤ LION Eco Challenge 2050 Long-Term Environmental Objectives
		➤ Overview of Environmental Burden Created by Business Activities
		➤ Realizing a Decarbonized Society
		➤ Realizing a Resource-Circulating Society
		➤ Overview of Lion's Biodiversity-Friendly Business Activities
		➤ ESG Data and Third-Party Verification
	Allocation of responsibilities and accountability within the organisation	➤ Environmental Management Structure
	Internal awareness-raising and training on environmental stewardship for management and employees	➤ Environmental Communication
	Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts	➤ Compliance ➤ Environmental Communication through Events
	Other established or emerging best practices	-
Criterion 11	The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	➤ Environmental Approach and Policy / Management
	System to track and measure performance based on standardized performance metrics	➤ Environmental Approach and Policy / Management
		➤ Environmental Management Structure
		➤ Environmental Objectives and Achievements
	Leadership review of monitoring and improvement results	➤ Environmental Approach and Policy / Management
		➤ Environmental Management Structure
	Process to deal with incidents	➤ Environmental Approach and Policy / Management
		➤ Environmental Management Structure
	Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	➤ Sustainability Material Issues and Objectives for 2030
		➤ Promoting Sustainability with Materials Manufacturers and Production Contractors
	Outcomes of integration of the environmental principles	➤ Legal Compliance
		➤ ESG Data and Third-Party Verification
		➤ Management of Chemical Substances
	Other established or emerging best practices	-

Items	Robust Anti-Corruption Management Policies & Procedures	
Criterion 12	The COP describes robust commitments, strategies or policies in the area of anti-corruption	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> LION Anti-Bribery Principles
	Publicly stated formal policy of zero-tolerance of corruption	> Charter for Corporate Behavior / Behavioral Guidelines
		> Procurement Principles
		> LION Anti-Bribery Principles
		> Initiatives and External Evaluations
	Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes	> Charter for Corporate Behavior / Behavioral Guidelines
		> Procurement Principles
		> LION Anti-Bribery Principles
	Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption	> Initiatives and External Evaluations
	Detailed policies for high-risk areas of corruption	-
	Policy on anti-corruption regarding business partners	> Charter for Corporate Behavior / Behavioral Guidelines
		> Procurement Principles
		> LION Anti-Bribery Principles
	Other established or emerging best practices	-
Criterion 13	The COP describes effective management systems to integrate the anti-corruption principle	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	-
	Support by the organization's leadership for anti-corruption	> Initiatives and External Evaluations
	Carrying out risk assessment of potential areas of corruption	> Internal Control System
		> Risk Management
	Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees	> Compliance
	Internal checks and balances to ensure consistency with the anti-corruption commitment	> Internal Control System
		> Risk Management
	Actions taken to encourage business partners to implement anti-corruption commitments	> Promoting Sustainability with Materials Manufacturers and Production Contractors
	Management responsibility and accountability for implementation of the anti-corruption commitment or policy	> Internal Control System
		> Risk Management
	Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice	> Compliance
	Internal accounting and auditing procedures related to anticorruption	> Internal Control System
		> Risk Management
	Other established or emerging best practices	-

Criterion 14	The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	-
	Leadership review of monitoring and improvement results	> Internal Control System
		> Risk Management
	Process to deal with incidents	> Internal Control System
		> Risk Management
	Public legal cases regarding corruption	-
	Use of independent external assurance of anti-corruption programmes	-
	Outcomes of assessments of potential corruption and mechanisms for seeking advice /reporting procedures supporting anti-corruption policy.	-
	Other established or emerging best practices	-
Items	Taking Action in Support of Broader UN Goals and Issues	
Criterion 15	The COP describes core business contributions to UN goals and issues	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Sustainability Material Issues and Objectives for 2030
	Align core business strategy with one or more relevant UN goals/issues	> Medium-Term Management Plan
	Develop relevant products and services or design business models that contribute to UN goals/issues	-
	Adopt and modify operating procedures to maximize contribution to UN goals/issues	-
	Other established or emerging best practices	-
Criterion 16	The COP describes strategic social investments and philanthropy	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Social Contribution Activities
		> Sustainability Material Issues and Objectives for 2030
	Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	> Social Contribution Activities
		> Creating Healthy Living Habits
	Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors	> Eco-First Commitment
		> Social Contribution Activities
		> Together with Supply Chains
		> Initiatives to Establish Oral Care Habits
		> Inclusive Oral Care [Japanese]
	Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups	> Aiming for Sustainable Raw Material Procurement
	Other established or emerging best practices	-

Criterion 17	The COP describes advocacy and public policy engagement	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Social Contribution Activities
		> Stakeholder Engagement
	Publicly advocate the importance of action in relation to one or more UN goals/issues	> Management Message
		> Eco-First Commitment
	Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	> Eco-First Commitment
	Other established or emerging best practices	-
Criterion 18	The COP describes partnerships and collective action	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Social Contribution Activities
		> Stakeholder Engagement
	Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy	> Social Contribution Activities
		> Initiatives to Establish Oral Care Habits
		🔗 Inclusive Oral Care [Japanese]
	Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain	> Eco-First Commitment
		> Together with Supply Chains
	Other established or emerging best practices	-
Items	Corporate Sustainability Governance and Leadership	
Criterion 19	The COP describes CEO commitment and leadership	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Basic Approach to Corporate Governance
		> Sustainability Material Issues and Objectives for 2030
		> Management Message
	CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	> Management Message
	CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	> Eco-First Commitment
	CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation	> Management Message
	Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team	> Compensation System for Corporate Officer
	Other established or emerging best practices	-

Criterion 20	The COP describes Board adoption and oversight	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Basic Approach to Corporate Governance
	Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance	> Basic Approach to Corporate Governance
		> Sustainability Management (Implementation Framework)
	Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.	> Leadership Team
		> Sustainability Management (Implementation Framework)
	Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	> Sustainability Management (Implementation Framework)
	Other established or emerging best practices	-
Criterion 21	The COP describes stakeholder engagement	
	Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff	> Stakeholder Engagement
	Publicly recognize responsibility for the company's impacts on internal and external stakeholders	> Management Message
		> Stakeholder Engagement
	Define sustainability strategies, goals and policies in consultation with key stakeholders	> Stakeholder Engagement
		> Sustainability Material Issues and Objectives for 2030
	Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance	> Stakeholder Engagement
	Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'	> Stakeholder Engagement
		> Compliance
	Other established or emerging best practices	-