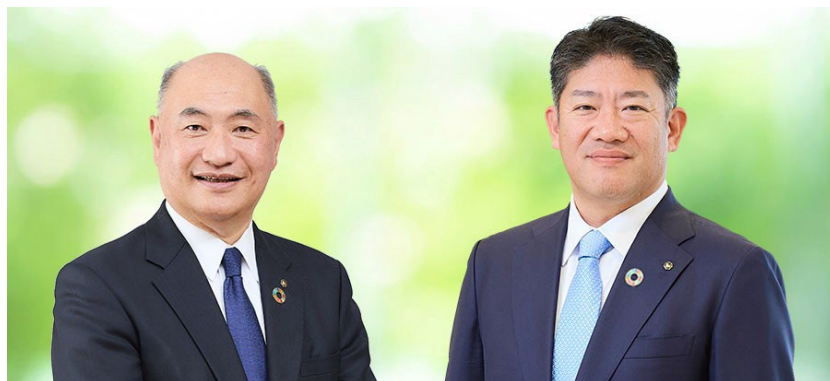


Management Message

✓ Message from Management

✓ Message from the Director Responsible for Sustainability

Make a difference in everyday lives by redesigning habits: ReDesign



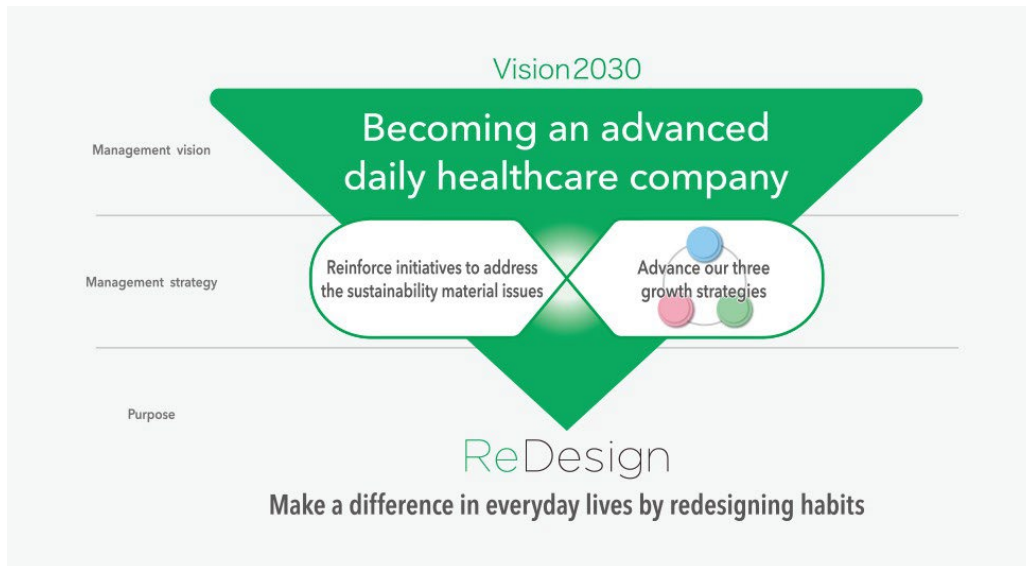
(Left) Masazumi Kikukawa
Representative Director, Chairman of the Board of Directors

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

Since Lion's founding in 1891, it has striven to help consumers realize health, comfort, cleanliness and hygiene 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."

In Northeast Asia, various challenges arising from aging populations, such as increasing medical costs, are becoming apparent, while in Southeast Asia, health and hygiene habits must be improved in accordance with the level of economic development. At the same time, dealing with global environmental problems cannot be put off any longer. 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 society and achieve further business growth through the creation of better habits by integrating sustainability into management strategy.



Kenjiro Kobayashi
Director, Senior Executive Officer

Integrating Sustainability into Management Strategy

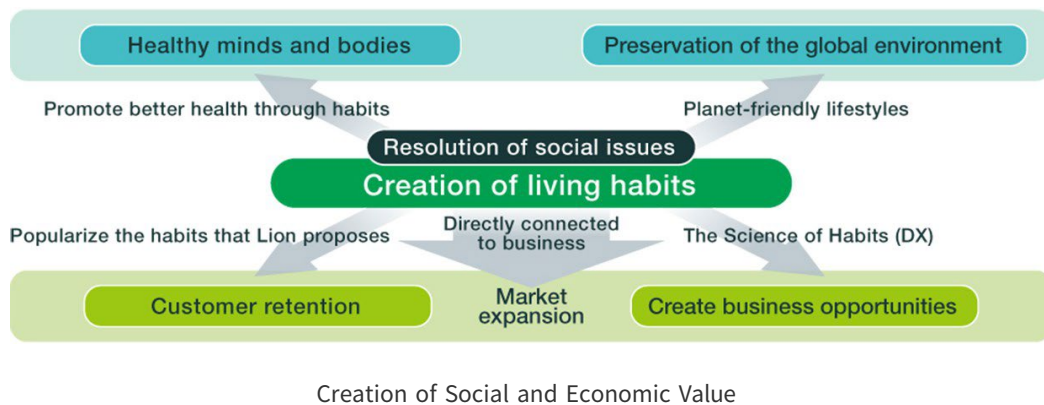
As the urgency of addressing global environmental and social issues rapidly escalates, society as a whole is engaging in various initiatives to build an inclusive, sustainable and resilient future for both people and the planet. The Lion Group needs to implement even more ambitious initiatives. We believe that addressing the issues that society faces will involve creating habits among consumers to reduce CO₂ emissions, save water and electricity, and promote healthy lifestyles. For example, according to the United Nations, on a consumption basis 65% of CO₂ emissions come from households, suggesting that households play a crucial role in achieving significant emission reductions.^{*1*2} The key is people's everyday habits. We strongly believe that significant change can be achieved through habits that help lower CO₂ emissions and promote everyday health.

Based on our purpose, “Make a difference in everyday lives by redesigning habits: ReDesign,” we set out a management strategy to reinforce initiatives for Sustainability Material Issues and to synergistically advance our three growth strategies. We have identified the Sustainability Material Issues to address by 2030, outlining a roadmap for creating value in businesses in which the Lion Group has a competitive advantage and is fulfilling its responsibilities as a good corporate citizen. In particular, the Company have positioned “creating healthy living habits” and “promoting environmental initiatives for a sustainable planet” as top-priority material issues in which the Company must invest management resources to secure a competitive advantage. To incorporate these material issues into management and in turn our business activities, 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. I will continue working to fulfill our purpose and leverage our uniqueness, while steering the Group toward sustainability in management to contribute to society and achieve further business growth through the creation of better habits.

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

To create healthy living habits, one of our top-priority material issues, we are currently focusing on instilling habits that are directly linked to improved health, such as tooth brushing and hand washing. Our objective is to provide the 1 billion people in Japan and across Asia in the regions that the Lion Group serves with products, services and information that help to create healthy living. Going forward, we will accelerate efforts to achieve this objective by increasing collaboration with overseas Group companies. Moreover, in the field of oral health, an area of expertise for Lion, we have newly established the Oral Health Product Development Department to develop new products and services using IoT, AI, and other technologies, thus creating new markets and further increasing the scope of our business.

To promote environmental initiatives for a sustainable planet, we are collaborating with consumers in the creation of environmentally friendly habits. By proposing planet-friendly lifestyles, we contribute to the achievement of a decarbonized, resource-circulating society. In cooperation with local governments and other companies, we are developing recycling technologies and structuring collection systems for refill containers. We will continue to enhance these partnerships with the aim of integrating these technologies and systems into social infrastructure.



In addition, we aim to create new business opportunities by providing experiences that allow people to create habits more enjoyably and proactively, as well as by taking a scientific approach to habits using digital technologies such as data processing to visualize changes in people’s behavior.

Furthermore, the Lion Group needs to nurture employees who embody its purpose. In January 2023, we introduced a new personnel system for managers that incorporates a job-focused perspective, replacing the previous system that determined job titles based on seniority. Our goal is for each employee to map out a clear picture of how they should develop themselves to achieve their aspirations, thus increasing motivation on the job, increasing expertise, and maximizing the value they create.

Going forward, the Lion Group will continue to promote sustainability in management, leveraging its uniqueness while balancing the creation of social and economic value to improve corporate value.

*1 United Nations Environment Programme (2020). *The Emissions Gap Report 2020*. Nairobi.

*2 Ivanova, D., Stadler, K., Steen-Olsen, K., Wood, R., Vita, G., Tukker, A. and Hertwich, E. G. *Journal of Industrial Ecology*, 20(3), 526-536 (2016)

Kenjiro Kobayashi

Director, Senior Executive Office



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

