

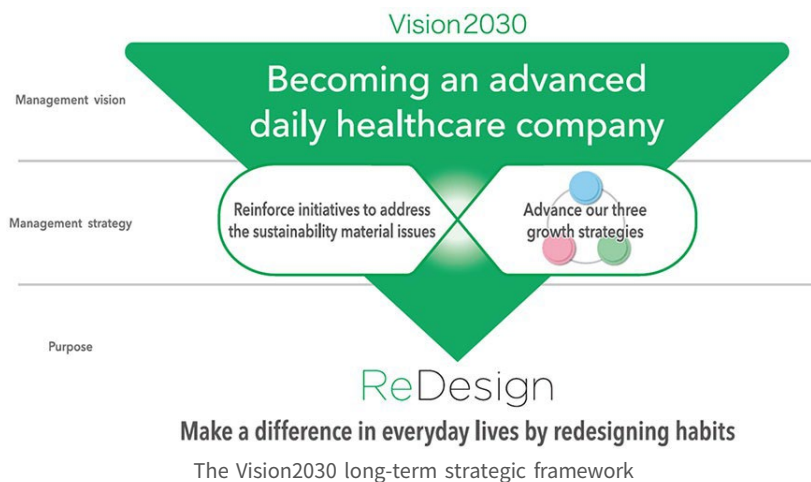
# Lion's Sustainability

- ✓ 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.



- Promoting oral healthcare
- Establishing cleanliness and hygiene habits

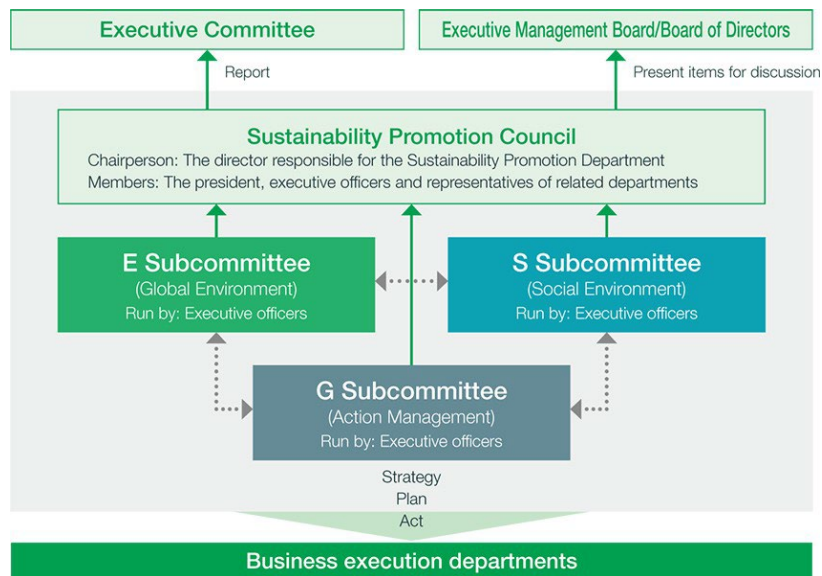


> [Lion's SDG-Related Initiatives](#)

## 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 the Sustainability Promotion Council, convening twice a year.

We have established the E, S and G subcommittees under the council, each headed by an executive officer, to promote and monitor initiatives for the Sustainability Material Issues. Decisions made by the council are shared with the Executive Committee and, as necessary, presented to and discussed by the Executive Management Board and the Board of Directors, before being reflected in the business activities of the business execution departments.



### Expectations for Evolving Sustainability Management

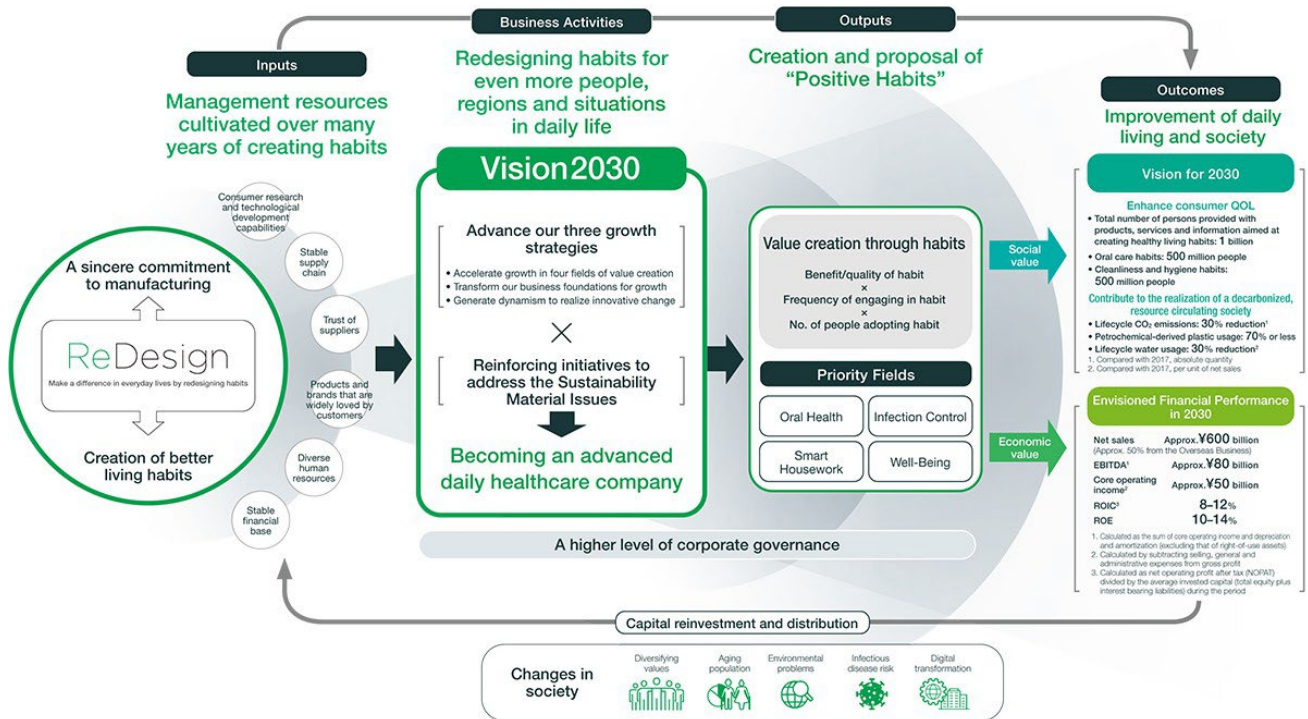
The Audit & Supervisory Board makes sustainability a priority theme each fiscal year. I have been working in the field of sustainability for many years. As such, I look at how issues related to the environment (E) as well as people and society (S) are decided upon in the Lion Group (i.e., governance (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

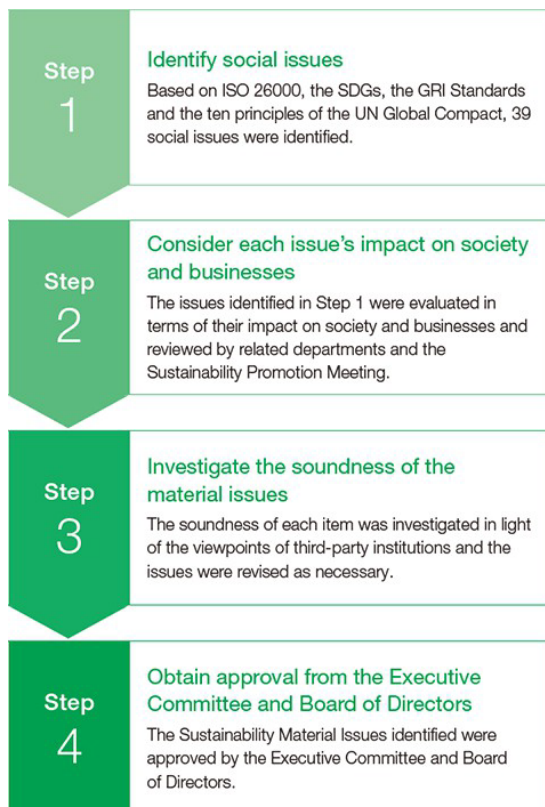
In 2020, the Lion Group applied the steps below to revise its list of Sustainability Material Issues to address over the coming decade in order to achieve its goals for 2030, including the realization of the management vision and contributing to the realization of the SDGs. These Sustainability Material 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.

### Sustainability Material Issues and Objectives for 2030

For a summary version ideal for getting a general overview and suitable for printing, please use the PDF version. For more detailed information, please use the web version.

# Sustainability Initiatives

## Reinforcing Initiatives to Address the Sustainability Material Issues

### Risk Management

At the Lion Group, we have identified and are carefully managing sustainability-related risks that may seriously impact management as we work to achieve sustainable growth and fulfil our social responsibility by supplying products to our customers. Please see “Business Risks” on page 64 for specific risks and countermeasures.

### Objectives and Indicators

## Sustainability Material Issues, 2030 Objectives and Indicators, 2023 Results and Measures to 2030

We conducted activities toward achieving the 2030 objectives for each Sustainability Material Issue. We will continue to introduce further initiatives. Going forward, we will boost our efforts to manage and address these risks.

Material Issues	Objectives	Indicators (2030)	Progress (2023 Results)	Globally Common Measures to 2030
<b>Promoting Environmental Initiatives for a Sustainable Planet</b>  <a href="#">Link</a>	Reduce CO2 emissions throughout business activities.	<ul style="list-style-type: none"> <li>CO2 emissions throughout business activities ⇒Down 55% compared with 2017 levels (Absolute quantity)</li> </ul>	<ul style="list-style-type: none"> <li>Down 39% compared with 2017 (Figure after deducting purchases of carbon credits. 29% reduction if not deducted.)</li> </ul>	<ul style="list-style-type: none"> <li>Reduce energy usage through energy-saving activities.</li> <li>Purchase electricity generated by renewable energy sources</li> </ul>
	Reduce CO2 emissions throughout product lifecycles.	<ul style="list-style-type: none"> <li>CO2 emissions throughout product lifecycles ⇒Down 30% compared with 2017 levels (Absolute quantity)</li> </ul>	<ul style="list-style-type: none"> <li>Up 3% compared with 2017</li> </ul>	<ul style="list-style-type: none"> <li>Reduce household CO2 emissions from product use through the provision of environmentally friendly products and services and the promotion of environmentally friendly habits.</li> <li>Reduce CO2 emissions at the stage of procurement through supplier engagement and the purchase of raw materials that generate low CO2 emissions.</li> </ul>
	Achieve a CO2 emissions reduction effect in excess of Lion's own emissions to help society become carbon negative.	<ul style="list-style-type: none"> <li>Contribute to a CO2 emission reduction effect in excess of Lion's own emissions (Japan)</li> </ul>	<ul style="list-style-type: none"> <li>Plan to formulate actions and KPIs and verify their effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>Reduce society's overall CO2 emissions through collaboration with other industry actors and companies.</li> <li>Reduce household CO2 emissions through provision of environmentally friendly products and services.</li> </ul>
	Actively promote the 3Rs (reduce, reuse, recycle) and renewable resource activities.	<ul style="list-style-type: none"> <li>Petrochemical-derived plastic use rate ⇒70% or less</li> </ul>	<ul style="list-style-type: none"> <li>96% (Japan) Rate of containers and other packaging using sustainable materials: 3.9%</li> </ul>	<ul style="list-style-type: none"> <li>Reduce usage of petrochemical-derived materials through the increased use of recycled plastic and biomass materials in products, containers and packaging.</li> <li>Continuously promote reduced use and reuse of plastic in products, containers and packaging.</li> </ul>
	Reduce water usage throughout product lifecycles.	<ul style="list-style-type: none"> <li>Water usage throughout product lifecycles ⇒Down 30% compared with 2017 levels (Per unit of net sales)</li> </ul>	<ul style="list-style-type: none"> <li>Down 13% compared with 2017</li> </ul>	<ul style="list-style-type: none"> <li>Reduce water usage by consumers through the provision of water-saving products</li> </ul>
<b>Creating Healthy Living Habits</b>  <a href="#">Link</a>	Provide opportunities for everyone to practice oral care whenever necessary and foster oral care habits to promote health for all.	<ul style="list-style-type: none"> <li>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)</li> </ul>	<ul style="list-style-type: none"> <li>Oral care habits: 310 million*</li> <li>Spreading Awareness of Preventive Dentistry Habits (Japan)</li> <li>Began services supporting the oral care habits of corporate customers and children (Okuchi Plus You and Okuchi-iku) (Overseas)</li> <li>Conducted educational and awareness activities to promote the formation of good tooth brushing habits among kindergarten and elementary school children (implemented preventive dentistry habits)</li> </ul>	<ul style="list-style-type: none"> <li>Increase range of products and services that promote the creation of better oral care habits.</li> <li>Reinforce educational and awareness activities aimed at establishing preventive dentistry and better oral care habits.</li> <li>Promote activities to address personal and social challenges through oral care. (Inclusive Oral Care)</li> </ul>
	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.		<ul style="list-style-type: none"> <li>Putting Preventive Dentistry Habits into Practice (Japan)</li> <li>Promoted greater frequency of tooth brushing 37% of population brushed teeth after lunch (target for 2030: 50%)</li> <li>Promoted greater use of products other than toothpastes and toothbrushes 38% of population used dental floss products (target for 2030: 50%)</li> <li>* Source: Lion survey</li> </ul>	
			<ul style="list-style-type: none"> <li>Cleanliness and hygiene habits: 170 million*</li> <li>Promoting and Establishing Cleanliness and Hygiene Habits through Educational Institutions (Lion Group)</li> <li>Conducted educational and awareness activities at preschools, kindergartens and elementary schools to promote hand washing habits</li> <li>Conducted hygiene educational and awareness activities through JICA in Bangladesh</li> <li>Conducted the My Bottle Sticker Drawing Contest (Expanded activities in the domain of establishing cleanliness and hygiene habits) (Japan)</li> <li>Conducted the Replay Project for Cleanliness and the My Bottle Campaign</li> <li>* Source: Lion survey</li> </ul>	<ul style="list-style-type: none"> <li>Provide products and services that support the establishment of hand cleanliness and hygiene habits in daily living.</li> <li>Provide new customer experiences in all aspects of daily living through the provision of products and services that protect customers from bacteria and viruses.</li> <li>Implement educational and awareness activities to establish cleanliness and hygiene habits in all aspects of daily living.</li> </ul>

Material Issues	Objectives	Indicators (2030)	Progress (2023 Results)	Globally Common Measures to 2030
Promoting Diversity and Inclusion <a href="#">Link</a>	Enable human resources with diverse values and ideas to fully express their individuality and abilities and succeed professionally.	<ul style="list-style-type: none"> <li>Ratio of women in management 30% or more</li> <li>Employees who feel that employees with diverse values are able to succeed professionally ⇒80% or more</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of women in management: 24%</li> <li>Employees who feel so: 56% (Japan)</li> </ul>	<ul style="list-style-type: none"> <li>Provide opportunities for employees to deepen their understanding of diverse values.</li> <li>Create systems and mechanisms for diverse human resources to succeed professionally.</li> </ul>
Promoting Work-Life Enrichment <a href="#">Link</a>	Create an environment that helps employees fulfill their ambitions through synergy between work and private life.	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>54% (Japan)</li> </ul>	<ul style="list-style-type: none"> <li>Create an environment that enables employees to fulfill their life ambitions and achieve their ideal lifestyles.</li> </ul>
Developing Human Resources <a href="#">Link</a>	Foster human resources who generate dynamism to realize innovative change by creating environments that enable all employees to exercise their diverse abilities to the fullest and embrace challenges.	<ul style="list-style-type: none"> <li>Employees who are using diverse educational programs (Lion Career Village) for individualized skill acquisition and ability development ⇒100%</li> </ul>	<ul style="list-style-type: none"> <li>57%</li> </ul>	<ul style="list-style-type: none"> <li>Introduce e-learning system and curriculum that meet the needs of overseas Group companies.</li> <li>Create mechanisms that will be used to provide content for learning opportunities on an ongoing basis.</li> </ul>
Improving Employee Health <a href="#">Link</a>	Support mental and physical healthcare for employees to reinforce Group human resources and achieve sustainable corporate growth.	<ul style="list-style-type: none"> <li>Employees getting dental checkups ⇒100%</li> <li>Absenteeism ⇒Improve from the 2021 level</li> </ul>	<ul style="list-style-type: none"> <li>Employees getting dental checkups: 90% (Japan) Note: Calculation method under consideration overseas</li> <li>Absenteeism: 0.9% (Lion Corporation in Japan (Slightly up from 2021)) Note: Calculation method under consideration overseas</li> </ul>	<ul style="list-style-type: none"> <li>Use a self-administered daily oral care program and regular dental checkups to create an environment that enables all employees to implement a PDCA cycle and to provide information and learning opportunities regarding oral self-care.</li> <li>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.</li> <li>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.</li> </ul>
Enhancing the Occupational Safety Management System <a href="#">Link</a>	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"> <li>Participation in safety education and training ⇒Implement as planned (100%) at work sites</li> <li>Compliance with occupational safety and health laws and regulations</li> <li>Serious accidents and incidents ⇒Zero</li> </ul>	<ul style="list-style-type: none"> <li>Participation in training: 100% as planned</li> <li>Serious accidents and incidents: Zero</li> </ul>	<ul style="list-style-type: none"> <li>Provide opportunities to learn about safety and disaster prevention, and implement activities to promote understanding of basic safety activities.</li> <li>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.</li> </ul>
Respecting Human Rights <a href="#">Link</a>	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"> <li>Human rights due diligence implementation for material human rights issues ⇒100%</li> </ul>	<ul style="list-style-type: none"> <li>Human rights due diligence implementation</li> <li>Lion Group: 100%</li> <li>Suppliers: 87%</li> </ul>	<ul style="list-style-type: none"> <li>Build a mechanism for addressing human rights issues.</li> <li>Identify material human rights risks and verify how those affected are negatively impacted.</li> <li>Execute and monitor measures for addressing human rights risks that have been identified.</li> <li>Proactively disclose status of response to human rights due diligence implementation</li> </ul>
Building Responsible Supply Chain Management <a href="#">Link</a>	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"> <li>Procurement of third-party certified paper and pulp (FSC, PEFC, etc.) and palm oil, palm kernel oil and their derivatives (RSPO, etc.) ⇒100%</li> <li>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%</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of certified raw materials procurement</li> <li>Japan: Certified paper and pulp: 75% (item ratio) Certified palm oil and palm kernel oil derivatives: 99% (based on key raw materials)</li> <li>Lion Group: Certified paper and pulp: 20% (item ratio) Certified palm oil and palm kernel oil derivatives: 51% (based on key raw materials)</li> <li>Ratio of suppliers supporting zero deforestation</li> <li>Japan: 54%, Lion Group: 41%</li> </ul>	<ul style="list-style-type: none"> <li>Create and promote a sustainable procurement system in cooperation with suppliers</li> </ul>
Pursuing Customer Satisfaction and Trust <a href="#">Link</a>	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"> <li>Reflection of customer opinions in all products and services so that customers will continue to choose them</li> </ul>	<ul style="list-style-type: none"> <li>Shared International VOC Report (Overseas, June and December 2023)</li> <li>Conducted two sessions of training to deal with online controversy and backlash (Japan, June 2023)</li> <li>Commenced active communication via social media (Japan, October 2023)</li> </ul>	<ul style="list-style-type: none"> <li>Evolve the activities of customer response departments by steadily promoting three steps: Understand the current situation, formulate plans, and promote activities</li> <li>Create an environment for improving customer relationships and expanding the range of problem resolution methods.</li> <li>Create and implement a system for reflecting customer feedback in products and services.</li> </ul>

Material Issues	Objectives	Indicators (2030)	Progress (2023 Results)	Globally Common Measures to 2030
Promoting Risk Management <a href="#">Link</a>	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"> <li>• Disclosure of the results of monitoring significant business risks and progress in implementing reduction measures At least once a year</li> </ul>	<ul style="list-style-type: none"> <li>• Disclosed once</li> </ul>	<ul style="list-style-type: none"> <li>• Build and raise awareness of a management system that includes overseas Group companies.</li> <li>• Use a consistent format for investigating risks and implement countermeasures.</li> <li>• Share information on progress of response through reports to the Board of Directors once a year.</li> </ul>
Reinforcing Compliance <a href="#">Link</a>	Reinforce effective initiatives to instill compliance awareness and thus earn and maintain the trust of society.	<ul style="list-style-type: none"> <li>• Participation in compliance education and training Implement as planned (100%) at work sites</li> <li>• Serious compliance violations ⇒Zero</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in training: 100% as planned</li> <li>• Serious compliance violations: Zero</li> </ul>	<ul style="list-style-type: none"> <li>• Build and enhance a compliance system that includes overseas Group companies.</li> <li>• Further inculcate compliance through ongoing implementation of management and employee training and questionnaires, etc.</li> <li>• Improve Group-wide risk perception and accelerate risk response by designating compliance managers at overseas Group companies and building a global hotline.</li> </ul>
Enhancing Governance <a href="#">Link</a>	Build a sound, fair, transparent and highly effective governance system to enable sustainable corporate value enhancement.	<ul style="list-style-type: none"> <li>• Disclosure of the results of the establishment and operation of the internal control system ⇒At least once a year</li> <li>• Improvement in evaluations from external organizations ⇒Continuously improve from 2020 onward</li> </ul>	<ul style="list-style-type: none"> <li>• Disclosed once</li> <li>• Continued activities to maintain or improve evaluation compared with 2022</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate and disclose results of the operation of the current internal control system.</li> <li>• Clarify status of establishment of internal control systems at overseas Group companies and evaluate their operation.</li> <li>• Continuously and proactively disclose governance-related non-financial information.</li> </ul>



# Sustainability Material Issues, 2030 Objectives and Indicators, 2023 Results and Measures to 2030

- ✓ 1. Promoting Environmental Initiatives for a Sustainable Planet
- ✓ 2. Creating Healthy Living Habits
- ✓ 3. Promoting Diversity and 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 CO<sub>2</sub> emissions throughout business activities.
- 2 Reduce CO<sub>2</sub> emissions throughout product lifecycles.
- 3 Achieve a CO<sub>2</sub> emissions reduction effect in excess of Lion's own emissions to help society become carbon negative.
- 4 Actively promote the 3Rs (reduce, reuse, recycle) and renewable activities.
- 5 Reduce water usage throughout product lifecycles.

### 1 Objectives

#### Reduce CO<sub>2</sub> emissions throughout business activities.

Indicators (2030)	CO <sub>2</sub> emissions throughout business activities ⇒Down 55% compared with 2017 levels (Absolute quantity)
Progress (2023 results)	<ul style="list-style-type: none"> <li>• Down 39% compared with 2017 (Figure after deducting purchases of carbon credits. 29% reduction if not deducted.)</li> </ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>• Reduce energy usage through energy-saving activities.</li> <li>• Purchase electricity generated by renewable energy sources.</li> </ul>



### Details

- > [Together with the Environment](#)
- > [Reduce CO<sub>2</sub> Emissions throughout Business Activities](#)
- > [ESG Data](#)

## 2 Objectives

Reduce CO<sub>2</sub> emissions throughout product lifecycles.

Indicators (2030)	CO <sub>2</sub> emissions throughout product lifecycles ⇒Down 30% compared with 2017 levels (Absolute quantity)
Progress (2023 results)	<ul style="list-style-type: none"><li>Up 3% compared with 2017</li></ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"><li>Reduce household CO<sub>2</sub> emissions from product use through the provision of environmentally friendly products and services and the promotion of environmentally friendly habits.</li><li>Reduce CO<sub>2</sub> emissions at the stage of procurement through supplier engagement and the purchase of raw materials that generate low CO<sub>2</sub> emissions.</li></ul>



### Details

- > [Together with the Environment](#)
- > [Reduce CO<sub>2</sub> Emissions throughout Business Activities](#)
- > [ESG Data](#)

## 3 Objectives

Achieve a CO<sub>2</sub> emissions reduction effect in excess of Lion's own emissions to help society become carbon negative.

Indicators (2030)	Contribute to a CO <sub>2</sub> emission reduction effect in excess of Lion's own emissions (Japan)
Progress (2023 results)	Plan to formulate actions and KPIs and verify their effectiveness
Globally Common Measures to 2030	<ul style="list-style-type: none"><li>Reduce society's overall CO<sub>2</sub> emissions through collaboration with other industry actors and companies.</li><li>Reduce household CO<sub>2</sub> emissions through provision of environmentally friendly products and services.</li></ul>



### Details

- > [Together with the Environment](#)
- > [Reduce CO<sub>2</sub> Emissions 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 (2023 results)	<ul style="list-style-type: none"><li>96% (Japan)</li></ul> Rate of containers and other packaging using sustainable materials: 3.9%
Globally Common Measures to 2030	<ul style="list-style-type: none"><li>Reduce usage of petrochemical-derived materials through the increased use of recycled plastic and biomass materials in products, containers and packaging.</li><li>Continuously promote reduced use and reuse of plastic in products, containers and packaging.</li></ul>



### [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 (2023 results)	Down 13% 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 cleanness and hygienic habits that prevent bacteria and viruses from entering the body across all aspects of daily living, so that everyone can stay healthy.

## 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 (2023 results)	<p>Oral care habits: 310 million*</p> <p>Spreading Awareness of Preventive Dentistry Habits</p> <p>Japan:</p> <ul style="list-style-type: none"> <li>• Began services supporting the oral care habits of corporate customers and children (<i>Okuchi Plus You</i> and <i>Okuchi-iku</i>)</li> </ul> <p>Overseas:</p> <ul style="list-style-type: none"> <li>• Conducted educational and awareness activities to promote the formation of good tooth brushing habits among kindergarten and elementary school children (implemented preventive dentistry habits)</li> </ul> <p>Putting Preventive Dentistry Habits into Practice</p> <p>Japan:</p> <ul style="list-style-type: none"> <li>• Promoted greater frequency of tooth brushing 37% of population brushed teeth after lunch (target for 2030: 50%)</li> <li>• Promoted greater use of products other than toothpastes and toothbrushes 38% of population used dental floss products (target for 2030: 50%)</li> </ul> <p>*Source: Lion survey</p>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>• Increase range of products and services that promote the creation of better oral care habits.</li> <li>• Reinforce educational and awareness activities aimed at establishing preventive dentistry and better oral care habits.</li> <li>• Promote activities to address personal and social challenges through oral care(Inclusive Oral Care).</li> </ul>



## Details

> [Creating Healthy Living Habits](#)

> [Initiatives to Establish Oral Care Habits](#)

## 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)	<p>Total number of persons provided with products, services and information aimed at creating healthy living habits</p> <p>⇒500 million</p>
Progress (2023 results)	<p>Cleanliness and good hygiene habits: 170 million*</p> <p>Promoting and Establishing Cleanliness and Hygiene Habits through Educational Institutions</p> <p>Lion Group:</p> <ul style="list-style-type: none"> <li>• Conducted educational and awareness activities at preschools, kindergartens and elementary schools to promote hand washing habits</li> <li>• Conducted hygiene educational and awareness activities through JICA in Bangladesh</li> <li>• Conducted the My Bottle Sticker Drawing Contest (Expanded activities in the domain of establishing cleanliness and hygiene habits)</li> </ul> <p>Japan:</p> <ul style="list-style-type: none"> <li>• Conducted the Replay Project for Cleanliness and the My Bottle Campaign</li> </ul> <p>*Source: Lion survey</p>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>• Provide products and services that support the establishment of hand cleanliness and hygiene habits in daily living.</li> <li>• Provide new customer experiences in all aspects of daily living through the provision of products and services that protect customers from bacteria and viruses.</li> <li>• Implement educational and awareness activities to establish cleanliness and hygiene habits in all aspects of daily living.</li> </ul>

## Details

> [Creating Healthy Living Habits](#)

> [Initiatives to Establish Cleanliness and Hygiene Habits](#)



## Promoting Diversity and Inclusion

Material Issue 3

Employee



### Objective

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"> <li>Ratio of women in management ⇒ 30% or more</li> <li>Employees who feel that employees with diverse values are able to succeed professionally ⇒ 80% or more</li> </ul>
Progress (2023 results)	<ul style="list-style-type: none"> <li>Ratio of women in management: 24%</li> <li>Employees who feel so: 56% (Japan)</li> </ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>Provide opportunities for employees to deepen their understanding of diverse values.</li> <li>Create systems and mechanisms for diverse human resources to succeed professionally.</li> </ul>



### Details

> [Together with Employees](#)

> [Promoting Diversity and Inclusion](#)

> [ESG Data](#)

## Promoting Work-Life Enrichment

Material Issue 4

Employee



### Objective

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 (2023 results)	54% (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](#)

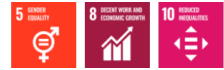
> [Promoting Work-Life Enrichment](#)

> [ESG Data](#)

## Developing Human Resources

Material Issue 5

Employee



### Objective

Foster human resources who generate dynamism to realize innovative change by creating environments that enable 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 (2023 results)	57%
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>Introduce e-learning system and curriculum that meet the needs of overseas Group companies.</li> <li>Create mechanisms that will be used to provide content for learning opportunities on an ongoing basis.</li> </ul>



### Details

- > Together with Employees
- > Developing Human Resources
- > ESG Data

## Improving Employee Health

Material Issue 6

Employee



### Objective

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"> <li>Employees getting dental checkups ⇒100%</li> <li>Absenteeism ⇒Improve from the 2021 level</li> </ul>
Progress (2023 results)	<ul style="list-style-type: none"> <li>Employees getting dental checkups: 90% (Japan) Note: Calculation method under consideration (overseas)</li> <li>Absenteeism: 0.9% (Lion Corporation in Japan (Slightly up from 2021) Note: Calculation method under consideration (overseas)</li> </ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>Use a self-administered daily oral care program and regular dental checkups to create an environment that enables all employees to implement a PDCA cycle and to provide information and learning opportunities regarding oral self-care.</li> <li>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.</li> <li>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.</li> </ul>



[Details](#)

- > [Together with Employees](#)
- > [Improving Employee Health](#)
- > [ESG Data](#)

## Enhancing the Occupational Safety Management System

Material Issue 7

Employee



### Objective

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"><li>• Participation in safety education and training ⇒ Implement as planned (100%) at work sites</li><li>• Compliance with occupational safety and health laws and regulations Serious accidents and incidents ⇒ Zero</li></ul>
Progress (2023 results)	<ul style="list-style-type: none"><li>• Participation in training: 100% as planned</li><li>• Serious accidents and incidents: Zero</li></ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"><li>• Provide opportunities to learn about safety and disaster prevention, and implement activities to promote understanding of basic safety activities.</li><li>• 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.</li></ul>



[Details](#)

- > [Together with Employees](#)
- > [Enhancing the Occupational Safety Management System](#)

# Respecting Human Rights

Material Issue 8

Human Rights



## Objective

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 (2023 results)	<ul style="list-style-type: none"> <li>Human rights due diligence implementation Lion Group: 100% Suppliers: 87%</li> </ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>Build a mechanism for addressing human rights issues.</li> <li>Identify material human rights risks and verify how those affected are negatively impacted.</li> <li>Execute and monitor measures for addressing human rights risks that have been identified.</li> <li>Proactively disclose status of response to human rights due diligence implementation.</li> </ul>



## 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



## Objective

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"> <li>Procurement of third-party certified paper and pulp (FSC, PEFC, etc.) and palm oil, palm kernel oil and their derivatives (RSPO, etc.) ⇒100%</li> <li>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%</li> </ul>
Progress (2023 results)	<ul style="list-style-type: none"> <li>Ratio of certified raw materials procurement                     <ul style="list-style-type: none"> <li>Japan: Certified paper and pulp: 75% (item ratio) Certified palm oil and palm kernel oil derivatives: 99% (based on key raw materials)</li> <li>Lion Group: Certified paper and pulp: 20% (item ratio) Certified palm oil and palm kernel oil derivatives: 51% (based on key raw materials)</li> </ul> </li> <li>Ratio of suppliers supporting zero deforestation                     <ul style="list-style-type: none"> <li>Japan: 54%</li> <li>Lion Group: 41%</li> </ul> </li> </ul>
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



### Objective

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 (2023 results)	<ul style="list-style-type: none"> <li>Shared <i>International VOC Report</i> (Overseas, June and December 2023)</li> <li>Conducted two sessions of training to deal with online controversy and backlash (Japan, June 2023)</li> <li>Commenced active communication via social media (Japan, October 2023)</li> </ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>Evolve the activities of customer response departments by steadily promoting three steps: Understand the current situation, formulate plans, and promote activities</li> <li>Create an environment for improving customer relationships and expanding the range of problem resolution methods.</li> <li>Create and implement a system for reflecting customer feedback in products and services.</li> </ul>



### Details

> Ensuring Product Safety and Reliability

> Initiatives to Respond to Our Customers

## Promoting Risk Management

Material Issue 11

Governance



### Objective

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 (2023 results)	Disclosed once
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>Build and raise awareness of a management system that includes overseas Group companies.</li> <li>Use a consistent format for investigating risks and implement countermeasures.</li> <li>Share information on progress of response through reports to the Board of Directors once a year.</li> </ul>



### Details

> Risk Management

## Reinforcing Compliance

Material Issue 12

Governance



### Objective

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

Indicators (2030)	<ul style="list-style-type: none"> <li>Participation in compliance education and training ⇒ Implement as planned (100%) at work sites</li> <li>Serious compliance violations ⇒ Zero</li> </ul>
Progress (2023 results)	<ul style="list-style-type: none"> <li>Participation in training: 100% as planned</li> <li>Serious compliance violations: Zero</li> </ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>Build and enhance a compliance system that includes overseas Group companies.</li> <li>Further inculcate compliance through ongoing implementation of management and employee training and questionnaires, etc.</li> <li>Improve Group-wide risk perception and accelerate risk response by designating compliance managers at overseas Group companies and building a global hotline.</li> </ul>



[Details](#)

[Compliance](#)

[ESG Data](#)

## Enhancing Governance

Material Issue 13

Governance



### Objective

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

Indicators (2030)	<ul style="list-style-type: none"> <li>Disclosure of the results of the establishment and operation of the internal control system ⇒ At least once a year</li> <li>Improvement in evaluations from external organizations ⇒ Continuously improve from the 2020 onward</li> </ul>
Progress (2023 results)	<ul style="list-style-type: none"> <li>Disclosed once</li> <li>Continued activities to maintain or improve evaluation compared with 2022</li> </ul>
Globally Common Measures to 2030	<ul style="list-style-type: none"> <li>Evaluate and disclose results of the operation of the current internal control system.</li> <li>Clarify status of establishment of internal control systems at overseas Group companies and evaluate their operation.</li> <li>Continuously and proactively disclose governance-related non-financial information.</li> </ul>



[Details](#)

[Basic Approach to Corporate Governance](#)