

**Kirin Beverage and FANCL Team Up to Recycle PET Bottle Caps**  
 — A first for the Japanese cosmetics industry —

**TOKYO, Wednesday November 4, 2020**—Kirin Holdings Company, Limited (Kirin Holdings), FANCL, and Kirin Beverage Company, Limited (Kirin Beverage) will start recycling discarded caps for PET soft drink bottles generated during the production process into plastic resin material as part of an environmental conservation initiative. This plastic will then be used by Attenir Corporation (Attendir, a FANCL Group company) to make components for cosmetics products’ containers. The transition towards recycled plastic will commence in late January 2021. This recycling initiative by Kirin and FANCL represents the first such joint effort in the cosmetics industry in Japan.\*1

\*1 According to FANCL

Under the recycling program, Kirin Beverage will be able to recycle about 30-40% of the approximately 10 tons of PET bottle caps discarded every year, thereby reducing the environmental footprint of production operations. Attenir, meanwhile, will be able to reduce consumption of new plastic material by approximately 40% by using the recycled plastic resin.

● **How it works**

Attendir already sells the “eco pack” film pouch refills (see right) for the *Skin Clear Cleanse Oil* range of cleansing oils. The film pouch format reduces plastic consumption by around 85% compared to conventional plastic bottles. The company has now taken this environmental initiative one step further by replacing the polyethylene spout\*2 (circled in photo) on film pouches with one made from recycled PET bottle caps.

\*2 The spout is used to pour product from a film or paper pouch into an existing container.



Film Pouch Refill

Under the new recycling program, Kirin Beverage will collect and sort the PET bottle caps, remove printed text using a special purpose-built machine, crush the caps into flakes\*3, melt and mix the plastic material, and reconstitute it into pellets\*4. The pellets are then ready to be re-melted, dyed to the required color and molded into the finished product.

\*3 Flakes are roughly square plastic pieces with a length of approximately 8 mm. Plastic PET bottle caps are broken into flakes prior to crushing, washing, drying and conversion to raw plastic.

\*4 The crushed flakes are melted and then reformed into small pellets of uniform consistency. Pellets are better suited than flakes to transport and store and are easier to reprocess.



● **Background and objectives**

Kirin and FANCL have used their capital tie-up as a means to actively explore joint initiatives in the design and production of environmentally-friendly containers and packaging materials in order to reach the SDG targets and fulfill Kirin’s CSV\*5 goals. The recycling program outlined in this press release specifically targets unusable PET bottle caps that are discarded at the pre-production stage as well as during mass production and at product changeover. The caps are recycled into plastic resin to make components for cosmetics containers. The two companies have worked together to address a range of issues and challenges, which led to the success of the program.

\*5 Creating Shared Value = generating value that can be shared by consumers as well as for society at large



● **Future outlook**

The two companies will examine the feasibility of using recycled PET bottle caps from Kirin Beverage to produce other polyethylene product components for use within the FANCL Group. Further, companies throughout the Kirin Group and the FANCL Group will explore a range of environmental initiatives tailored to specific products. The two Groups will share their combined expertise in areas such as design of cosmetics containers and development of packaging materials and work together on research and technical development geared toward working minimizing environmental impact.