

December 10, 2020

Nippon Shokubai and Summit Cosmetics Corporation Sign Memorandum of Understanding to Study the development of next- generation products in the cosmetic ingredient field

Nippon Shokubai Co., Ltd. (Headquarters : Chuo-ku , Osaka ; President : Yujiro Goto ; hereinafter "Nippon Shokubai") and Summit Cosmetics Corporation (Headquarters : Chiyoda-ku , Tokyo ; President and CEO : Koh Akiyama ; hereinafter "SCC" , a wholly owned subsidiary of Sumitomo Corp), have entered into a Memorandum of Understanding for the joint development and sales of next-generation products in the cosmetic ingredient field and will begin business collaboration.

In order to meet today's customer and consumer needs, Nippon Shokubai and SCC agree to join forces to develop and commercialize innovative personal care ingredients. Both parties are initially investigating new film forming agents and thickeners, including biopolymers and other ingredient categories. Major role for SCC will be to utilize its global sales and marketing network in the Americas, Europe and Asia to identify market and customer needs. Nippon Shokubai will focus their expertise on research and development, utilizing their unique technologies and capabilities in synthesis, polymerization and catalyst processing to develop new ingredients that meet current and future market trends and to supply these ingredients to the global cosmetic industry.

Nippon Shokubai has set a target to add personal care ingredients as one of the new business areas in its 2nd medium-term business plan, "Reborn Nippon Shokubai 2020 NEXT" started in 2017 and aims to expand its personal care ingredients business by developing ingredients that satisfy global market needs.

In the recent years global and regional cosmetic markets have been rapidly diversified, mainly in areas such as skin care, whitening/brightening, anti-pollution and anti-aging. In addition, we also see a growing demand for products formulated with sustainable and safe ingredients that are gentle to the skin and known as "Clean Beauty" ingredients. There has also been a rapid increasing demand for ingredient to prevent viruses, PM 2.5, pollen and other substances from adhering to the skin and hair, as well as natural ingredients with antibacterial activities. Nippon Shokubai technologies can deliver targeted solutions to these market requirements and the collaboration with SCC will accelerate the speed to market and provide the voice of customer to enhance performance.

About NIPPON SHOKUBAI Co., Ltd.: Since 1941, Nippon Shokubai has grown up its business with unique catalyst technology. Nippon Shokubai has supplied, for example, ethylene oxide, acrylic acid, automobile catalysts, process catalysts and so on. Among all, our global market share of superabsorbent polymers is the largest in the world now. Nippon Shokubai is a global chemical company operating under its corporate mission "TechnoAmenity-Providing affluence and comfort to people and society with our unique technology."

<https://www.shokubai.co.jp/en/>

About Summit Cosmetics Corporation: SCC, established in October 2019, specializes in the cosmetic ingredient business by leveraging the foundation of its personal care ingredients distribution network in the United States, Brazil, France, Germany and China and is engaged in product development and sales. It also provides comprehensive services to the global personal care industry by bringing its customers innovation and operational excellence with the highest ethical standards.

<https://summitcosme.com/en?lang=en>

【Contacts】

Investor & Public Relations Dept.,

NIPPON SHOKUBAI CO., LTD.

TEL: +81-3-3506-7605 E-mail: shokubai@n.shokubai.co.jp

Cosmetic Material Dept.,

Summit Cosmetics Corporation

1-2-2, Hitotsubashi, Chiyoda-ku, Tokyo100-0003, Japan

TEL: +81-3-6212-0125