

**Shiseido invests in and forms strategic partnership  
with biotech company CHITOSE Group  
— Contributing to the development of microalgae-based cosmetic  
ingredients and containers for a circular business model —**



Shiseido announced it has invested 1 billion yen in the CHITOSE Group-led MATSURI project\*, which aims to establish a sustainable microalgae-based industry, and formed a strategic partnership focused on R&D with CHITOSE BIO EVOLUTION PTE. LTD., the company that oversees the group. This is intended to accelerate a circular business model for *monozukuri* (manufacturing) by developing and mass-producing microalgae-based ingredients for cosmetics and containers, with an eye on developing ingredients in the future for use in food-related industries. Based on its corporate mission of “BEAUTY INNOVATIONS FOR A BETTER WORLD,” Shiseido continues to advance beauty for people’s skin as well as the environment through the development of cosmetics that takes into consideration both people and our planet.

\* Shiseido’s participation in the MATSURI project was announced by the CHITOSE Group in April 2022.

<https://matsuri-partners.chitose-bio.com/news/news-3631> (Japanese only)

Powered by the sun, microalgae use carbon dioxide to efficiently create a wide variety of organic compounds such as proteins, fats, and carbohydrates. Furthermore, microalgae can be cultivated using land that is difficult to use for agriculture, such as deserts and wastelands. Because microalgae boast high biomass production efficiency compared with land plants, it has the possibility of being a new resource that is not dependent on finite fossil resources. Moving forward, Shiseido will work together with the CHITOSE Group to build an environmentally conscious circular business model that maximizes the potential of microalgae, thus preventing the depletion of natural resources. In doing so, Shiseido will continue to lead by example by creating the type of sustainable value that will transform the global cosmetics market.

### **About the CHITOSE Group**

CHITOSE Group is a family of biotechnology companies leading the global bioeconomy. To live in abundance beyond the next millennium using the ability of living things, CHITOSE pursues the possibilities of biotechnology through technological and business development collaborating with its business partners all over the world.

<https://chitose-bio.com/>

## About the CHITOSE Group-led MATSURI project

The MATSURI project aims towards the establishment of an advanced, sustainable microalgae-based industry. The CHITOSE Group has considerable expertise in large-scale photosynthetic production technologies and is leading the MATSURI project collaborating with Japanese progressive enterprises. Taking inspiration from the fact that *matsuri* means “festival” in Japanese, the group is leading a festivity-filled path to developing a sustainable society.

In terms of scaling up microalgae production, a 0.1-hectare facility was completed in August 2018, and in April 2023, the CHITOSE Group successfully completed CHITOSE Carbon Capture Central (C4), a facility of 5 hectares. The CHITOSE Group plans to expand it to a scale of 2,000 hectares by 2030, while their immediate target is to attain a scale of 100 hectares by 2027.

The research and development associated with the plan is planned to be selected as a project worth a total of 50 billion yen from the Green Innovation Fund administered by the New Energy and Industrial Technology Development Organization in March 2023.

<https://matsuri.chitose-bio.com>

## Investment overview

Shiseido will purchase shares of Singapore-headquartered CHITOSE BIO EVOLUTION PTE. LTD., the company that oversees the CHITOSE Group.

## About Shiseido’s sustainability initiatives

In line with its corporate mission of BEAUTY INNOVATIONS FOR A BETTER WORLD, Shiseido is committed towards 2030 to realize a sustainable world where everyone can enjoy a lifetime of happiness through the power of beauty. The company’s actions for the environment are based on the idea of *banbutsu shisei*\*\* , the phrase from which the company name “Shiseido” originates. The company is working to develop technologies and business models that can reduce environmental impact and realize a circular economy. To do so, Shiseido is taking the following three strategic actions throughout the entire value chain: reducing environmental footprint, developing sustainable products, and promoting sustainable and responsible procurement. In non-environmental areas, the company also focuses on addressing social issues, primarily through diversity and inclusion (D&I) initiatives. The three strategic actions are advancing gender equality, which will be implemented by leveraging strengths as a beauty company; empowering people through the power of beauty, which will help people shine in their own ways; and promoting respect for human rights, which underlies all the company’s activities.

<https://corp.shiseido.com/en/sustainability/>

\*\* From a phrase in the Chinese Yi Jing, the Book of Changes from the Four Books and Five Classics of Confucianism, “Praise the virtues of the Earth, which nurtures new life and brings forth significant values.”