

For Immediate Release

PRESS RELEASE

October 17, 2018 LIXIL Corporation

LIXIL Transfers Sustainable 'Green Toilet System' Technology to Local Kenyan Business to Accelerate Access to Basic Sanitation in East Africa

Tokyo, Japan – LIXIL, maker of pioneering water and housing products, is accelerating access to basic sanitation in East Africa by transferring proprietary sustainable sanitation technology to Kenyan company, ACE Environmental Consultancy (ACE). The Green Toilet System (GTS) has been nearly a decade in development and has the ability to transform thousands of lives through improved access to toilets.

GTS safely processes human waste without using water, enabling it to be recycled as fertilizer. Co-working with UN-Habitat (the United Nations Human Settlements Program), the system was introduced to Kenya's Kalobeyei refugee settlement earlier this year, where it helps refugees achieve greater economic independence by using the converted fertilizer to cultivate crops. It also acts as a sustainable toilet system in densely-populated refugee camps.

The decision to transfer the technology to ACE supports LIXIL's goal of improving sanitation for 100 million people around the world by 2020. GTS previously sat under LIXIL's specialized Social Sanitation Initiatives (SSI) organization, under which LIXIL is developing other solutions such as its SATO business, which develops toilet and sanitation products for rural areas. LIXIL aims to generate income through each of its SSI businesses; the GTS project, however, has faced cost-related challenges in establishing local procurement of materials and stable manufacturing systems, so to facilitate widespread use of GTS, LIXIL has chosen to transfer the technology to a recipient organization with local expertise and infrastructure.

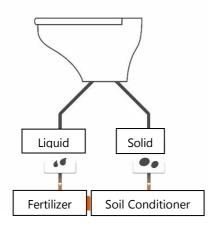
ACE has a proven record in green energy and agricultural drainage purification in eastern Africa under its corporate philosophy of 'providing innovative green solutions in agriculture, conservation and energy.' With expertise in the space GTS operates in, as well as having previously worked together on trials of GTS itself in Kenya over the past two years, ACE was deemed to be the perfect organization to take this technology forward.

LIXIL expects to complete the transfer of GTS blueprints, technology, and all rights, including the right to sell GTS, by March 2019.

Junichi Goto, Head of the SSI organization at LIXIL, commented: "LIXIL has reached an agreement with ACE for the transfer of our GTS technology, which was introduced at the

Kalobeyei refugee settlement following extensive trials. With various achievements in green solutions in Kenya, we believe that ACE will contribute to LIXIL's goal of improving global sanitation by using the experience, expertise, and resources we have cultivated to create a more advanced and sustainable solution, which will help it to become more quickly adopted."

Elijah Chege, Director and co-founder of ACE, commented, "We are honored to have been chosen as the recipient of the GTS technology developed by LIXIL. After years of trials, tests, and enhancements, we believe the system is now truly 'fit for purpose' and ready for adoption by people here in Kenya. We thank LIXIL and we are grateful for the shared experiences we've had in helping to promote sustainable sanitation solutions in East Africa. ACE shall endeavor to make the GTS a real success and we look forward to sharing our future developments with our Japanese friends and LIXIL's international customer base. Asante sana!"





GTS separates solid and liquid waste, enabling safe processing for reuse as fertilizer and soil conditioner. ACE plans to promote wider installation of the technology following the completion of transfer in March 2019.

-Ends-

About LIXIL

LIXIL makes pioneering water and housing products that solve everyday, real-life challenges, making better homes a reality for everyone, everywhere. Drawing on our Japanese heritage, we create world-leading technology and innovate to make high quality products that transform homes. But the LIXIL difference is how we do this; through meaningful design, an entrepreneurial spirit, a dedication to improving accessibility for all, and responsible business growth. Our approach comes to life through industry leading brands, including INAX, GROHE, American Standard, and TOSTEM. Over 70,000 colleagues operating in more than 150 countries are proud to make products that touch the lives of more than a billion people every day.

LIXIL Group Corporation (TSE Code: 5938) is the listed holding company for LIXIL's portfolio of businesses.

About ACE

ACE Environmental Consultancy Ltd. (ACE) is one of East Africa's leading ecological consulting firms, registered in Kenya in 2013. A dedicated team of academics, project management professionals and entrepreneurs directs ACE, whilst our deep network of consultants provides expertise across the broad spectrum of environmental sciences. ACE initially set to offer wastewater treatment wetland design & construction projects to the horticultural sector in East Africa; to date we have worked with over 40 agricultural companies in this regard, predominantly in Kenya & Ethiopia. Since that time, our services have expanded significantly into broader environmental & sustainability consulting roles, working in partnership with multiple agencies - from private sector companies, development institutions & investment groups, to government departments, international agencies and regional NGOs - delivering world-class consultancy services for a diverse portfolio of clients.

