# **Customer Satisfaction and Product Safety**

Shiseido is working to manufacture safe, reliable products and disseminate information with the aim of being consumer-oriented.

#### > Promotion of Safe and Reliable Manufacturing

Shiseido's research and production activities to ensure consumers use our products with peace of mind



#### > Excellent Services to Enhance Consumer Satisfaction

Shiseido's counseling services to meet consumer needs and expectations by suggesting best products and beauty tips at the counters



#### > Reflecting Consumer Feedback

We are strengthening our efforts to make the most of consumer feedback for product development and service improvement.



#### > Universal Design Initiatives

We are working on developing products that can be used safely and comfortably by all consumers.



#### > Information for Consumers

We ensure that the information and websites we offer reflect consumers' feelings and meet their needs.



#### > Initiatives in Response to Animal Testing and Alternative Methods

Shiseido's initiatives aimed at eliminating animal testing in the development of cosmetic products



## **Promotion of Safe and Reliable Manufacturing**

## Our Product Safety Guarantee Standard

Product research and manufacturing at Shiseido are designed to create products that consumers can use with confidence and peace of mind. Based on our belief that correct knowledge of the skin is critical, the cosmetics development process starts with intensive research into skin structure conducted in collaboration with Japanese and overseas dermatologists, universities, and other research institutions utilizing state-of-the-art technology from a broad range of disciplines related to cosmetics (including the life sciences, dermatology, interface science, ergonomics, and psychology).

Safety is our first and non-negotiable priority. We fully comply with the regulations of the countries in which we operate and impose an extra layer of our own strict ingredient-standards, which are set in addition to our safety standards, based on environmental considerations and an ethical attitude for selecting ingredients. This is a minimum commitment across the organization: Each brand either already has or is in the process of putting in place its own ingredient policy that reflects its values, and develops products based on that policy.

Finally, we conduct patch tests and dermatologist-supervised trials to ensure that the resulting formulations will be free of problems when used in products.

## Safety, Backed Up by Data

When treating patients with dermatitis (rash) suspected to have been caused by cosmetics, dermatologists attempt to track down the cause of the condition by conducting patch tests with the cosmetics used by the patient, as well as their ingredients. Statistical data summarizing the rate of positive results for these patch tests for individual manufacturers can be interpreted as an indicator of the effectiveness of those companies' safety assurance programs. Published reports show that the rate of positive results for Shiseido cosmetics is the lowest of all domestic and overseas cosmetics manufacturers\*, and that a high level of safety has been maintained.

\* Fujimoto et al., Patch test results in 492 patients of suspected cosmetic dermatitis (1996-2000), Environ. Dermatol., 9, 53-62, 2002.

# **Responding to Environmental Risks**

There is a broad array of risks related to the environment, and laws related to this issue are growing stricter every year in respective countries worldwide. Based on these circumstances, Shiseido's Head Office takes the lead in gathering information about new laws, and social trends regarding the environment, analyzing their provisions, disseminating information to the relevant departments and accommodating social needs. Observance of environmental laws and regulations is evaluated in production departments based on ISO14001 standards to ensure thorough compliance. Investigations of domestic and overseas affiliates revealed no major violations of environmental laws or regulations during fiscal 2017. Going forward, Shiseido is committed to managing its operations in an appropriate manner.

## Shiseido's Response to Microplastic Beads in its Products

Shiseido Company, Limited has completed the replacement of microplastic beads\* in its products such as cleansing form, etc. with alternative ingredients as of August 2018.

\* Microplastic beads: Water insoluble solid plastic particles with a size of less than 5mm, intentionally added to exfoliate or cleanse in rinse-off personal care products.

## Comprehensive Safety of Chemical Substances and Safety Management

We comply with REACH regulations in substances imported into Europe, and we not only satisfy the legal reporting requirements set out in the Pollutant Release and Transfer Register (PRTR) Law and Promotion of Chemical Management but also proactively conduct voluntary management of the use and disposal of chemical substances such as ingredients and reagents in factories and laboratories.

#### PRTR Target Substance Emissions and Transfers

unit: tons

Legal No.	Substance Name (legal designation)	Amounts of Emissions			Amounts of Transfers	
		Atmospheric	Public water	Soil	Sewage	Waste
1	Zinc compounds(water- soluble)	0	0	0	0	0
13	Acetonitrile	0	0	0	0	3
71	Ferric chloride	0	0	0	0	0
207	2,6-di-tertiary-Butyl-4-cresol	0	0	0	0	0
275	Sodium dodecyl sulfate	0	0	0	0	8
300	Toluene	0	0	0	0	2
334	Methyl 4-hydroxybenzoate	0	0	0	0	0
389	Hexadecyltrimethylammonium chloride	0	0	0	0	0
405	Boron and its compounds	0	0	0	0	0
409	Sodium poly (oxyethylene) dodecyl ether sulfate	0	0	0	0	33

The above chemicals are PRTR Specified Class I Chemical Substances and are reported when a single facility annually handles one ton or more. (Specified Class I Designated Chemical Substances are reported when 0.5 tons or more are handled.)

Scope of Data: Shiseido Company, Limited (Kakegawa, Osaka, Kuki Factories and Research Center[Global Innovation Center])

Target Period: January 1, 2018-December 31, 2018

# **Establishment of Manufacturing Eco Standards and Sales Promotion Tools Eco Standards**

In fiscal 2010, Shiseido established the Manufacturing Eco Standards and Sales Promotion Tools Eco Standards to devise rules of environmental responses for products and sales promotion tools from the perspective of life cycles and commenced operations accordingly.

### System for Stable Supply of High Quality Products

At Shiseido, quality and safety take priority over all other matters. We have continuously worked on maintaining and controlling product quality not only by observing all applicable laws and regulations but also by keeping our own rules of the Global Quality Policy so that consumers can use our products with complete confidence. We conduct thorough quality control at all stages of the raw materials selection, commercialization, production and distribution in order to ensure the quality and safety of our medical and food products as well as cosmetics. In doing so, we manufacture products that our consumers can use regularly without any concerns.

At the raw materials selection stage, we collect and check information on raw materials, including their components, from all over the world to make sure that we use only safe raw materials.

For the commercialization, production, and distribution stages, we also have systems in place to ensure a stable supply of high-quality products at all times by complying with various standards, such as Good Manufacturing Practice (GMP), ISO 22000, and HACCP\*, as well as our own product standards. For our cosmetic products, for example, we comply with all items (e.g. organizations and systems, buildings and facilities, manufacturing management, and inspections) stipulated in the Cosmetics GMP set by ISO22716, an international standard that gives guidelines for the production, control, storage and distribution of cosmetic products, to provide consumers with safe and secure products of high quality manufactured under strict quality control.

\* HACCP:A method of food sanitation control developed to ensure the safety of space food in the United States.

# Response to Product Problems

In order to promote research, development, manufacture and sales of safe products that will achieve consumer satisfaction, Shiseido clarifies where the authority and responsibility lie in terms of quality assurance (including product planning, manufacturing, sales and imports), and product problem prevention. We also have our own manuals for dealing with any product problems so that we can respond to problems in a concerted manner and promptly bring the situations under control while putting customer safety first. Thus, we are committed to strengthening and comprehensively promoting quality assurance and product problem prevention activities at Shiseido and the Group companies.

In the unlikely event of a quality problem and/or product liability problem involving the Company's products, the department that has received the information is expected to immediately report the case to the Quality Management Department, related business divisions and Risk Management Department. The Risk Management Department will decide on the problem response methods in accordance with its level of severity. The Quality Management Department will investigate the cause and the business divisions will promote various initiatives, including responses to the market.

### Appropriate Provision of Product Information

Shiseido Group Standards of Business Conduct and Ethics is a summary of actions that each and every person at the Shiseido Group should take. In Our Way, Shiseido stipulated that "we do our work with a greater sense of ethics in regard to our product information and labeling or advertising expressions as well as observing respective countries' and regions' laws and regulations and corporate regulations."

### Compliance Status of Laws and Regulations Related to Advertising Expressions

Details that should be indicated on cosmetics are stipulated under the Regulatory Law (statutory labeling). At the same time, aspects of advertising are restricted under the Standards for Fair Advertising Practices of Drugs, Quasi-drugs, Cosmetics and Medical Devices (Notification from the Director-General of the Pharmaceutical Affairs Bureau, Ministry of Health and Welfare, September 29, 2017). Based on these standards, the Japan Cosmetic Industry Association (JCIA) has established Appropriate Advertising Guidelines including Cosmetics as self-imposed industry standards that provide relevant examples and explanations.

As for statutory labeling, Shiseido operates by defining "labeling regulations." With regard to advertising, the Company observes laws and regulations by following the Appropriate Advertising Guidelines including Cosmetics.

Also, JCIA established the Advertising and General Publicity Committee within the organization and the Cosmetics Advertising Deliberation Council as an institution pertaining to the committee. This council independently carries out deliberations to enhance the reliability of and optimize cosmetics advertising expressions. These deliberations, conducted three times annually, are based on the Regulatory Law, the Standards for Fair Advertising Practices of Drugs, Quasi-drugs, Cosmetics and Medical Devices, Appropriate Advertising Guidelines including Cosmetics and other relevant laws and regulations and addresses television, newspaper and magazine advertising.

# Implementation of Study Sessions Related to Advertising and Labeling

Shiseido holds the "Statutory Labeling Seminar" and "Advertising Expression Seminar" twice a year in order to enhance the employees' knowledge about compliance with the laws on pharmaceuticals and medical devices concerning advertising and labeling.

#### Nutrition and Health

Through the Shiseido Group Standards of Business Conduct and Ethics, the company declares its best efforts to provide safe, high-quality products and services for the satisfaction of consumers.

### Ethical measures in the food business

#### 1. Organic

The Shiseido Parlour restaurant FARO uses organic vegetables grown with reduced amounts of agricultural chemicals and fertilizers. Organic vegetables are used in 80% of the course menu.

\* FARO: An innovative Italian restaurant in Ginza, Tokyo operated by Shiseido Parlour Co., Ltd.

#### 2. Sugars and fats

Shiseido Parlour Co., Ltd., the Ginza main store, and the main store's Salon de Café provide menus in consideration of sugar levels. FARO, as operated by the company, provides desserts with no refined sugars, as well as full course meals with reduced animal fats for vegetarians. In addition, the Shiseido Group distributes health and beauty products throughout Japan. Among these, its core product collagen drinks\* contain no fats, no caffeine, and no added preservatives. Artificial ingredients are not used at the Shiseido Parlour restaurant FARO nor in the health and beauty products distributed by the Shiseido Group in Japan.

\* Collagen drinks: Drinks in Shiseido The Collagen series

#### 3. Other

- Shiseido Parlour Co., Ltd. distributes gluten-free boil-in-bag food products to cater to consumers with diverse diet needs. (Available since April 1, 2019)
- Beauty Princess, a beverage by Shiseido Parlour Co., Ltd., is compounded with hyaluronic acid and collagen peptide.

#### **Excellent Services to Enhance Consumer Satisfaction**

Beauty Consultants (BCs) have major roles in responding to consumer needs at the counters and introducing products and beauty information according to each and every consumer's skin and cosmetic lifestyle. Since 1998, Shiseido has been first in the industry to introduce an in-house BC proficiency exam system certified by the Minister of Health, Labour and Welfare. The system relating to beauty knowledge and techniques was aimed at enhancing the quality of counseling activities as the Group engaged in professional beauty services.

Overseas, in order to expand the number of regular users by maximizing consumer satisfaction, we have distributed and put into daily use Shiseido's action indicator for Beauty Consultants, aimed at realizing "omotenashi spirit" at the storefronts worldwide. Also, to improve consultants' response and suggestion capabilities at the storefronts, Shiseido has developed original software, a convergence of its accumulated service know-how and beauty techniques, to be effectively used as a globally applicable tool.

In June 2013, tablet computers named "Beauty Tablet" were distributed to approximately 10,000 Beauty Consultants across Japan. Since July of the same year, exclusively designed application software has been installed in those tablets and been used at the storefronts. "The Makeup Simulator" is one of the contents of the software, with which consumers can try virtual makeup, without removing their makeup, by simply positioning their face in front of the tablet just like looking into a mirror. Other features include Foundation Finder, Skincare Consultation and Healthcare that help Beauty Consultants select the most suitable items for individual consumers from a wide variety of products. Also, to create opportunities for consumers from overseas to meet Shiseido products and to enhance their beauty, some contents are displayed in foreign languages such as Chinese (traditional and simplified), English and Thai.

We aim to increase consumer satisfaction by using such tools developed by the latest technologies, intriguing consumers at the storefronts, and helping them discover their inherent charm unknown to themselves. At the same time, we try to promptly share the voice of our consumers by inputting their opinions into the Beauty Tablet and then transmitting the data to relevant departments by the following day.

In addition, in order to further improve and develop the service skills of domestic Beauty Consultants, we began from July 2016 to appoint Lead Beauty Consultants, who work at store counters with other consultants to encourage their steady growth. By creating an environment where Beauty Consultants can constantly develop their abilities, we make an extra effort to enhance consumer satisfaction.





# **Reflecting Consumer Feedback**

## Consumer Services: Action Policy

Shiseido Japan's Consumer Communication Center is promoting initiatives to make effective use of consumer feedback in an effort to realize its medium-to-long-term strategy VISION 2020. The initiatives aim to ensure that feedback, including consultations and requests received, is shared in the company adequately to be used more effectively for the purpose of product development and service enhancement. We gather and analyze such valuable information, share resultant findings throughout the company, and request individual divisions to consider reflecting specific findings in developing and improving products, services and beauty information.

In January 2017, Shiseido Japan announced the Voluntary Declaration of Consumer-Focused Management, which has compiled a set of relevant concepts and policies. Following this, the Consumer Communication Center has been relocated under direct control of the President to strengthen its structure in line with the Declaration.

Having solidified the structure, we will work to be quicker to detect vital changes in consumer and social trends and make appropriate requests to enhance business activities, in order to contribute to increasing corporate value from the consumer-focused perspective.

# Major Initiatives

Shiseido Consumer Communication Center was originally established in 1968, and in the five decades since, it has continued to listen to opinions and inquiries of consumers, respond to each in a sincere and flexible manner, and provide useful information. To better serve in this role, efforts have been made to raise the quality of the contact service, which was awarded five stars by HDI\*¹ -Japan's Quality Ranking Monitoring in 2016, a first in the cosmetics industry. We have continued working toward further improvement, such as by introducing the mystery call and mystery chat\*² programs. The service's capability-building efforts have been expanded, particularly from 2018, with the launch of new programs such as factory and lab tours and seminars inviting internal and external experts. We have also begun to provide support for individual efforts to obtain Consumer Affairs Advisor and Consumer Affairs Professional (CAP) industrial qualifications, seeking to raise the professional performance levels of all consumer contact personnel.

At the same time, we are implementing various measures to increase consumer convenience, primarily by adding brand-specific toll-free numbers and expanding online chat-based service functions. As a result, the service has received a growing number of contacts while maintaining an outstandingly high response rate.

For global consumer support operations, we are working to develop appropriate capabilities in cooperation with responsible functions at each regional headquarters of the Shiseido Group.

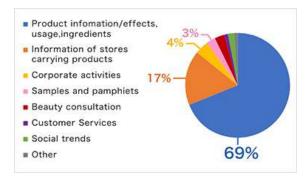
- \*1 Established in the U.S. in 1989, HDI is the world's largest international organization for the IT support service industry. Many of the top 500 companies in the world listed in the U.S. financial magazine "Fortune" are members of HDI. HDI-Japan performs the HDI Benchmarking assessment of the companies' consumer help desks in order to improve support service levels.
- \*2 Third-party surveys to assess the quality of telephone and online chat (e.g. LINE Chat) service.

## Gathering/Sharing/Utilizing Consumer Feedback

In Japan, Shiseido gathers consumer feedback via multiple media and channels. Our consumer contact service and offices are accessed approximately 140,000 times per year through toll-free numbers, electronic and postal mail, LINE and other communication services; our Beauty Consultants report approximately 90,000 comments per year from storefronts using dedicated tablets; and additional feedback is collected from blogs, Twitter and other social media. All gathered data are managed by the internal system, except for some related to a number of affiliated companies' products to be subjected to independent control.

Collected feedback is processed so as to be shared by the management and workforce alike via internal mail and intranet, with the aim of using it to add value to our products and services. For instance, as part of the product planning process, we develop packaging design and label description in due consideration of various factors involving intended users; perform user surveys on the target products or services before and after market launch; and utilize survey findings promptly for possible improvements. Integrated data management and sharing systems are in place to allow reporting to responsible officers and related divisions in a safe and timely manner.

Breakdown of feedback received by Shiseido Japan



Result in FY2018

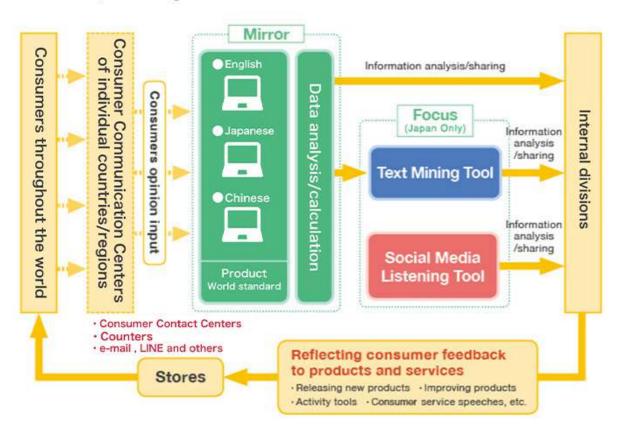
## Consumer Feedback Information Management Systems

Shiseido has upgraded its consumer feedback information management system in accordance with business globalization strategies. To replace the previous program installed in 1996, "Mirror\*3" was introduced in 2011 in Japan and overseas to address feedback from consumers around the world. With Mirror currently in operation in about 20 countries and regions, we are undertaking challenging tasks to amass and analyze relevant data from around the world efficiently to be able to help create new value for the Shiseido Group.

In Japan, data gathered and stored in Mirror is fed into "Focus," a text mining tool, to extract and visualize useful information, a system offering an easy-to-use, well-organized consumer feedback database accessible to the entire workforce. Additionally, we employ social media listening tools to retrieve useful consumer opinions not directly delivered to the company.

\*3 The name implies our hope to review/reflect the actual state of Shiseido's activities through the "mirror" of consumer feedback.

#### System to gather/utilize consumer feedback information



### Increasing Points of Contact with Various Consumers

Seeking to provide support to social media-savvy younger generations, we launched accounts on Twitter (2015), Yahoo! Chiebukuro (2017) and the LINE app (2018). Using these digital tools, we are broadening consumer communication activities.

Also, the Consumer Support FAQ webpage has been redesigned, particularly by introducing a chatbot program in June 2018 to respond to a growing number of questions relating to transporting cosmetic products, such as flash temperature and alcohol concentration.

We have introduced AI technology to the "Beauty Consultation on LINE" app to improve consumer convenience and satisfaction from the program. To further improve consumer convenience, the Web Beauty Consultant\*4 has been installed to cooperate with "AI Mimi-chan," the program's chatbot character, in performing consultation tasks. Users can choose either of two options: AI Mimi-chan, who is available around-the-clock to respond to relatively simple, general questions; or the Web Beauty Consultant, available having substantial experience in storefront service and during operational hours and suitable for more personalized advice. To increase consumer satisfaction, we are striving to raise the accuracy of AI-programed responses and quality of human consultation skills.

We are also enhancing our Twitter-based consultation service, implementing a number of measures in addition to simply responding to inquiries. Major measures include expressing our appreciation for praise from users; increasing assistance with addressing problems; and providing guidance to Beauty Consultation on LINE. We are thus building multi-media structures aiming to boost consumer satisfaction, thereby increasing Shiseido fans.

\*4 The Web Beauty Consultant offers LINE Chat-based consultation service.

### Collaborative Education Activities to Learn on Consumers' Perspective

Shiseido promotes education activities to deepen employees' understanding of users' viewpoints—how they feel about using cosmetic products and how they have chosen specific items—in an effort to help improve our products and services, thereby increasing consumer confidence in Shiseido.

The Consumer Communication Center receives an average of 400 calls and e-mails every day. To be able to satisfy any requests and expectations delivered to the Center, communicators participate in product workshops and e-learning programs on a regular basis. Some of them have honed their specialist skills as call center operators to win awards at industry competitions and become qualified instructors, and are often invited to lecture at seminars outside the company. In 2017, we organized hands-on workshops to facilitate employees' better understanding of the physical and mental circumstances of elderly consumers. Participants engaged in telephone support simulations with consumers wearing age-enhancing prosthetics. This program aimed to promote consideration for various needs of users in the process of product development and improvement. Relevant findings were incorporated into the "Manual for Consumer Support Leaders" when it was revised in March 2018, in order to share the information with related persons in the Group and affiliated companies across Japan, in addition to consumer contact personnel.

Shiseido Japan appoints Consumer Support Leaders (CSLs) in major cities in Japan, who are assigned to spearhead office-wide consumer support service initiatives at each location. The Consumer Communication Center organizes a range of upskilling programs for CSLs, including: lectures by invited specialists; study meetings with internal researchers on measures to ensure product safety; information exchange sessions for CSLs from different locations; and assistance with obtaining industrial qualifications.

We work to share with all personnel, including communicators and CSLs, various information on consumer relations in a timely manner, aiming to help each individual employee think and act for the benefit of our consumers.

Based on our belief that consumer feedback is a valuable company asset, we offer internal opportunities to monitor consumer contact operations at will, register more than 100 applications every year from broad-ranging sections and functions from corporate officers and auditors to factories, research labs, divisions in charge of quality control, product

development, marketing and sales, and affiliated companies. In addition, monitoring opportunities have been incorporated in the curriculum of Shiseido Beauty Academy's Beauty Consultant course with an enrollment capacity of 90, starting last year. For factories, in addition to monitoring we also offer follow-up workshops to help them with using consumer feedback effectively to improve their activities.

Furthermore, especially targeting employees with difficulty taking collective training, Shiseido Japan runs e-learning courses which are available to the entire workforce. This year's courses were designed to offer work-specific programs, which were attended by a total of 3,500 participants.







National-level CSL training meeting (Japan)

# Product Manufacturing that Reflects Consumer Feedback

# PRIOR Rich Cream Cream added to lineup (2019)

In October 2019, *PRIOR* added a cream to its line of existing toner and milky lotions. The category was introduced in response to the request from many long-time users of the brand for a more complete skincare lineup.



# AVÈNE Milky Gel Enrich Offered in large size (2019)

AVÈNE Milky Gel Enrich has been made available in large size starting from September 2019. The rollout of the new size variation reflects the desire of many loyal users to use the product in generous portions and from longer-lasting reserves.



# AQUA LABEL High-Performance Skincare Redesigned flip-top bottles (2019)

The container for the full lineup ranging from toner and milky lotion to cream has been redesigned with a flip-top solution to the need for quick, one-handed operation and no additional clutter, both concerns voiced in feedback. The new bottles were released for all products in August 2019.



# SEA BREEZE Bodysheet Offered in tamper-proof packaging (2019)

After eco-packaging the product by removing the transparent outer plastic bag, we further addressed consumer concerns about possible product tampering by adopting a tamper-proof nonreusable seal.



# CLÉ DE PEAU BEAUTÉ Refined Lip Luminizer New package design to display product color (2019)

The lipstick holder has been redesigned to display the color of the product without the need to open the package. The new packaging has been available since January 2019.



# MAQUILLAGE Perfect Black Liner "Cartridge included" indicated on each package (2018)

To resolve the issue of customers mistakenly believing that the product includes only a holder and no cartridge, we altered the package description with a number of indications that a cartridge is included.



#### Customer Satisfaction

In our Standards of Business Conduct and Ethics, we have committed ourselves "to strive continuously to improve consumers' trust in Shiseido and their satisfaction with our products and services at all points of contact." To measure our performance against this goal, we regularly conduct a corporate image survey and use the results to guide future corporate activities to further improve our performance in this area.

# **Our Favorability Rating**

	2015	2016	2017	2018
"Impressions of Shiseido" among current Shiseido customers (Top 2 Box scores <very favorable="" impression=""> on a 5-point scale) (%)</very>	94.1	93.9	95.9	93.1

Survey conducted in Japan only.

## **Universal Design Initiatives**

Universal design takes into account the environments in which all kinds of consumers live. It is an important approach for Shiseido given our commitment to create products that all consumers can enjoy with confidence and peace of mind.

Shiseido has further developed the Shiseido Universal Design Guidelines, adopted in 2005 based on expert theory and legislation, and renewed them in 2017 into more comprehensible, specific guidelines following our basic policy of "creating more attractive designs while giving priority to safety, security and user-friendliness."

In the current new product development process, we share actual information among related divisions, in line with the guidelines, about potential consumers who will use the products, possible situations where they will use them and how they will use them, in order to successfully carry out the design work.

"Is this designed as intuitively usable?", "Are appropriate amounts to be used and the usage instructions clearly displayed?" or "Will this be comfortably finished up?" – Asking ourselves those questions, we always seek safe, easy-to-use and comfortable package/container designs for every user of various physical sizes and abilities.

# <Specific examples> Shiseido launched PRIOR (in Japan)



Skincare dispenser easily dispenses the appropriate amount. We have made it easy to push.

It also comes with a cap cover, which can be removed in one step. This prevents users from pushing the dispenser by mistake and also responds to the hygienic aspect.



With makeup, the use of which is not easily understood, we used color photos on the outer package itself to easily show the use and the finish image in a visual manner.

To develop the containers and packages, we directly interviewed a number of consumers in the target age group in order to repeatedly conduct the study, such as hearing about what they find inconvenient in their daily makeup routine and asking them to use the prototype. We have reflected the requests, which we heard in the course of this process, in the containers and package designs shown in the above photos.

The comprehensive brand PRIOR for women over 50 won a Gold Award at the IAUD International Design Awards 2018 organized by the International Association for Universal Design.

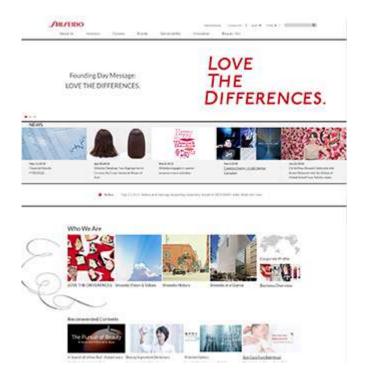


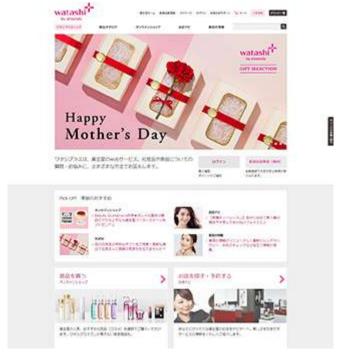
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Design Awards>

#### **Information for Consumers**

#### Shiseido Website

Shiseido provides extensive product, beauty, and company information on Shiseido group website and watashi+(Japanese only), reflecting efforts to create appealing content and administer the site in response to consumers' desires and needs.





Shiseido group website

watashi+ (Japanese Only)

# **Providing Audio Information for the Visually Challenged**

"Listeners' Café" provides a speech-based introduction to the basic use of cosmetics and other information to visually challenged individuals in an easy-to-understand manner. It also publishes an audio content "Osharena Hitotoki (Stylish Moments)" four times a year in each season.

Both "Listeners' Café" and "Osharena Hitotoki" are provided only in Japanese.



## What Skincare and Makeup Can Do for Healthier Days of Various Generations

Taking advantage of its strength, Shiseido will continuously contribute to society and people's health to realize a sustainable society.

#### For All Generations

Makeup

#### **Shiseido Life Quality Makeup**



- Activities powered by makeup to improve the quality of life (QOL) of people who have serious skin concerns such as appearance changes caused by side effects of cancer treatment, birthmarks and scars.
- Shiseido Life Quality Beauty Center A unique facility specialized in Shiseido's cover makeup.

#### For Working Adults For Elderly People

Skincare Makeup

#### **Shiseido Life Quality Beauty Seminar**



- Beauty Seminars
   Grooming and makeup lessons for new graduates, company executives and other working adults. Favorable appearance upgrades your first impression and trustworthiness.
- Shiseido Cosmetic Therapy Elderly people can improve their daily movements and activities by doing skincare and makeup for themselves.

# For Babies and Toddlers

Skincare



Skincare for babies to prevent allergies. For Children

Skincare

For Children

Skincare

Face cleansing, UV protection methods and other day-to-day beauty information provided to protect children's healthy skin.

For Expectant Mothers and Mothers Skincare



• Skincare to energize the sensitive skin and minds of expectant mothers and mothers.

## **Initiatives in Response to Animal Testing and Alternative Methods**

### Initiatives towards Abolishing Animal Testing

Shiseido has established a safety assurance system based on alternative methods and has discontinued animal testing in cosmetics/quasi drugs that are developed in April, 2013 or later. This excludes cases in which we must explain the safety to society.

We will continue to develop effective alternative methods in the future and proactively and sternly work with administrative agencies in various countries with the aim of establishing alternative methods as official methods (to be certified as official experimental methods according to laws and regulations of various countries/regions).

Initiatives in Response to Animal Testing and Alternative Methods

## In Cases in Which We Must Explain the Safety to Society

This refers to cases in which we must prove again the safety of ingredients that are in the market and the only option in order to do so is animal testing, as well as cases in which animal testing is essential to assure the safety of cosmetics in some countries\*.

\* some countries: In China, in order to guarantee the safety of imported cosmetics, safety studies including animal testing may be required.

Initiatives in Response to Animal Testing and Alternative Methods

# Shiseido Safety Assurance System

Shiseido has established a system that assures the safety of raw materials without animal testing through the three steps of safety assurance by existing toxicological data, safety assurance by alternative methods, and final safety assurance by human-testing (regular use test and patch test on people under the supervision of doctors, etc.). We have also established the Discussion Panel on Cosmetics Safety Assurance Independent of Animal Testing, involving external experts and researchers, with the aim of discussing the scientific validity and social acceptance regarding this system.

Initiatives in Response to Animal Testing and Alternative Methods

#### **Alternative Methods**

Shiseido makes every possible effort to eliminate animal testing, through combined use of official safety information and literature information, accumulated safety databases, safety prediction systems based on chemical structures, and safety evaluation results from in vitro tests (tests carried out under artificially-constructed conditions, such as in test tubes) and tests on humans.

In Japan, we have set up a joint research of the Alternative Method Consortium with specialists outside the company, and have made public our successes at the symposium that we hold jointly with the Japanese Society for Alternative to Animal Experiments (JSAAE). Furthermore, we have actively participated in projects for validation and evaluation of alternative methods conducted by research groups supported by the Japanese Ministry of Health, Labor and Welfare, and by the JSAAE since the initial periods of these research projects, working to encourage the spread and expansion of alternative methods in place of animal testing.

As for our efforts abroad, we have cooperated in developing and evaluating alternative methods, as an expert panel for the U.S.'s Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM), and as a member of an industry-government-academia project for the European Partnership for Alternative Approaches to Animal Testing (EPAA) and Cosmetics Europe (CE). For skin sensitization tests, which are vital for evaluating the safety of cosmetic ingredients, in partnership with Kao Corporation, we are currently developing the human Cell Line Activation Test (h-CLAT), and as a result of joint research both in Japan and abroad, verification research is now being commenced at the European Union Reference Laboratory on Alternative to Animal Testing (EURL ECVAM).

We continue to work even more actively to improve alternative methods, in cooperation with the industries, government and academic bodies, both domestically with the Japan Cosmetic Industry Association, JSAAE and the Japanese Center for the Validation of Alternative Methods (JaCVAM), and overseas with CE, EURL ECVAM, EPAA, the Personal Care Products Council (PCPC), and ICCVAM.