



# BEAUTY INNOVATIONS FOR A BETTER WORLD

March 25, 2022

Shiseido Company, Limited  
Representative Director, President and CEO

Masahiko Uotani

150  
YEARS  
SHISEIDO

OUR MISSION is  
BEAUTY INNOVATIONS  
FOR A BETTER WORLD



# September 17, 1872: Shiseido opens its doors as the first Western-style pharmacy in Ginza, Tokyo



Arinobu Fukuhara,  
Founder



Shinzo Fukuhara,  
First President



**BEAUTY INNOVATIONS  
FOR A BETTER WORLD**

# Assumptions for Market Recovery from COVID-19

August 2020

Current

Japan

2H 2021

2H 2022

China

2H 2020

Resurgence, lockdowns

EMEA,  
Americas

2023–2024

2H 2021

# An Increasingly VUCA World

COVID-19

War in Ukraine

Soaring commodity prices

Disrupted supply networks

Unstable global financial markets

Low consumer sentiment

# Protect Shiseido and Create a Sustainable Future

Enhance the financial base through structural reforms

Focus on skin beauty, our strength

Ensure recovery in Japan and China,  
step up profitability in Americas and EMEA

Accelerate digital transformation

Strengthen R&D and production & supply systems

Promote sustainability and ESG-focused management

Advance D&I with our “PEOPLE FIRST” strategy

# Structural Reforms to Enhance the Financial Base

Transfer and JV of the Personal Care Business

Termination of global license for *Dolce&Gabbana*

Transfer of *bareMinerals*, *BUXOM*, *Laura Mercier*

Free cash flow: 186.6 bn yen

Repayment of debt: 153.1 bn yen

Shareholders' equity ratio: 40% (2020) → 46% (2021)

# Skin Beauty Brands

## Core Skincare



## Second Skin



## Makeup Foundation



## Clean / Sustainable



## Suncare



## Men



## Beauty Devices



## Inner Beauty

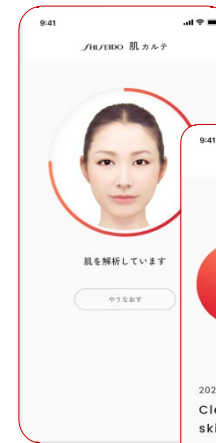


# Digital Transformation

## Digital Academy

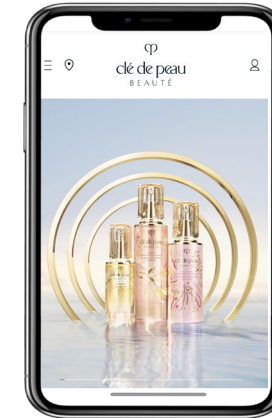


## Advanced digital technologies



## EC sales ratio

2021 34%



**FOCUS**  
First One Connected & Unified Shiseido

# Digital Beauty Platform

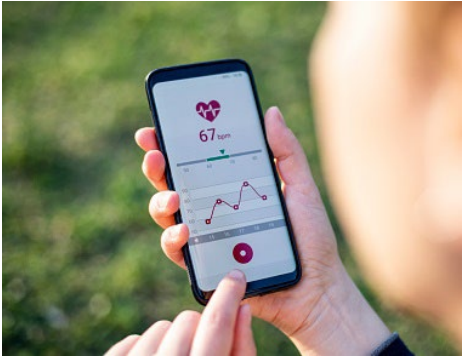
Capture skin and body condition

Help discover new beauty

Offer solutions and experience

Provide a variety of purchase solutions

Engage as a long-term trusted partner



Personalization based on accumulated skin and body data

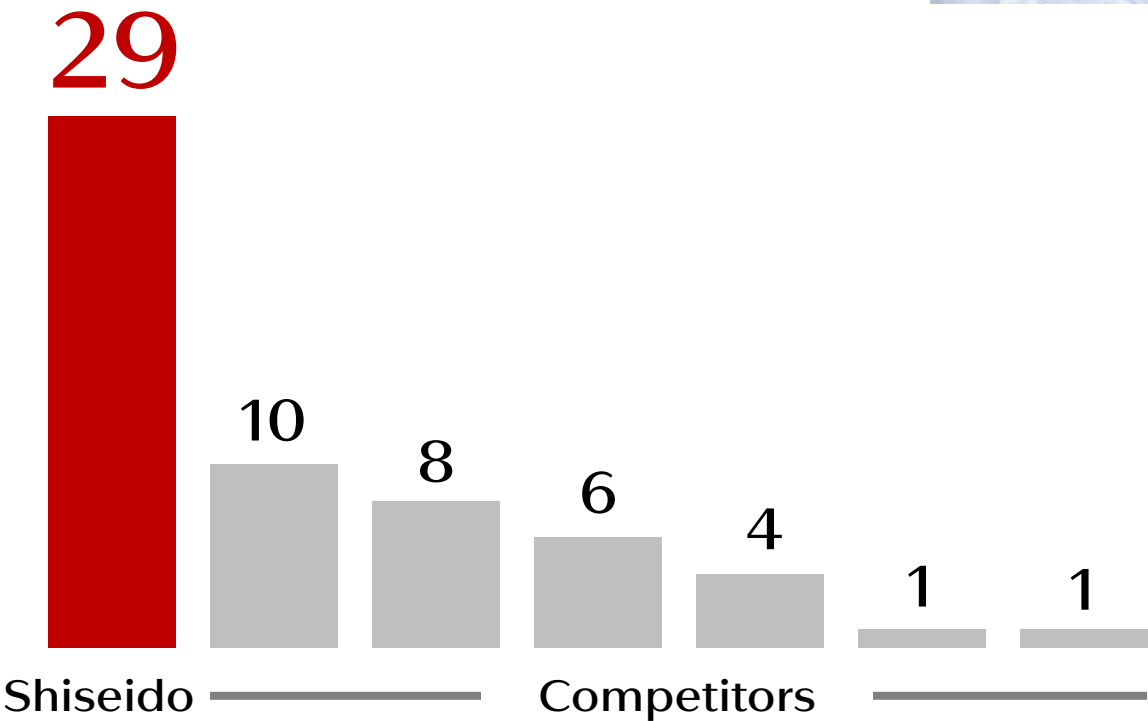
# R&D and Innovations



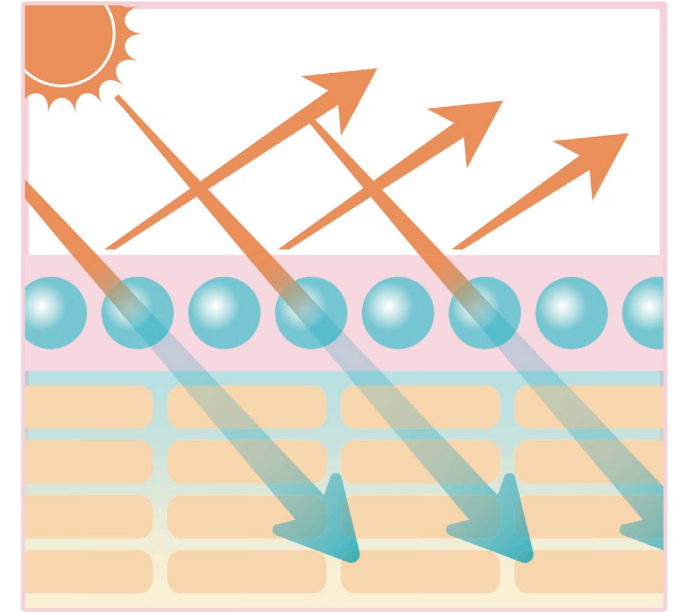
Top award at the 2021 Conference of International Federation of Societies of Cosmetic Chemists (IFSCC)



Number of Awards at IFSCC:  
Shiseido vs Competitors



# World-First\* Sun Dual Care™ Technology



- 1 UV protection
- 2 Conversion of sunlight into 'skin beautifying light'

\*Contains UV filters that protect the skin, spirulina platensis extract and fluorescent zinc oxide that convert a portion of sunlight into Beauty Beams, and PEG/PPG-14/7 dimethyl ether that amplifies them. (Based on Clarivate Analytics Japan survey, May 2021)

# Production and Supply

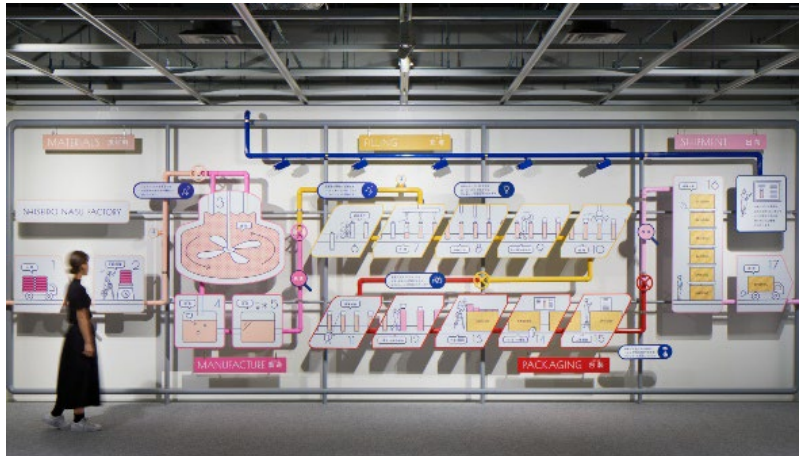
Nasu Factory



Osaka Ibaraki Factory,  
West Japan Distribution Center



Fukuoka Kurume Factory



Factory Tour “Play Beauty”



Automatized shipment at  
West Japan Distribution Center



DX for productivity improvement

# Sustainability and ESG

Member of  
**Dow Jones**  
**Sustainability Indices**  
Powered by the S&P Global CSA

## Environment

Target: Carbon neutral by 2026<sup>\*1</sup>



Solar panels at Kakegawa Factory



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



Target:  
100% sustainable packaging by 2025<sup>\*2</sup>



## Society (D&I)

Ratio of Female Leaders<sup>\*3</sup>

58% Shiseido Group  
37% Japan (Target: 50%)



Mentoring program by female executives "Speak Jam"



## Governance

Directors and Audit & Supervisory Board Members (Plan)<sup>\*4</sup>

54% External Directors and A&SB Members  
46% Female Directors and A&SB Members

Two New Candidates



Charles D. Lake II



Mariko Tokuno

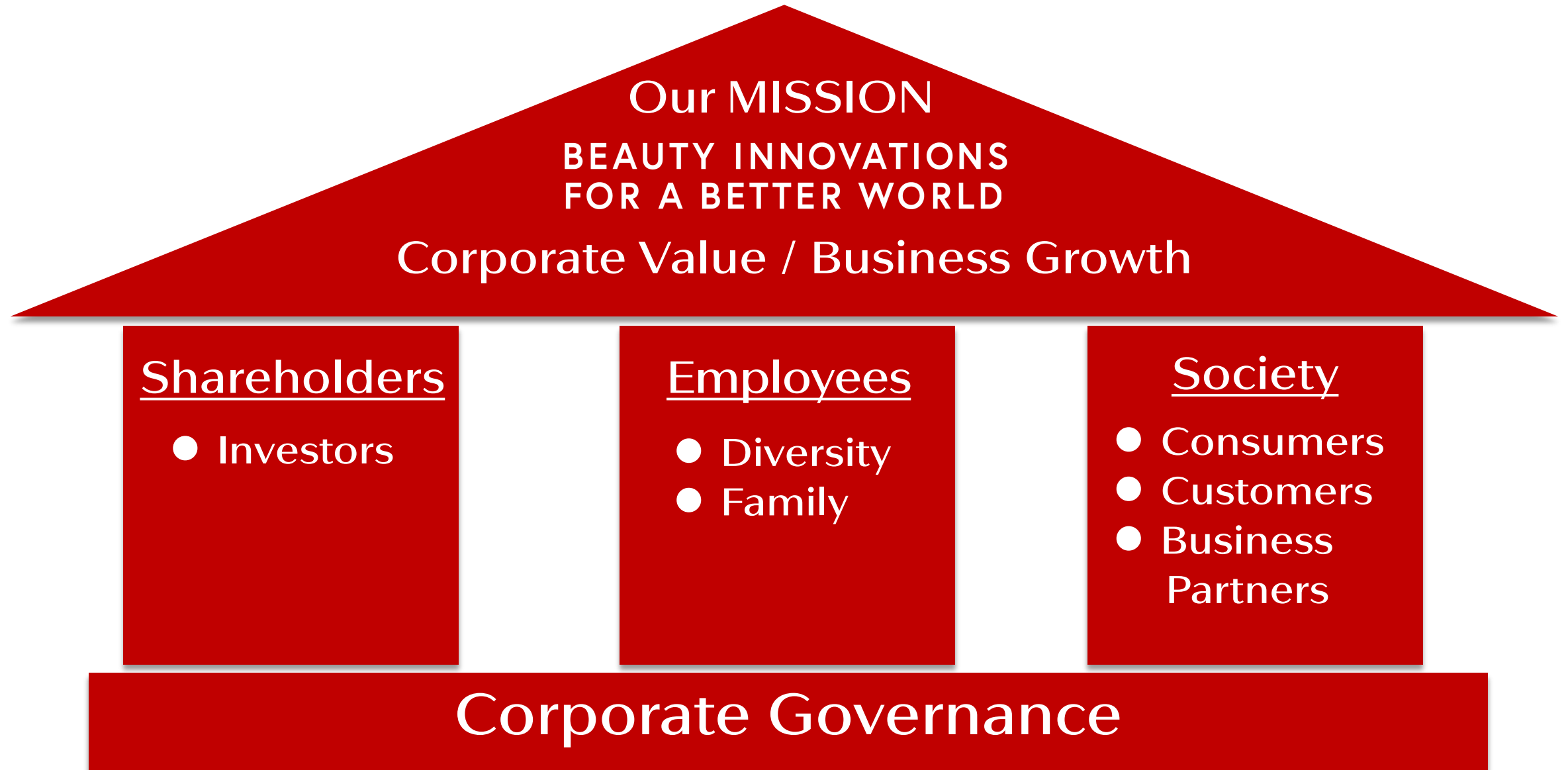
<sup>\*4</sup>. Upon resolution of the Third Item of Business for today's 122nd Ordinary General Meeting of Shareholders

<sup>\*1</sup>. Scope 1 and 2 CO<sub>2</sub> emissions

<sup>\*2</sup>. For sale of products with plastic packaging

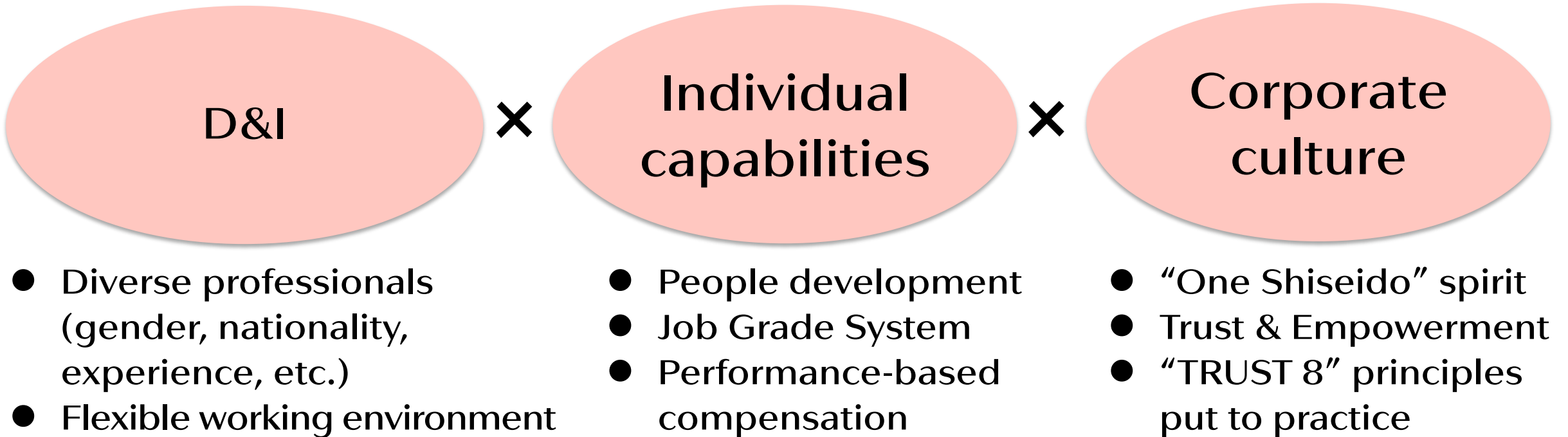
<sup>\*3</sup>. As of January 1, 2022

# PEOPLE FIRST



# Our “PEOPLE FIRST” Strategy

Investment in human capital = sustainable increase in corporate value



Proactive disclosure of KPIs related to human capital

# Diverse Global Leadership Team



# Group-wide Bottom-up Project for Shiseido's Future



KICK OFF – NOVEMBER 19TH, 2021





# The Power of People



SHISEIDO

2172