

Win COVID-19 and Aim for Full Recovery as One Shiseido!

March 25, 2021

Representative Director,
President and CEO

Masahiko
Uotani

SHISEIDO



WIN 2023: Roadmap to Full Recovery

2021

Groundwork

- Global transformation
- Enhancing the financial base

2022

Back on Growth Track

- Shiseido's 150th anniversary

2023

Full Recovery

Net sales ca. ¥1 Tn
OPM 15%

Long-term Investment

Key Priorities

Improve Profitability

Focus on Skin Beauty

Rebuild Business Foundation

Shiseido's Executive Officers

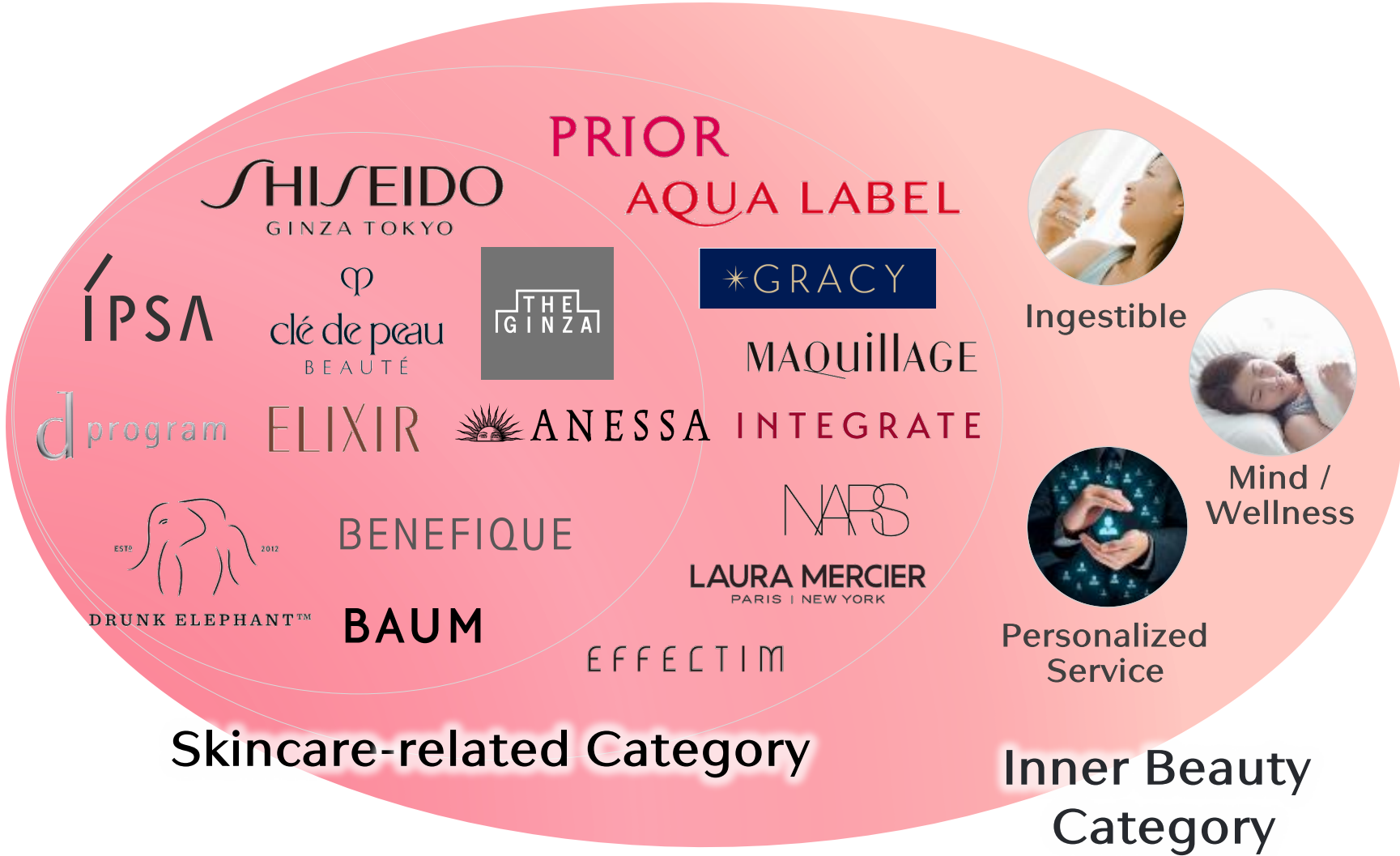


Chief Brand Officer

Yukari Suzuki



Focus on Skin Beauty



Global Expansion through Innovations



Diverse beauty powered by revolutionary innovations



Hybrid of luxury and cutting-edge science



Accelerating global rollout



Accelerating Growth in Asia

IPSA

Ultimate
customization



ELIXIR

Unique value of
“tsuyadama”*



ANESSA

Advanced research
in UV radiation



* The inner glow revealed on cheeks only when skin is firm and transparent

Japan: Response to Diverse Consumer Needs

AQUA LABEL

No.1 all-in-one skincare for 7 consecutive years



PRIOR プリオール

Simple solutions for age-based concerns



*GRACY

A beautiful look with ease in one swift application



Japan Region COO

Norio Tadakawa



Japan Business in Last Three Years

2018

2019

2020

Sudden increase in inbound demand; counters overflowing with consumers



Counselling stalled due to COVID-19



Restore Growth of Japan Business

Increase trust
of loyal customers
in Japan



Collaborations with
business partners



Innovative products and
services offering new value



Omnichannel strategy
capturing changes in
consumer mindset &
habits



Transfer and JV of Personal Care Business

Purpose

Foster further development of the business through a spin-off from Shiseido and joint management of the new company

Cosmetics Business

Counselling by
Beauty Consultants



Personal Care Business

Mass marketing



Brands with Strong Potential

TSUBAKI

専科



SENKA

uno



SUPER MILD



MA CHÉRIE



悦润至美

AQUAIR

水之密语



可悠然

Decision Aimed at Restoring Growth

Personal Care Business Environment

Fierce competition with global peers + Limited resources

Low strategic priority
in Shiseido's portfolio

Lack of resources to invest in product
development and advertisement

Decision to spin off in order to spur growth of the Personal Care business

Entrusted to a partner committed to growing the business together

 SHISEIDO



 CVC
CAPITAL
PARTNERS

Personal Care Business under the New Company

Develop existing brands



Accelerate product innovations



Enhance marketing and sales, including digital



Maintain high quality:
continue manufacturing at Shiseido's factories



Future of Employees

- Protect employment, maintain compensation and incentives
- Provide growth opportunities and career paths

A group of five smiling employees in an office setting. The image is slightly faded and serves as a background for the text. The employees are diverse in age and gender, and they are all looking towards the camera with pleasant expressions.

Proactive employees who hone their professional skills unique to the Personal Care business and create a vibrant corporate culture

**Japan Region
Prestige Business Division
Senior Vice President**

Kiyomi Horii



Cosmetics Specialty Store Business: New Times, New Initiatives

Your Beauty Partner in the 100-Year Life



Renewal of BENEFIQUE

パワーをくれる肌。
NEW ベネフィーク

SELECTED POWER BOTANICALS



BENEFIQUE

浄化。めぐる。芯からクリアな美しさへ。 選りすぐりの大地からの恵み パワーボタニカル成分配合。

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The advertisement features a woman with dark hair pulled back, wearing an orange top, smiling against a warm, bokeh background. In the bottom left corner, three BENEFIQUE product bottles are displayed: a green bottle labeled 'BENEFIQUE RESET CLEAR', a pink bottle labeled 'BENEFIQUE CLEAR LOTION II', and a light blue bottle labeled 'BENEFIQUE CLEAR EMULSION II'. The text 'NEW ベネフィーク' is positioned above the woman's head, and 'SELECTED POWER BOTANICALS' is written in a circular logo to the left. The brand name 'BENEFIQUE' is prominently displayed at the bottom center, with a tagline in Japanese below it.



Leveraging Digital at Specialty Stores

Store



+

Dedicated
e-commerce platform

Omise+

supported by shiseido

Strengthen ties with consumers
and maximize store value

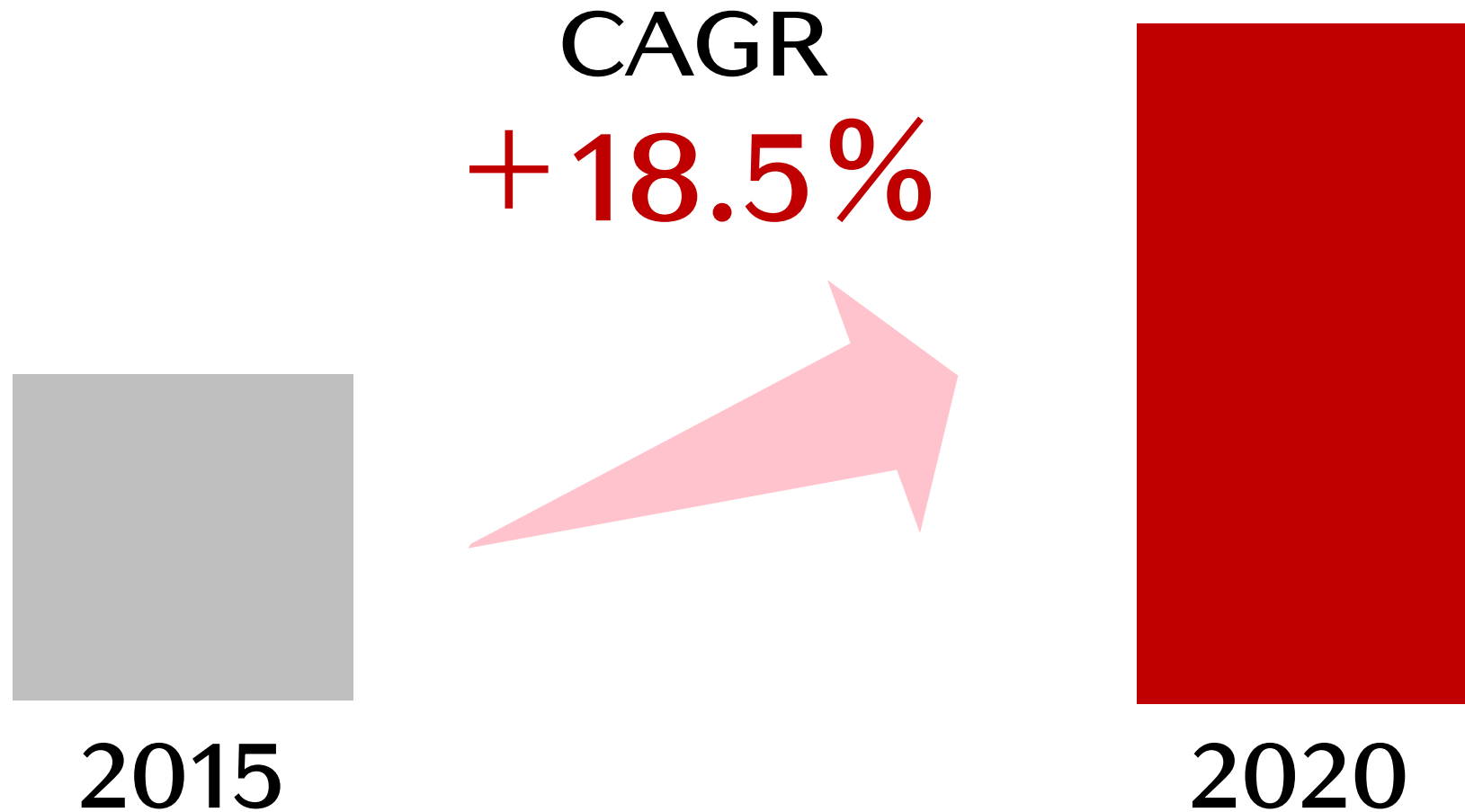
China Region CEO

Kentaro Fujiwara



**Joining live from
Shanghai, China**

More Than Double Growth in Five Years



Skin Beauty Brands: New Launches



High-end brand
from Ginza



BAUM

"The power of trees"



EFFECTIM

Revolutionary aging
care from Japan



Accelerating Digital Transformation

Stronger connections with consumers

Higher e-commerce sales ratio



Group sales ranking
in the beauty market
at Singles' Day 2020:

#3

*Tmall General Trade + Tmall Global, Shiseido Group



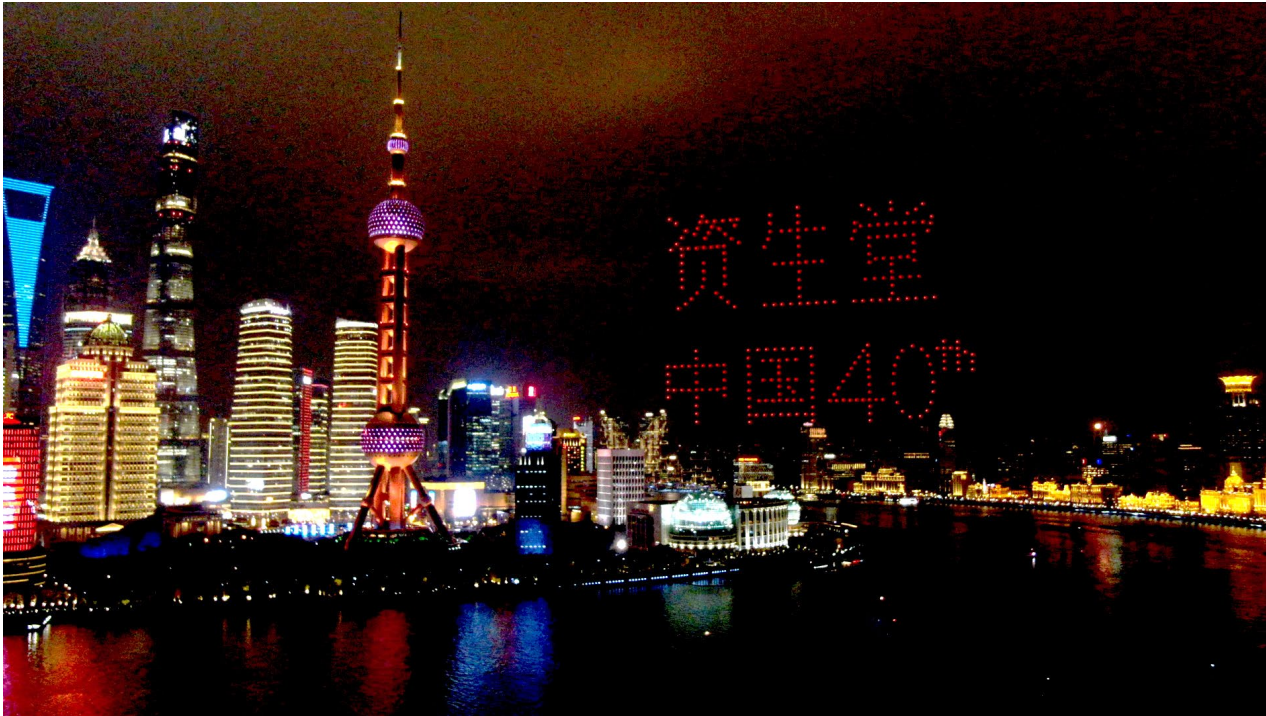
Collaboration with Travel Retail

Expanding sales to Chinese travelers



Shiseido: 40 Years in China

Create social value to win the trust of Chinese consumers and society



Chief Financial Officer

Takayuki Yokota

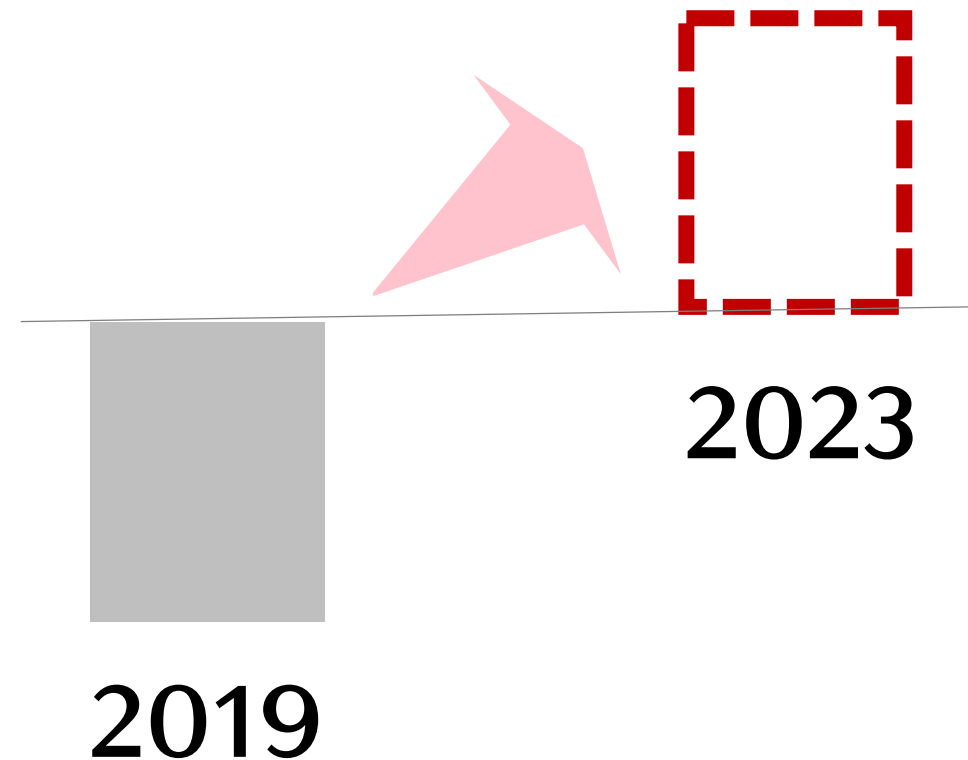


Profit Structure Reforms in Americas and EMEA

Drastically improve profitability of makeup and fragrance

Reduce fixed costs, transform organizations

OPM
+10 points



Profit Structure Reforms in Americas and EMEA

Scale digital technologies and e-commerce

Focus on Skin Beauty brands



Chief Strategy Officer

Toshinobu Umetsu



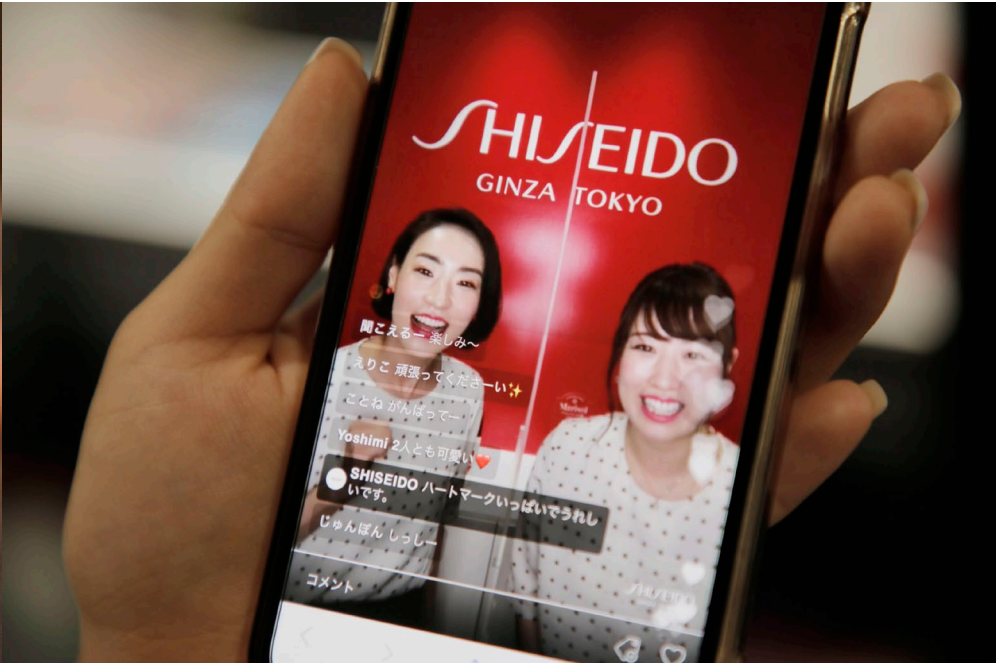
DX: Where We Want to Be

Transform individual consumer experience



Shift to Digital-driven Marketing

Personalized approach



Accelerate E-Commerce

Global e-commerce sales ratio:
35% (2023)



SHISEIDO GINZA TOKYO | 天猫全球狂欢季 2020

绚烂如枫 一期一会

双11狂欢 开启豪赠礼遇

SHISEIDO ULTIMUNE Power Infusing Concentrate

SHISEIDO VIAL PERFECTION White Revitalizing Softener Emulsion

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SHISEIDO VIAL PERFECTION White Revitalizing Softener Emulsion

<p>「红腰子」精华</p> <p>买60ml 赠60ml</p> <p>立即抢购 ></p>	<p>全新悦薇面霜</p> <p>买50ml 赠48ml</p> <p>立即抢购 ></p>
<p>抗皱「小针管」</p> <p>买15ml 赠15ml</p> <p>立即抢购 ></p>	<p>「小钢炮」眼霜</p> <p>赠12对 悦薇眼霜</p> <p>立即抢购 ></p>
<p>「蓝胖子」乳液</p> <p>赠50ml 洁面膏</p> <p>立即抢购 ></p>	<p>「樱花调色精华」</p> <p>买30ml 赠30ml</p> <p>立即抢购 ></p>

Enhance Digital Capabilities

Strategic partnership with Accenture

SHISEIDO

X

accenture

Chief Brand
Innovation Officer

Yoshiaki Okabe



R&D Infrastructure Reform

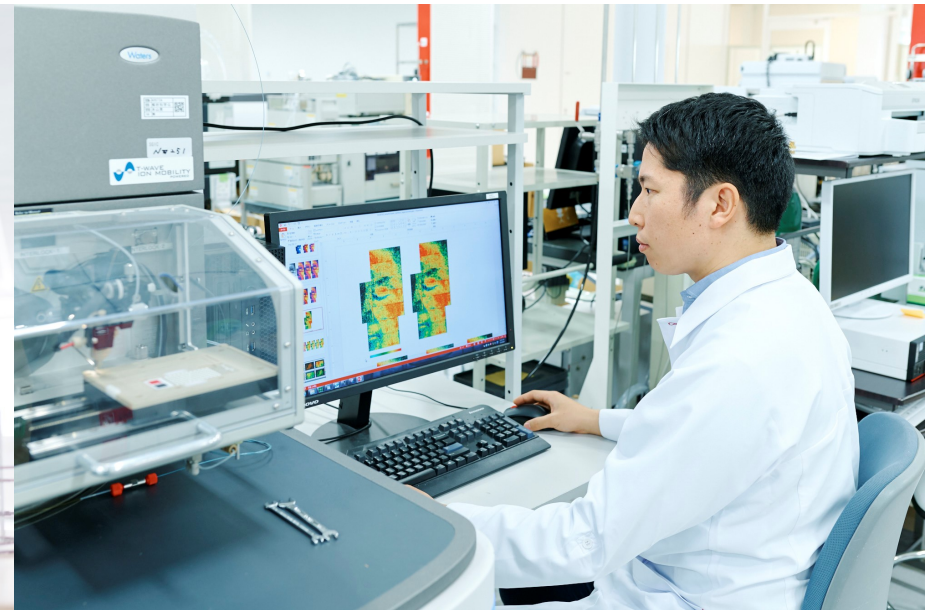
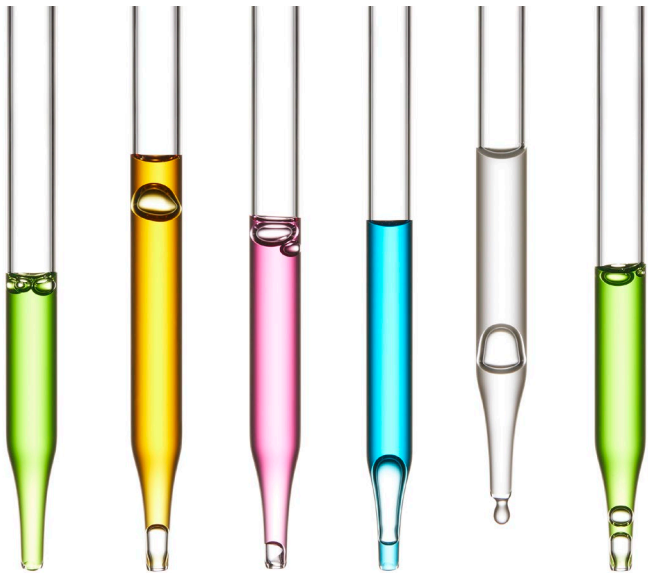
Brand Value R&D Institute + MIRAI Technology Institute

Strengthen China as our 2nd global R&D base



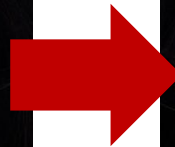
Unique Approach: “Dynamic Harmony”

Value development based on
a fusion of opposing elements



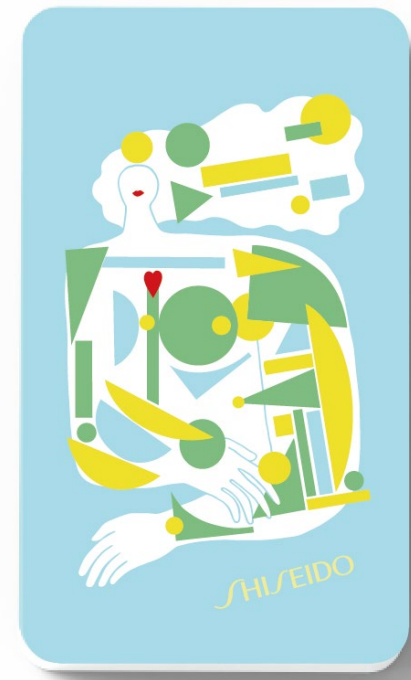
Innovations to Wow Consumers

State-of-the-art technology: “Second Skin”



Sustainable Technologies

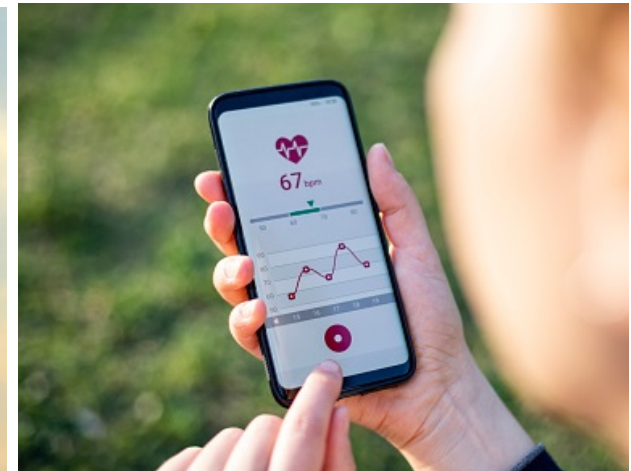
Respect for nature and environment



Cultivating New R&D Domains

Open collaborations

Inner beauty research



Chief People Officer

Minoru Nakamura



PEOPLE FIRST



Increase productivity through
organizational reform



Develop and Acquire Diverse Professionals

Global talent

Digital experts

Leadership development

Review of evaluation and compensation

HR System Overhaul

Job Grade System:
right people
in right roles

Shiseido Hybrid
Work Style



Chief Legal Officer

Maria Chiclana



Joining live from NY, USA

Be a Leader in Diversity

Ratio of female Board members **46%**

Ratio of female executive officers **32%**

Ratio of female managers in Japan
(as of January 2021) **35%**

Aim at 50%

**Promote diversity both
in business and society**

**Prime Ministerial Award
for Women Empowering
Companies 2020**



Reduce Environmental Load

- Sustainable packaging for all products (2025)
- CO₂ emissions: achieve carbon neutrality (2026)
- Sustainable procurement, environmentally friendly formulas and ingredients



East Windsor Factory, USA

BEAUTY INNOVATIONS FOR A BETTER WORLD

A sustainable world where everyone can enjoy
a lifetime of happiness through the power of beauty



For People



For Society



For the Planet

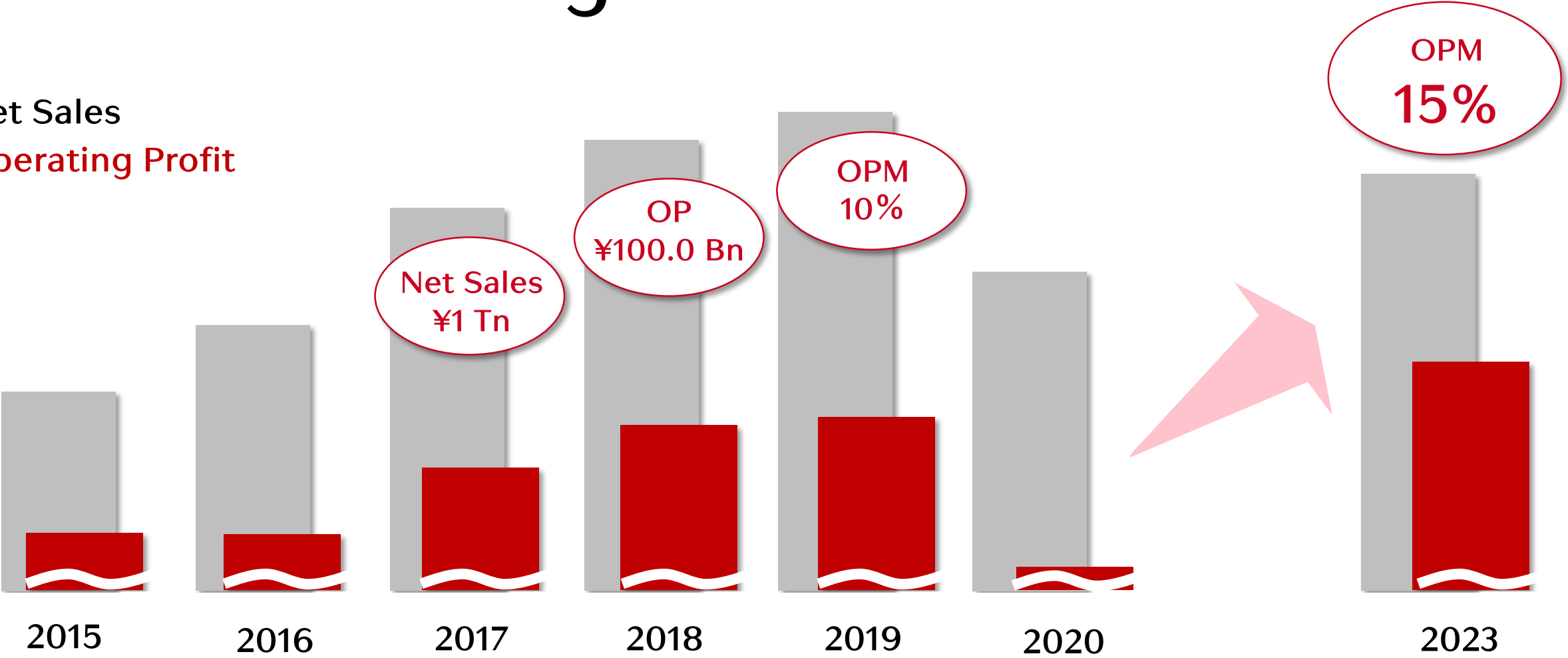
My Commitment

Achieve global growth

Create the model for Shiseido
to remain vital for the next 100 years

Rise to New Heights

■ Net Sales
■ Operating Profit



Market Cap
¥0.7 Tn

¥3.1 Tn



The Power of People: One Shiseido



Our DNA: PEOPLE FIRST





SHISEIDO

Be a Global Winner
with Our Heritage