

Criteria for Stating the Relationship between the Company and the Organizations in Which the Company's External Directors and External Audit & Supervisory Board Members hold Important Concurrent Positions

In order to confirm the independence of its External Directors and External Audit & Supervisory Board Members, the Company describes in detail the relationship between the Company and the organizations in which the Company's External Directors and External Audit & Supervisory Board Members hold "Important Concurrent Positions" (paragraph (1) of Article 124 of the Regulation for Enforcement of the Companies Act) as per the following.

1. If any relationship including transactions, alliances, joint research, etc., exists between the Shiseido Group and said organization; and the Shiseido Group pays cash as consideration, remuneration or donation to the organization or the Shiseido Group receives such cash from the organization;

In addition to the nature of the relationship, the Company will state the actual amount of the consideration, remuneration or donation, or the relevant ratios of said amount. (In terms of payments from the Company to the organization, the percentage of said amount to "cost of sales; and selling, general and administrative expenses" will be stated; while in terms of payments from the organization to the Company, the percentage of said amount to "net sales" will be stated.)

2. If item 1 above applies but transactions are limited to the use of services relating to social infrastructure (electricity, water, postal services, public transportation, etc.);

The Company shall state it has "no special relationship of interest" with said organization.

3. If any relationship including transactions, alliances, joint research, etc. exists between the Shiseido Group and the organization but there is no payment or receipt of cash as consideration, remuneration or donation between the Shiseido Group and the organization;

The Company shall only state the nature of the relationship (e.g. Joint research is being conducted).

4. If no relationship including transactions, alliances, joint research, etc. exists between the Shiseido Group and the organization;

The Company shall state it has "no special relationship of interest" with said organization.

5. If a relationship of mutual assumption regarding the office of the External Director and External Audit & Supervisory Board Member during the Relevant Fiscal Years exists between the Company and the organization;

The Company shall state as follows: 1. whether both persons are incumbent, one is incumbent and the other is retired, or both are retired, 2. in case of a retiree, his/her tenure of office, 3. any special relationship regarding mutual assumption between the Company and the organization, and so on.