

SHISEIDO LIFE QUALITY MAKEUP

Appearance changes due to side effects of cancer treatment, birthmarks, dark spots, vitiligo, skin irregularities (scars, burn scars, etc.) may greatly affect Quality of Life (QOL) and become obstacles to one's social life. We call makeup for those with serious skin problems and appearance concerns "Shiseido Life Quality Makeup" and established a special facility, "Shiseido Life Quality Beauty Center" at Ginza, Tokyo in 2006.

In addition to the Center, Shiseido Life Quality Makeup is offered at more than 380 cosmetics specialty stores, department stores and medical institutions in Japan, as well as through overseas activities in various locations in Asia such as Shanghai, Hong Kong, Taipei and Kaosiung.

Through these activities, we aim to realize a society where people become happy by improving their QOL, and supporting their power to be themselves so more people can return to active social life.

Activities for Beauty at a glance

Example cases of cover makeup for those with serious skin concerns



The "Perfect Cover Foundation" series developed by Shiseido effectively covers skin color troubles and skin irregularities. With the launch of the product in October 2017, coverage has become more effective and easier than ever with just one product.

Example cases of cover makeup for cancer patients



We address various skin concerns such as appearance changes due to side effects of cancer treatment and scars after operations by makeup.

*Appearance changes in the photo are due to makeup and CG.

Shiseido Life Quality Beauty Center at a Glance



A unique facility specialized in Shiseido's cover makeup. The service is provided by appointment only, in private rooms and for free.

The latest activities of Shiseido Life Quality Beauty Center



Our activities vary widely from lectures at academic societies to exhibitions.

Initiatives for medical professionals(Japanese only)



Initiatives for medical professionals
We regularly hold appearance care seminars and provide information for medical professionals.

Appearance care activities for cancer patients(Japanese only)



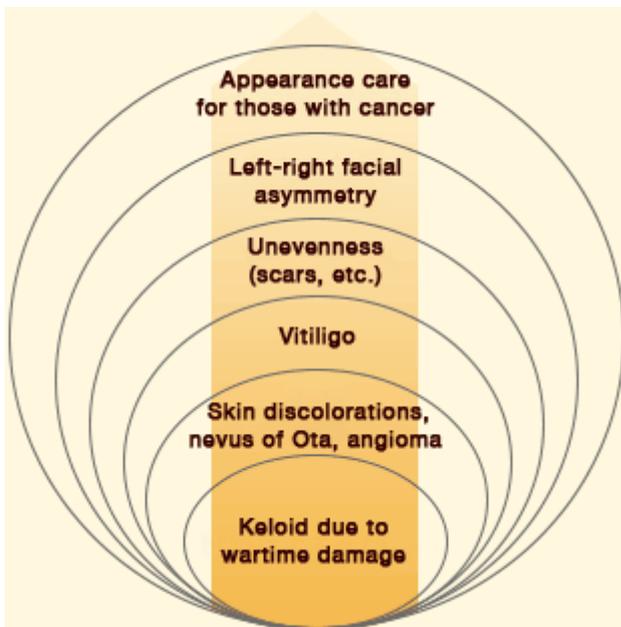
We publish the information leaflet about cover makeup for cancer patient appearance care. It is distributed to hospitals including core cancer hospitals and upon requests. The leaflet can also be downloaded from our website.

Activities started in 1956

After World War II, there were many people in Japan who had been burnt in the ravages of war. "Shiseido Spots Cover" was developed for humanitarian purposes to utilize Shiseido's unique capabilities for those with keloid scars, in order to alleviate their psychological burden. It was a foundation with which one could obscure his/her scars and uneven skin. Although similar products were sold at a price almost 10 times higher in the U.S. at that time, Shiseido Spots Cover was sold at the same price level as foundations for general use and in a wide variation of colors so that even men were able to use it. It was an unprecedented product at that time.

We have met people with many serious skin concerns since then, developed foundations according to each purpose and have become capable of handling a wider variety of skin types.

Targeting a wider variety of skin types



technological advances



Spots Cover (1956)



Perfect Cover Foundation (Present day)

Expanding activities

In 2012, due to our long nurtured research, development and activities, "Guidelines for vitiligo examination" for dermatologists stated the recommendations for cosmetic covering; we also gained more opportunities to present in academic journals and societies, and the necessity of makeup was acknowledged as part of the treatment by medical professionals.

There are more unsolved skin problems that can be covered by makeup. We will cooperate with university hospitals and develop products and technologies in order to deal with an even wider variety of skin concerns.

We will also create chances to meet the next generation and let them know more about the serious skin/appearance concerns, and also that there are ways to cover these concerns by makeup.

SHISEIDO LIFE QUALITY BEAUTY SEMINAR

“SHISEIDO LIFE QUALITY BEAUTY SEMINAR” began in 1949 as a “special beauty class” that taught students planning to graduate from high school how to use cosmetics properly, in order to maintain an appearance appropriate for an adult. Ever since then for over 60 years, these activities have changed the contents according to the objectives and participants and developed with the hopes of making all customers beautiful.

The “SHISEIDO LIFE QUALITY BEAUTY SEMINAR”, in which we visit, among others, care management offices, facilities for persons with disabilities, schools and companies to give skincare and makeup lessons in order to help the participants feel the “Power of Makeup” and learn how to maintain an appearance appropriate for a member of society, has become part of the “SHISEIDO LIFE QUALITY BUSINESS” since July 2013 and we have conducted sustainable activities to contribute also to the solution of the issues of a super-aged society.

The above activities and hand-massage activities are provided for free as social contribution activities in China, Germany and the U.S., etc.



A scene from the “Appearance Maintenance Class” for the children at children's nursing homes



Seminar at a medical facility in Germany

TOPICS: “Confirmation of the effect of our makeup service on increasing healthy life expectancy (*1)” in a commissioned project by the Ministry of Economy, Trade and Industry

We have confirmed that the “makeup service” (Cosmetic Therapy Program), which was developed by Shiseido, is effective in increasing healthy life expectancy, which is regarded as an important issue in the super aging society.

This is based on the result, which was jointly evaluated with the Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology regarding the “evaluation of the effect to reduce nursing care cost through providing cosmetic healthcare services” (conducted from June, 2014 to February, 2015) after the know-how of the “SHISEIDO LIFE QUALITY BUSINESS”, which has been promoted by Shiseido since 2013, was selected for the “2014 project to promote the development of an industry to increase healthy life expectancy” (*2), which is promoted by the Ministry of Economy, Trade and Industry with the aim of establishing the foundation of the “industry to increase healthy life expectancy”.

As a result of this evaluation, we have confirmed the improvement effect toward self-rated health (*3) and anti-depression tendency, and confirmed that the “makeup service” is effective as a new healthcare service to increase healthy life expectancy and that we can expect the effect to reduce the nursing care cost.

Shiseido will utilize this evaluation result for further improvement of quality in the “makeup service” and development of values of makeup for the elderly, etc. We will continue cooperating with medical institutions, such as nursing care offices, and local governments, etc., and proactively promoting the “makeup service” throughout the country as a healthcare service that leads to the increase of healthy life expectancy for a number of elderly people in the future.

- ※1 Period in which a person can live independently. This is an index proposed by the WHO (World Health Organization) in 2000.
- ※2 Implemented with the aim of developing an industry to increase healthy life expectancy by establishing the industry foundation for services not covered by public insurance to respond to the peripheral demands of public insurance services. 15 organizations were selected in fiscal 2014, and projects, such as business demonstrations and investigations, etc., are being promoted throughout the country.
- ※3 Questions to ask about subjective evaluations regarding elderly people’s own health. While this is a simple index, it is used as an expectation index for various health changes. In recent years, healthy life expectancy has been calculated by using self-rated health.

Scene from the “makeup service”



Promotion of Safe and Reliable Manufacturing

The Establishment of the Original 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). Then ingredients are thoroughly investigated for impurities and other substances that might adversely affect the skin, and only those of unquestionable safety are selected for use. Finally, we conduct patch tests and dermatologist-supervised trials to ensure that the resulting formulations will be free of problems when used in products.



Sensory testing of cosmetics



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.

Total Reassurance and Safety Management of Chemical Substances

A Basic Approach Based on Health and Environmental Considerations

Shiseido manages chemical substances used in products and containers based on the international goal of "minimizing adverse effects that the manufacturing and use of chemical substances have on human health and the environment by 2020," as adopted at the 2002 World Summit on Sustainable Development (WSSD).

Shiseido collects information about chemical substance safety and trends in the regulation of chemical substances in Europe, the Americas, Asia, Japan, and other regions. This data is evaluated based on the latest scientific knowledge and put to use in order to ensure safety by evaluating the effects of chemical substances used for products on people or the environment.

In the event that concerns about the effects of ingredients used in products on human health or the environment were to be brought to our attention, we would make a judgment as to whether to continue their use based on the latest scientific knowledge available at that point in time. Based on this judgment, if necessary, we would halt the use of respective substances immediately and switch to an alternative substance.

Complying with the European REACH Regulation

Under Europe's new chemical substance regulatory framework, known as the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Regulation, which was put into force in June 2007, all chemical substances contained in cosmetics and containers exported to Europe from Japan are subject to regulation.

In particular, substances imported into Europe in quantities of one ton or greater per year must be registered in accordance with procedures set forth in the REACH Regulation. Shiseido has assessed all such substances which must be registered.

The REACH Regulation also requires that manufacturers provide information to business partners and consumers concerning products and containers that contain at least 0.1% of certain substances that are feared to have an effect on the human body or the environment, known for the purposes of the regulation as Substances of Very High Concern (SVHC). At the present time, Shiseido has verified that none of its products or containers falls under this category. The SVHC list is updated periodically. However, in the event that a substance used for a product or container is included on the SVHC list, Shiseido's policy is to halt use of the respective substance, for example by switching to an alternative substance.

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

Shiseido observes all items (e.g. organizations and systems, buildings and facilities, manufacturing management, inspections, etc.) that are stipulated under the ISO22716, which was established as an international standard related to cosmetics manufacturing, and is delivering safe, reliable, high quality products that have been produced under comprehensive quality control. In order to ensure consumer assurance by placing the highest priority on quality and safety, we have continuously worked to maintain and manage product quality by establishing Shiseido Good Manufacturing Practice (Shiseido GMP) as self-imposed standards related to manufacturing.

In order to protect safety and high quality in terms of healthcare products beginning with food, Shiseido is intensively carrying out quality control in the respective stages of raw material selection, product commercialization, production and distribution. In doing so, we are manufacturing products that consumers can use regularly and with a peace of mind.

In selecting raw materials, Shiseido is gathering information from around the world and using only raw materials that are confirmed as reliable by looking at local data, including that regarding soil and pesticide residues. In product commercialization, production and distribution, the Company also has a system in place to realize a stable supply of high quality products by employing respective standards, including HACCP*1, ISO22000 and GMP as well as self-imposed regulations.

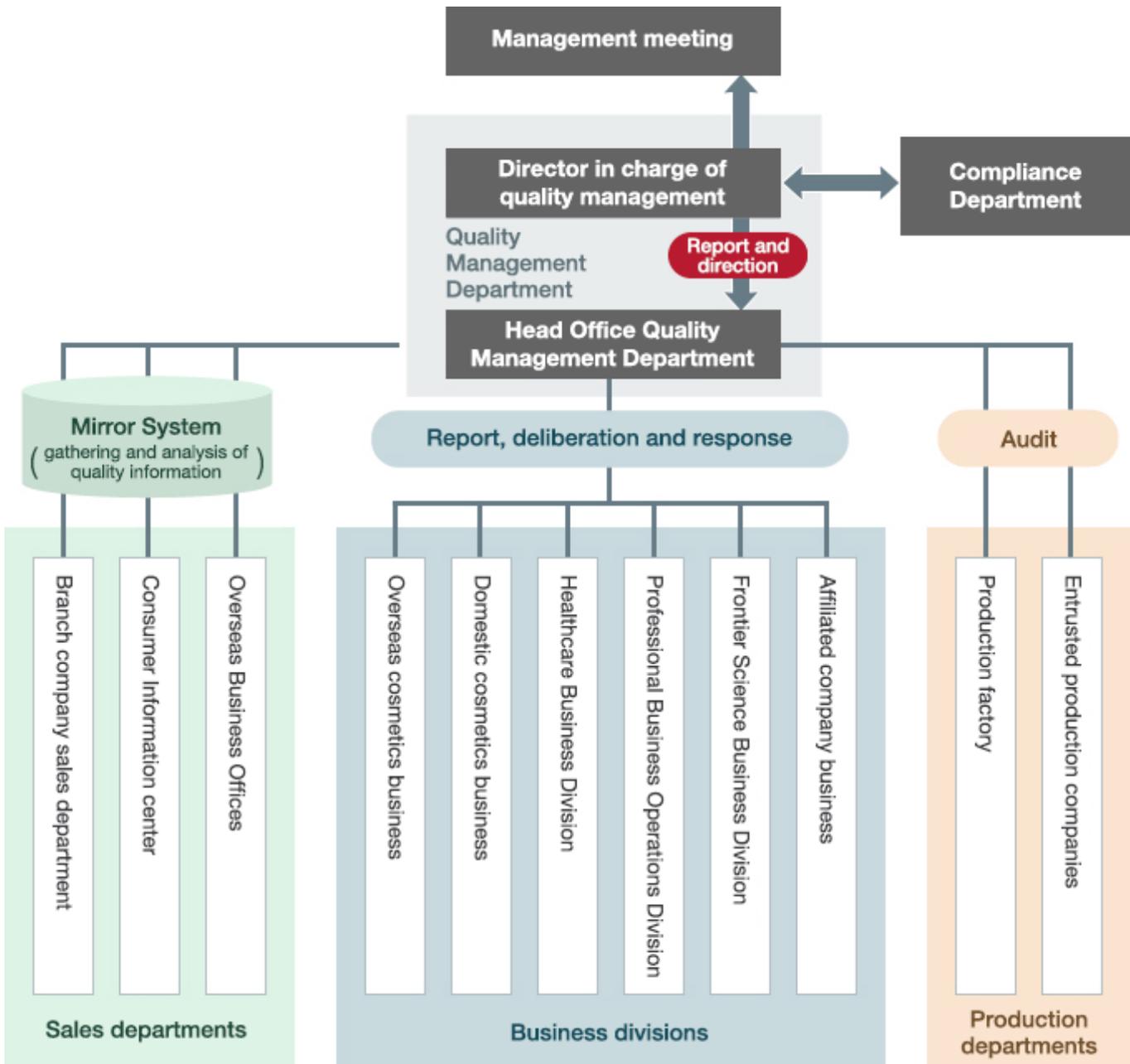
***1 HACCP :** HACCP is a method of food sanitation control developed to ensure the safety of space food in the United States.

Response to Product Accidents

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 accident prevention. At the same time, obligations to report accidents are in statutory form, thereby strengthening and comprehensively promoting quality assurance and product accident prevention activities at Shiseido and the Group companies.

In the unlikely event of a quality accident and/or product liability accident 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 Compliance Department. The Compliance Department will decide on the accident 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.

Response to Product Accidents



| Appropriate Provision of Product Information

Our Way 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 and labeling as well as observing respective countries' and regions' laws and regulations, including corporate regulations."

Compliance Status of Laws and Regulations Related to Advertising and Labeling

Details that should be indicated on cosmetics are stipulated under the Pharmaceutical Affairs 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, October 9, 1980). Based on these standards, the Japan Cosmetic Industry Association (JCIA) industry organization has established Appropriate Advertising Guidelines including Cosmetics as self-imposed industry standards that clarify 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 Pharmaceutical Affairs 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 Appeal 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.

Initiatives for Children

Activities to Provide Beauty Information to the next Generation

The number of children with skin problems such as rough skin is increasing, caused by their random use of cosmetic products at a younger age. To address this issue, Shiseido is disseminating daily beauty information for children, including face washing and UV-protection methods in an easy-to-understand manner, thereby enabling children to protect healthy skin on their own.

The initiative launched in 2010, and we have reached out to about 6000 children in total.

- Conducting a hands-on onsite class in a school “Shiseido Kodomo Seminar: Sunscreen/correct face washing” (Japan only)
- Dissemination of daily beauty information via the "Kirei Club for Kids" website (Japanese only)
- Provision of visual educational materials (DVDs) for supporting healthcare lessons, wall newspapers posted on school bulletin boards and leaflets for distribution to children at no cost

Please apply for “Shiseido Kodomo Seminar” and “educational materials free of charge” via the special application form found on the "Kirei Club for Kids" website. Please email in case of inquiries. (Japanese only)



The scene of the Shiseido Kodomo Seminar