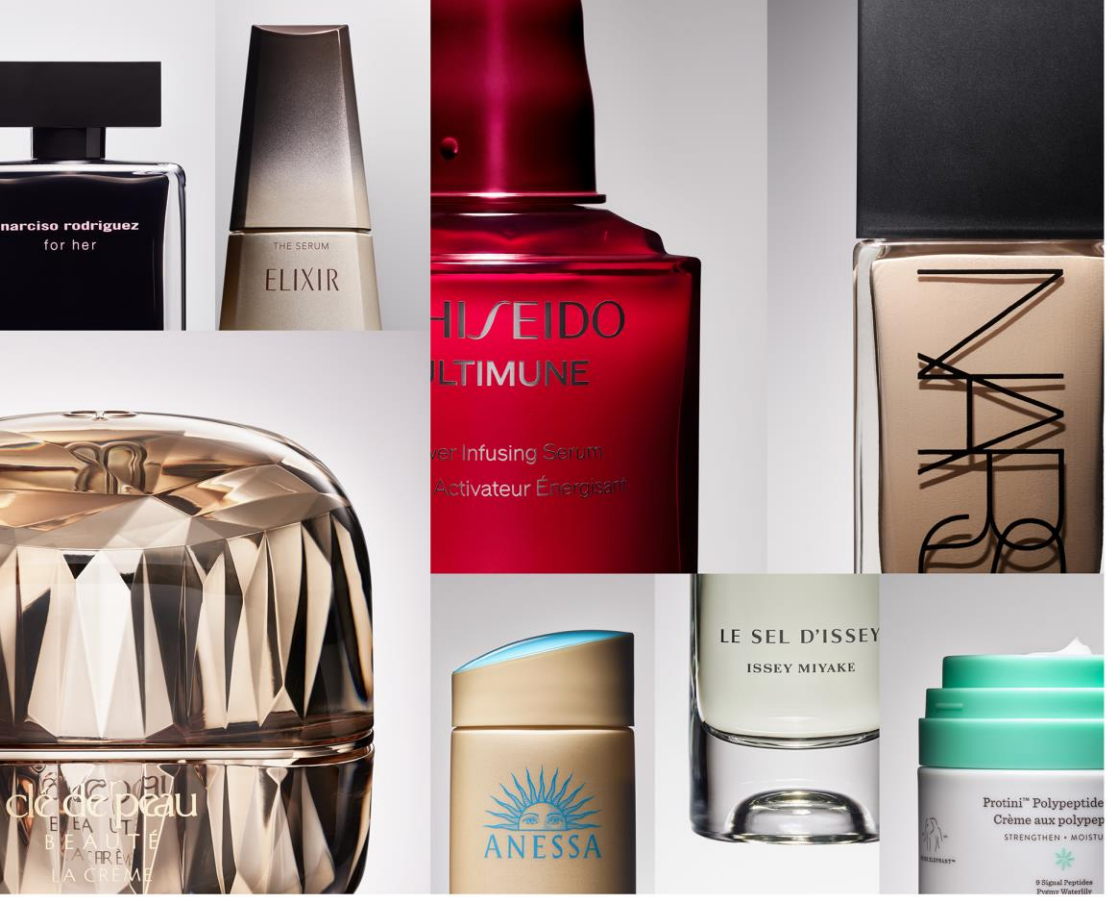


Building a Profitable Foundation Towards Sustainable Growth

March 26, 2025

Shiseido Company, Limited

President and CEO

Kentaro Fujiwara

SHISEIDO

Decision to Reduce Dividend to Prioritize Building a Growth Foundation for Long-Term Corporate Value Maximization; Committed to Enhancing Shareholder Returns as the Earliest Possible

Action Plan 2025-2026

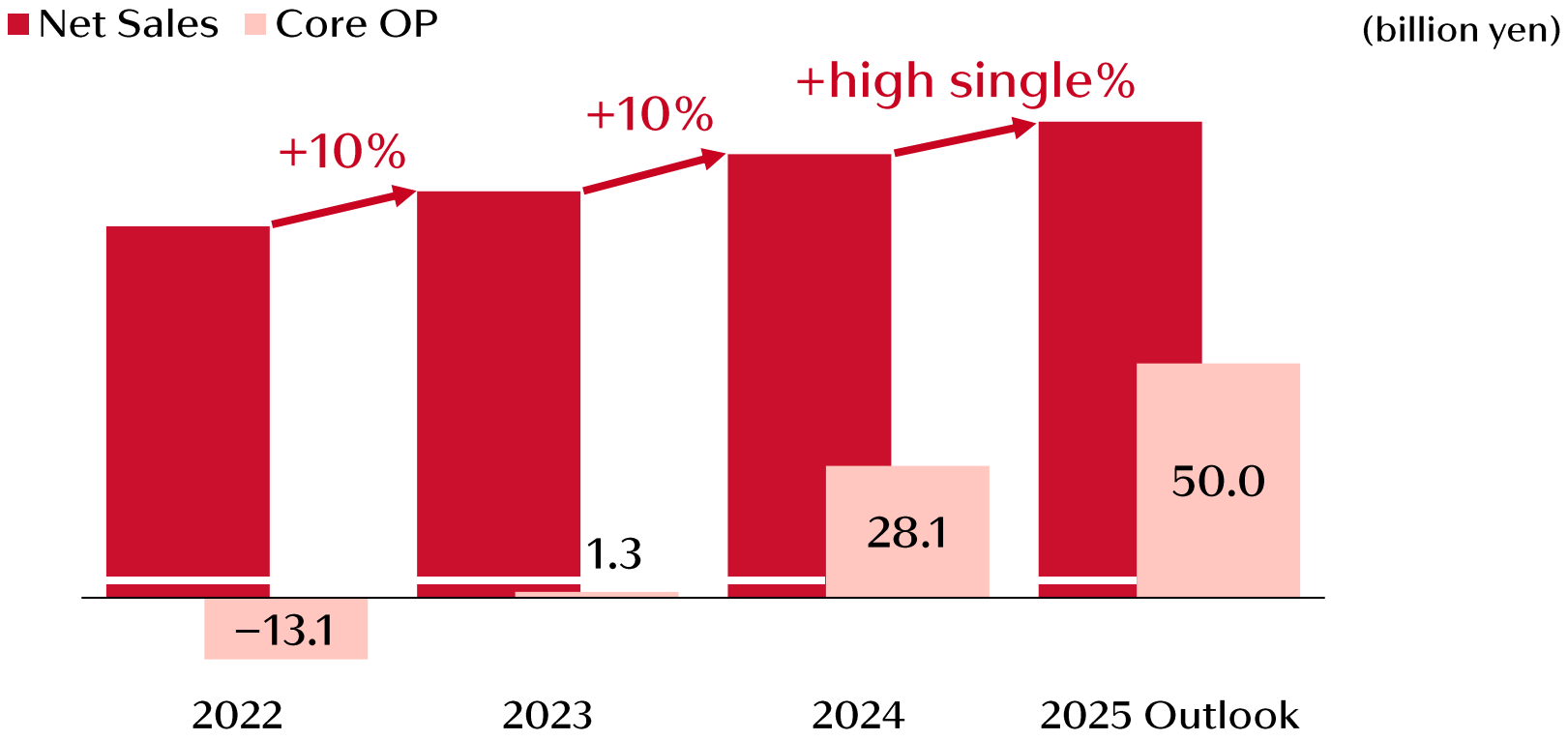
Build Resilient Business Model for Sustainable Profit Growth Amid Volatile Market Conditions

ACT and DELIVER

Strengthen Profitability Across All Regions

- **Japan**
  Delivering tangible benefits of structural reforms; with further acceleration in transformation
- **China and Travel Retail**
  Rebuilding sustainable business foundation
- **EMEA and Asia Pacific**
  Achieving profitable growth
- **Americas**
  Implementing structural reforms to restore growth

Japan: Key Profit Driver in Global Markets

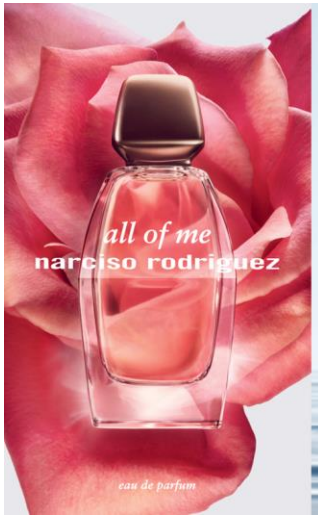


Japan: Brand Strategy

Strengthening Core Brands and Hero Products

Creating New Value and New Market

Japan: New Market Creation - Men's and Fragrances



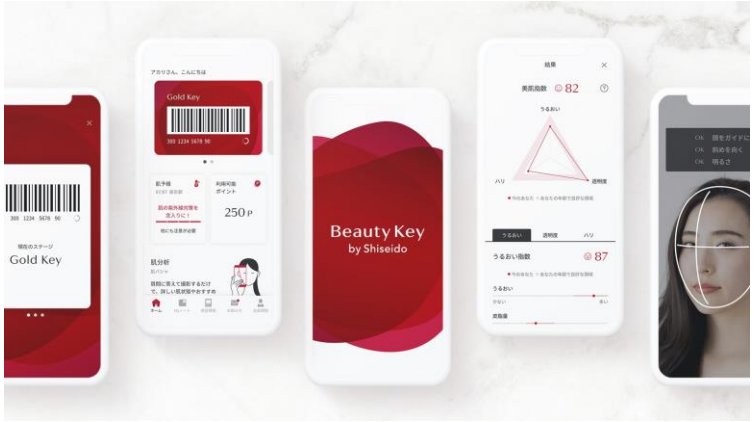
Japan: Human Capital Transformation and Productivity Enhancement

- Maximize consumer engagement opportunities for personal beauty partners
- Delegate more responsibility to the front
- Continue the organizational culture of self-innovation

Shiseido Japan
Executive Vice President
Koji Nakata

- New Executive Vice President appointed in Nov. 2024 to enhance organizational strength with extensive domestic and international experience

Japan: Maximize Digital Engagement

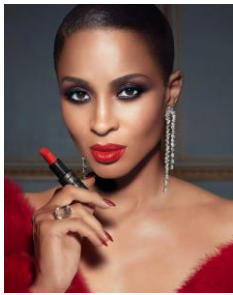


China and Travel Retail: Rebuild Sustainable Business Foundation

- Accelerate the shift towards sustainable growth while anticipating ongoing market challenges
- Elevate brand equity to increase market share
  Enhance organizational agility to serve local needs
- Accelerate integrated operations

EMEA and Asia Pacific: Growth Acceleration

- Leverage *SHISEIDO*'s strong brand presence
- Selection and Concentration while driving localization
  EMEA: Fragrances
  Asia Pacific: *ANESSA*
- Stretching our areas of growth
  EMEA: the Middle East and E-commerce
  Asia Pacific: India



Americas: Actions for the Next Phase of Growth

NARS

SHISEIDO
GINZA TOKYO

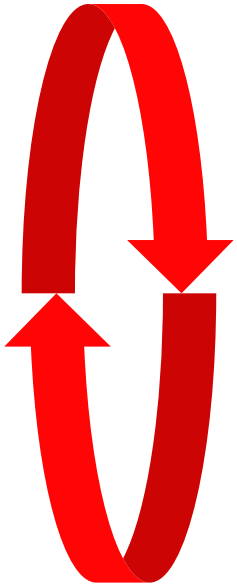
ESTD 2012
DRUNK ELEPHANT™

clé de peau
BEAUTÉ

Dr Dennis Gross
SKINCARE

Fragrances

Complete All Actions for Structural Reforms



- Reduce fixed costs
- Secure marketing investments
- Focus investments on key brands: Core 3 and Next 5
- Expand profitability through growth

Reinforce Brand Foundation: Core 3 and Next 5

Core 3 Brands

SHISEIDO GINZA TOKYO

clé de peau BEAUTÉ

NARS

Next 5 Brands

ANESSA

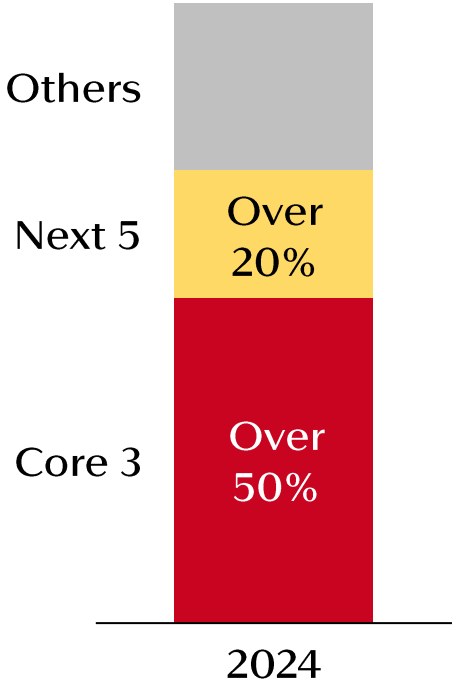
narciso rodriguez

ISSEY MIYAKE PARFUMS

ELIXIR

DRUNK ELEPHANT™

Sales Breakdown

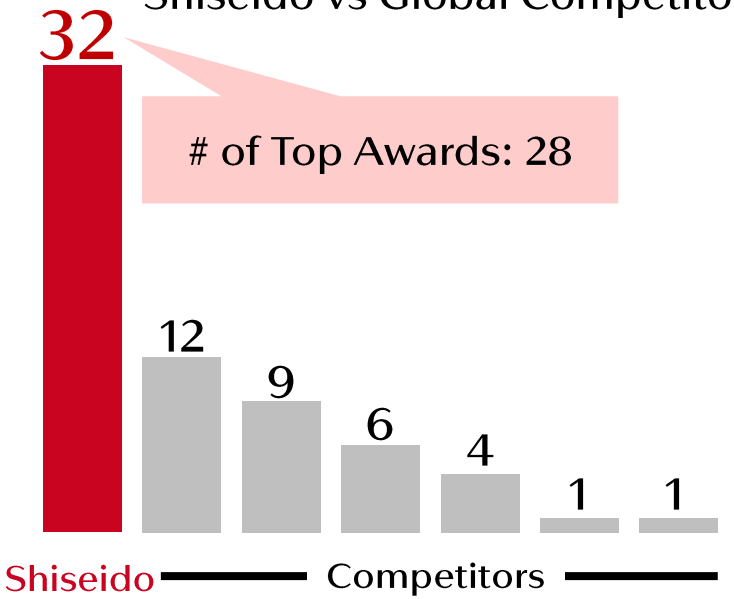


Bring Innovations that Deliver New Value Driven by Bold Science and Technologies

Strong Foundation for Sustainable Growth

Strengths in R&D and Innovation

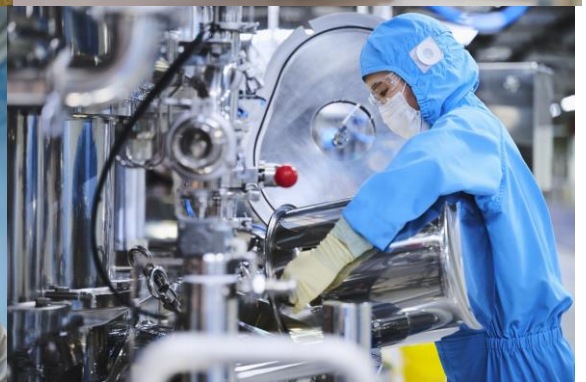
IFSCC Awards
Shiseido vs Global Competitors



Researcher Daigo Inoue
Uncovering melanoaging

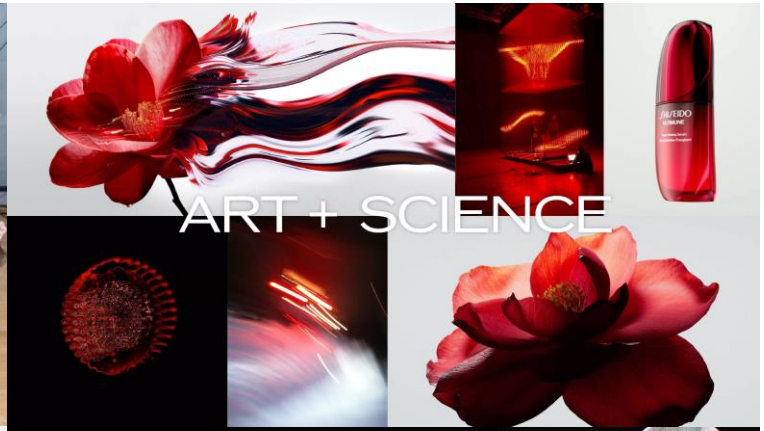
Strong Foundation for Sustainable Growth

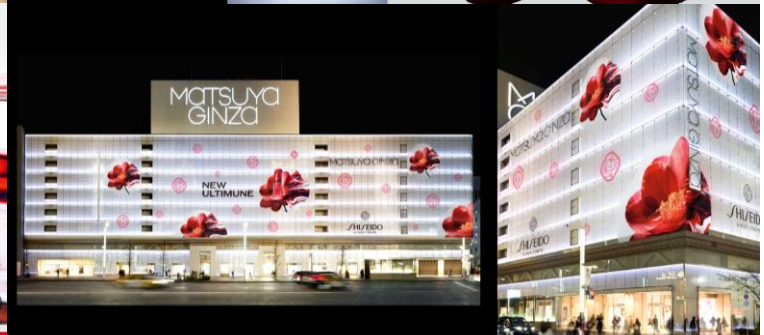
World-Class Uncompromising Craftmanship



Strong Foundation for Sustainable Growth

Maximizing Value Delivered to the World





Accelerating Sustainability Initiatives

CO_2 Reduction(vs 2019)

−46.2%*

by 2030

Sustainable Packaging

* At all our sites

Creating Social Values with Our Brands and Products

Support Children's Holistic Well-being

Perfect Cover Support through the Power of Beauty

Aspiring to Drive Growth in the Future

Shiseido Beauty Park: A Place Where Researchers and Consumers Co-Create, Connecting Five Labs

Beauty Diagnosis Lab

Innovative Researchers

Kitchen Lab

Art & Science Lab

fibona Lab

Aspiring to Drive Growth in the Future

fibona: Co-Creating Added-Value R&D with Consumers for Beauty Evolution

Skin Accessory

Kahadasho : fragrance veil integrates with skin

Driving Force of Growth and Value Creation: People

Held a Large-Scale Learning Event at Shiseido Future University

SHISEIDO FUTURE UNIVERSITY

Enhancing Governance to Maximize Corporate Value

Transition to a "Company with Three Statutory Committees"

- Clearly separate the execution and oversight
- Agile decision making and business execution

Board of Directors

- Appointed as Shiseido's first Chair of the Board as an external director

Yoshihiko Hatanaka

Challenging the Status Quo

Be a Global Winner
with Our Heritage