

**Shiseido's Social Business Model in Bangladesh Recognized as Initiative of "Business Call to Action (BCtA)" Led by United Nations Development Programme
- For the First Time an Asian Cosmetics Company being Recognized -**

Shiseido's activity in Bangladesh to improve social status and lifestyle of rural women by skincare products was recognized as "Business Call to Action"^{*1} (hereinafter, "BCtA") led by the United Nations Development Programme (UNDP). This is the first time for an Asian cosmetic company to be recognized.

In this activity, for rural Bangladesh women with relatively low income, Shiseido has been introducing skincare products ("Les DIVAS"^{*2}), which were developed specially for the local people, as well as educating them the usage. Meanwhile, Shiseido also provides support for improving their social status and lifestyle with educational activities, including workshops regarding health, hygiene, and nutrition. This program was highly evaluated as a business model which can realize both corporate social contribution and business operation at the same time.



Taking this recognition as BCtA as the driving force, Shiseido will continuously contribute to the happiness of people all around the world who wish to live their lives in the way they like, following the corporate mission of "to inspire a life of beauty and culture". Shiseido will also focus on activities that can empower women, aiming to achieve a sustainable society.

Shiseido's Social Business Model in Bangladesh

Shiseido has been promoting various activities to support women's way of living through the "power of makeup". Shiseido pays attention to the fact that "improvement in women's social status" has been pointed out as one of the recent international and social issues in addition to poverty and environmental issues, and has been considering how to contribute to resolving the issues in the international society utilizing its core business. As part of the effort, Shiseido signed the international guidelines "Women's Empowerment Principles (WEPs)"^{*3} at very early stage.

In Bangladesh, though economic growth recently began mainly in the urban areas, there are still many issues in rural areas including hygiene, nutrition, employment of women, etc. Furthermore, according to Shiseido's field study, the rural women have only few opportunities to acquire beauty information such as correct skincare regime, as well as makeup products, although they show interests in beauty and skincare.

Based on the field study, from the viewpoint of realizing both corporate social contribution and business operation, Shiseido started to develop and to sell skincare products especially for local women since FY 2011 based on their preferences and hot and humid environment, as well as to introduce how to use the products. Shiseido is also holding educational programs such as workshops regarding health, hygiene and nutrition at the same time. These activities were also selected as a "Preparatory Survey for BOP business promotion" by the Japan International Cooperation Agency (JICA) in 2012.

Since FY2015, Shiseido expands the target and coverage – workshops are also held for women working at the sewing plants, the main industry in rural areas, as well as for female students. Business expansion to retail stores near the rural areas is also under going.



Workshop in the rural area of Bangladesh



Cosmetics "Les DIVAS" developed specially for the local people

The Results

1. The sales of skincare products and the education activity were implemented by activation officers and door-to-door salespersons. They were selected from the local rural women, resulting in employment creation for the rural women, so they are able to earn money and to increase incomes on their own. At the same time, they are more confident about themselves by accumulating knowledge through this activity. As a result, they are now able to confidently speak in front of people and proactively express their thoughts to their families. Moreover, the rural women other than the education promotion staff and door-to-door salespersons also began to change their perception and behaviors significantly, including reviewing of their lifestyle and deepening of their confidence in skin and skincare due to the knowledge obtained at the workshops. This activity enhanced the women empowerment.
2. In this activity, Shiseido employees, who were selected based on Shiseido's in-house job challenge system, stayed with women in the local area. From their staying, know-how of manufacturing in environment of high temperature, humidity and sweating, and findings of local women's skin were acquired. Based on these findings, innovative sun care technology "WetForce", which can further enhance the UV-ray protection effect rather than lowering the effect after the product comes into contact with sweat or water, was developed. The sunscreen product employing this technology was commercialized as "SHISEIDO Perfect UV Protector" released in March 2015.
3. Through this whole activity, findings which can be applied in various business scenarios were acquired, including market entering approach to emerging markets, methods to sell products to so-called BOP (Base of the Pyramid), and know-how regarding Halal certification acquisition, etc.

With the aim to achieve a sustainable society that makes people all around the world happy through beauty, Shiseido will continue to promote activities which contribute to empowering women in the world.

[Reference] Introduction video for this activity

<https://youtu.be/qOHIAYLTeOk>

*1 Business Call to Action (BCtA):

A global initiative established in 2008 and made up of companies, governments and development support organizations for the purpose of achieving the Millennium Development Goals (MDGs) through the core businesses of private companies. It is led by six development organizations and governments, including the United Nations Development Programme, and provides support for building the business model which can contribute both to commercial outcome and development outcome. 130 companies from

various fields, including agriculture, health, financial service, energy, education, etc., have participated in this initiative.

http://www.undp.org/content/undp/en/home/ourwork/funding/partners/private_sector/BCTA.html

*2 "Les DIVAS":

A lineup of 3 items/4 types (Cleansing foam: 1 type; Gel: 2 types; Sunscreen: 1 type) with the three functions of cleansing, moisturizing and UV-ray protection which are necessary to achieve the ideal skin. Since 90% of the population is Islamist, Les DIVAS obtained the Halal Certification.

*3 Women's Empowerment Principles (WEPs):

Seven principles jointly developed in March 2010 by United Nations Global Compact, the voluntary alliance framework between the United Nations and companies, and United Nations Development Fund for Women (UNIFEM; currently called UN Women). It is expected that these principles will be utilized as the international principles for promoting the women's economic empowerment, aiming that companies will voluntarily make efforts by positioning the gender equality and women's empowerment as the core elements of their business and strive to promote activation and growth of corporate activities.