



ASSURANCE STATEMENT

SGS Japan's Report on Sustainability Activities in the Shiseido Group's Sustainability website.

NATURE AND SCOPE OF THE ASSURANCE

SGS Japan Inc. was commissioned by Shiseido Company, Limited (hereinafter referred to as "the Organization") to conduct an independent assurance of its Sustainability web site (hereinafter referred to as "the Report"). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, includes the stakeholder management process, data on greenhouse gas (GHG) emissions (Scope 1, 2, and category 1,2,4,5,9,11 and 12 of Scope 3), energy consumption, amount of water intake and drainage, total net fresh water consumption, BOD/COD, SOx and NOx emissions, waste (waste discharged and waste disposed) and the management systems supporting the reporting process. Refer to the attached sheet for the detailed scope of assurance.

The information contained in the Report and its presentation are the responsibility of the governing body and the management of the Organization. SGS Japan Inc. has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data and statements within the scope of assurance with the intention to inform all the Organization's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured at a moderate level of scrutiny using our protocols for:

- Evaluation of content veracity;
- AA1000 Assurance Standard (V3) Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018);
- Evaluation against the ISO14064-3(2019);

The assurance comprised a combination of pre-assurance research, interviews with the President, the division of responsible for CSR and the person in charge of producing the report at Shiseido main office, onsite visits to Shiseido Kakegawa Factory and Shiseido Osaka Factory, verification and confirmation of vouchers, and review of related materials and records.

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; and environmental, social and sustainability report assurance. SGS Japan Inc. affirms our independence from the Organization, being free from bias and conflicts of interest with the Organization, its subsidiaries and stakeholders.

The assurance team was assembled based on the knowledge, experience and qualifications of each of the team members for this assignment, and comprised auditors registered with lead auditors of ISO9001, ISO14001, ISO45001 and lead verifiers of greenhouse gas emissions.

ASSURANCE OPINION

Within the scope of the assurance activities employing the methodologies described above, nothing has come to our attention that caused us to believe that the information and data contained within the Report does not provide a fair and balanced description of the Organization's sustainability activities from 1 January 2022 to 31 December 2022.

The assurance team is of the opinion that the Report can be used by the Reporting Organization's Stakeholders. We believe that the Organization has chosen an appropriate level of assurance for this stage in their reporting.

AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity

The Organization recognizes the importance of the multi-stakeholders (consumers, business partners, employees, shareholders, society and the earth), and perceives the needs and expectations through various stakeholder engagements. The Organization conducts business activities to achieve a sustainable world with the mission "BEAUTY INNOVATIONS FOR A BETTER WORLD". The Organization, assessing the relevance of the mission and business activities to issues from stakeholders and SDGs, practices sustainability management by reflecting the results in the business strategy.

The series of processes is available in the Report. SGS Japan Inc. confirmed the above processes through the assurance.

Materiality

The material issues identified by the Organization are determined with consideration of business activities including the value chain and the expectations from society, and the Organization addresses the issues in the entire Organization and the relevant divisions through the business activities. The relevant actions addressing the issues are defined Clean Environment, Respectful Society, Enriched Culture as "the three key themes", and their detailed activities are available in the Report. Particularly regarding Clean Environment, reducing the organization's environmental footprint (e.g., CO2 reduction), developing sustainable products (e.g., sustainable packaging), promoting sustainable and responsible procurement (e.g., palm oil) have been taken up as important issues and responded.

SGS Japan Inc. confirmed the above processes through the assurance.

Responsiveness

The Organization addresses the identified issues in the relevant divisions through the business activities. The Organization communicates with the stakeholders by various measures including direct dialogue. The correspondence to stakeholders is also disclosed in the report along with its direction and specific cases in point demonstrating such measures. In addition, by incorporating the organization's ESG outcomes into executive compensation practices, the organization integrates sustainability impacts into organizational decisions.

SGS Japan Inc. confirmed the above processes through the assurance.

Impact

The results of activities for the identified issues are reported in the sustainability website, including detailed case examples. This report also includes reports on the impacts on the ecosystem.

Consequently, SGS Japan Inc. confirmed through the verification that the Organization supports the principle of impact.

For and on behalf of SGS Japan Inc.

Knowledge
Management Committee Member
Head of Certification/Accreditation

26 June, 2023

Signed: Yuji Takeuchi



AA1000
Licensed Report
000-8/V3-XK7ZJ

The details of the scope of verification

The scope		The boundary	The statement
1	Scope 1 and 2 include energy related greenhouse gas emissions Energy consumption	All Shiseido sites	GHG: 46,439 t-CO ₂
2	Scope 3 Category 1,2,4,5,9,11,12 * Category 5: Excluding general waste	All Shiseido sites	Category 1: 930,957 t-CO ₂ Category 2: 150,191 t-CO ₂ Category 4: 67,526 t-CO ₂ Category 5: 15,484 t-CO ₂ Category 9: 86,994 t-CO ₂ Category 11: 143,413 t-CO ₂ Category 12: 94,627 t-CO ₂
3	GHG credits not included in Scope 1,2 and 3	All Shiseido sites	3,516 t-CO ₂
4	Amount of water withdrawals and drainage, total net fresh water consumption	Domestic and overseas production sites (13 sites : including 3 laboratories attached to overseas production sites) and 7 Laboratories	Withdrawal: 1.1 Mil. m ³ Drainage: 0.8 Mil. m ³ Total net fresh water consumption: 1.1 Mil. m ³
5	Waste (waste discharged and waste disposed) *Industrial waste and valuables	Domestic and overseas production sites (13 sites : including 3 laboratories attached to overseas production sites) and 7 Laboratories	Discharged: 12,560 t Disposed: 87 t
6	BOD/COD	Domestic and overseas production sites (13 sites : including 3 laboratories attached to overseas production sites)	BOD: 17 t, COD: 52 t
7	SOx and NOx emissions	Domestic and overseas production sites (12 sites : including 3 laboratories attached to overseas production sites)	SOx: 0 t, NOx: 31 t

This document is issued by the Company under its General Conditions of Service accessible at www.sgs.com/terms_and_conditions.htm.

Attention is drawn to the limitation of liability, indemnification and jurisdiction issues defined therein.
Any holder of this document is advised that information contained hereon reflects the Company's findings as the time of its intervention only and within the limits of Client's instruction, if any.
The Company's sole responsibility is to Client and this document does not exonerate parties to transaction from exercising all their rights and obligations under the transaction documents.
Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.