

## Editorial Policy/GRI Content Index

---

### ▶ Editorial Policy

The editorial policy for the Shiseido Group's Sustainability website describes the features of the site as well as the scope of its coverage.

### ▶ GRI Content Index

Content Index of GRI Standard which is international sustainability reporting guidelines

## Editorial Policy

---

Shiseido Group's Sustainability website has been edited according to the following policies.

- It is edited to be a website in which one can promptly get the information he/she needs.
- We disclose sustainability-related data in lists.
- The target period for the information included in this website is mainly for 2017 (from January 1, 2017 to December 31, 2017). However, part of the information may be from prior to the said period or more recent than the said period.
- We have edited this website by using the United Nations Global Compact, GRI Sustainability Reporting Standards (GRI Standards) for reference.
- The scope includes Shiseido Company, Limited and 79 Shiseido Group companies (consolidated subsidiaries) as of December 31, 2017.

Notes have been added to data outside of the above scope.

Information on the Shiseido Group's sustainability in 2017 is disclosed not only on the "Shiseido Group Sustainability website", but also in the "Annual Report 2017/12."

## GRI Content Index

The information presented here is related to items of the GRI Standards, but is not reported in accordance with the GRI Standards.

About "Reference": "Not Applicable" indicates that the corresponding items are not relevant or have no cases relevant to any critical levels. "—" indicates no information.

### 102 General Disclosures

1. Organizational profile		Reference
102-1	Name of the organization	Corporate Information
102-2	Activities, brands, products, and services	Business Overview
		Brands
		Annual Report
102-3	Location of headquarters	Corporate Information
102-4	Location of operations	Shiseido Group Standards of Business Conduct and Ethics
		Corporate Profile
		Major Offices
102-5	Ownership and legal form	Corporate Information
102-6	Markets served	Business Overview
102-7	Scale of the organization	Shiseido at a Glance
		Annual Report
		Major Offices
102-8	Information on employees and other workers	Personnel Related Data
		Corporate Information
102-9	Supply chain	With Business Partners
		Global Network
102-10	Significant changes to the organization and its supply chain	Annual Securities Report (Japanese only)
102-11	Precautionary Principle or approach	What is Shiseido Sustainability?
		Risk Management

102-12	External initiatives	Cooperation with International Societies
		External Collaboration
102-13	Membership of associations	Cooperation with International Societies
		External Collaboration
2. Strategy		Reference
102-14	Statement from senior decision-maker	Top Commitment
102-15	Key impacts, risks, and opportunities	What is Shiseido Sustainability?
		Risk Management
		Annual Report
3. Ethics and integrity		Reference
102-16	Values, principles, standards, and norms of behavior	Shiseido Group Standards of Business Conduct and Ethics
102-17	Mechanisms for advice and concerns about ethics	Activities to Enhance Corporate Ethics
		Fair Evaluation of Employees
4. Governance		Reference
102-18	Governance structure	What is Shiseido Sustainability?
		Management and Execution Structure
102-19	Delegating authority	Annual Report
102-20	Executive-level responsibility for economic, environmental, and social topics	Directors, Audit & Supervisory Board Members and Corporate Officers
102-21	Consulting stakeholders on economic, environmental, and social topics	General Meeting of Shareholders
102-22	Composition of the highest governance body and its committees	Corporate Governance
		Annual Report
		Corporate Governance Report
102-23	Chair of the highest governance body	Management and Execution Structure
102-24	Nominating and selecting the highest governance body	Corporate Governance Report
		Management and Execution Structure
102-25	Conflicts of interest	Corporate Governance Report
		Annual Report

102-26	Role of highest governance body in setting purpose, values, and strategy	Management and Execution Structure
102-27	Collective knowledge of highest governance body	—
102-28	Evaluating the highest governance body's performance	—
102-29	Identifying and managing economic, environmental, and social impacts	Risk Management
		Annual Report
102-30	Effectiveness of risk management processes	Corporate Governance Report
		Annual Report
102-31	Review of economic, environmental, and social topics	—
102-32	Highest governance body's role in sustainability reporting	—
102-33	Communicating critical concerns	Corporate GovernanceC
		Whistleblower System
		Annual Report
102-34	Nature and total number of critical concerns	—
102-35	Remuneration policies	Remuneration to Directors, Corporate Officers and Audit & Supervisory Board Members
		Corporate Governance Report
102-36	Process for determining remuneration	Remuneration to Directors, Corporate Officers and Audit & Supervisory Board Members
		Corporate Governance Report
102-37	Stakeholders' involvement in remuneration	Remuneration to Directors, Corporate Officers and Audit & Supervisory Board Members
		General Meeting of Shareholders
		Good Relationship with labor union
102-37	Annual total compensation ratio	—
102-39	Percentage increase in annual total compensation ratio	—

5. Stakeholder engagement		Reference
102-40	List of stakeholder groups	Shiseido Group Standards of Business Conduct and Ethics
102-41	Collective bargaining agreements	Personnel Related Data
102-42	Identifying and selecting stakeholders	Shiseido Group Standards of Business Conduct and Ethics
102-43	Approach to stakeholder engagement	Reflecting Consumer Feedback
		Efforts toward Building an Ethical Supply Chain
		With Business Partners
		Fair Evaluation of Employees
		General Meeting of Shareholders
		Annual Report
		With Society
102-44	Key topics and concerns raised	Initiatives in Response to Animal Testing and Alternative Methods
		Reflecting Consumer Feedback
6. Reporting practice		Reference
102-45	Entities included in the consolidated financial statements	Editorial Policy
		Annual Securities Report(Japanese only)
102-46	Defining report content and topic Boundaries	What is Shiseido Sustainability?
102-47	List of material topics	What is Shiseido Sustainability?
102-48	Restatements of information	Annual Report
102-49	Changes in reporting	Not Applicable
102-50	Reporting period	Editorial Policy
102-51	Date of most recent report	Issuing Period: June 2018 (Next: June 2019, previous: May 2017)
		Editorial Policy
102-52	Reporting cycle	Issuing Period: June 2018 (Next: June 2019, previous: May 2017)
		Editorial Policy

102-53	Contact point for questions regarding the report	Contact Us
102-54	Contact point for questions regarding the report	Not Applicable
102-55	GRI content index	GRI content index (This page)
102-56	External assurance	Editorial Policy
		Editorial Policy

## 200 Economic

201 Economic Performance		Reference
201-1	Direct economic value generated and distributed	Annual Report
201-2	Financial implications and other risks and opportunities due to climate change	Shiseido's Stance on Environmental Issues / Our Goals and Achievements
		Environmental Management
		Environmental Impact Results in Fiscal 2017
201-3	Defined benefit plan obligations and other retirement plans	Annual Report
		Employee Benefits and Welfare
201-4	Financial assistance received from government	—
202 Market Presence		Reference
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Personnel Related Data
202-2	Proportion of senior management hired from the local community	—
203 Indirect Economic Impacts		Reference
203-1	Infrastructure investments and services supported	With Society
203-2	Significant indirect economic impacts	With Society
		Social Activity-Related Data
204 Procurement Practices		Reference
204-1	Proportion of spending on local suppliers	—

205☒Anti-corruption		Reference
205-1	Operations assessed for risks related to corruption	Not Applicable <Targetting all business offices inside and outside Japan>
		Compliance
205-2	Communication and training about anti-corruption policies and procedures	Activities to Enhance Corporate Ethics
205-3	Confirmed incidents of corruption and actions taken	Not Applicable <Targetting all business offices inside and outside Japan>
206☒Anti-competitive Behavior		Reference
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Result in FY 2017: "No legal actions"

## 300☒Environmental

301☒Materials		Reference
301-1	Materials used by weight or volume	—
301-2	Recycled input materials used	—
301-3	Reclaimed products and their packaging materials	Efforts toward Recycling of Resources
302☒Energy		Reference
302-1	Energy consumption within the organization	Environmental Impact Results in Fiscal 2017
		Environmental Activity-Performance Data
302-2	Energy consumption outside of the organization	Environmental Impact Results in Fiscal 2017
302-3	Energy intensity	Environmental Activity-Performance Data
302-4	Reduction of energy consumption	Environmental Impact Results in Fiscal 2017
		Initiatives in Production and Distribution
302-5	Reductions in energy requirements of products and services	Environmental Impact Results in Fiscal 2017
		Product Initiatives
		Efforts toward Recycling of Resources



303 Water		Reference
303-1	Water withdrawal by source	Environmental Impact Results in Fiscal 2017
303-2	Water source significantly affected by withdrawal of water	Not Applicable
303-3	Water recycled and reused	—
304 Biodiversity		Reference
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not Applicable
304-2	Significant impacts of activities, products, and services on biodiversity	Initiatives to Conserve Biodiversity
		Environmental Policies and Targets until Year 2020
		Efforts toward Building an Ethical Supply Chain
304-3	Habitats protected or restored	Initiatives to Conserve Biodiversity
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	—
305 Emissions		Reference
305-1	Direct (Scope 1) GHG emissions	Environmental Impact Results in Fiscal 2017
		Environmental Activity-Performance Data
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Impact Results in Fiscal 2017
		Environmental Activity-Performance Data
305-3	Other indirect (Scope 3) GHG emissions	Environmental Impact Results in Fiscal 2017
		Environmental Activity-Performance Data
305-4	GHG emissions intensity	Environmental Impact Results in Fiscal 2017
		Environmental Activity-Performance Data
305-5	Reduction of GHG emissions	Shiseido's Stance on Environmental Issues / Our Goals and Achievements
		Shiseido's Stance on Environmental Issues / Our Goals and Achievements
		Environmental Activity-Performance Data

305-6	Emissions of ozone-depleting substances (ODS)	Not Applicable
305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Environmental Impact Results in Fiscal 2017
		Environmental Activity-Performance Data
306 Effluents and Waste		Reference
306-1	Water discharge by quality and destination	Environmental Impact Results in Fiscal 2017
		Environmental Activity-Performance Data
306-2	Waste by type and disposal method	Environmental Impact Results in Fiscal 2017
		Environmental Activity-Performance Data
		Environmental Management
306-3	Significant spills	Not Applicable
		Environmental Management
306-4	Transport of hazardous waste	Not Applicable
306-5	Water bodies affected by water discharges and/or runoff	—
307 Environmental Compliance		Reference
307-1	Non-compliance with environmental laws and regulations	Not Applicable
		Environmental Management
308 Supplier Environmental Assessment		Reference
308-2	New suppliers that were screened using environmental criteria	With Business Partners
		Policies and Standards
308-2	Negative environmental impacts in the supply chain and actions taken	With Business Partners

## 400 Social

401 Employment		Reference
401-1	New employee hires and employee turnover	Personnel Related Data
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employment and Labor
		Realizing a Rewarding Workplace
401-3	Parental leave	Personnel Related Data
		Realizing a Rewarding Workplace
402 Labor/Management Relations		Reference
402-1	Minimum notice periods regarding operational changes	Employment and Labor
403 Occupational Health and Safety		Reference
403-1	Workers representation in formal joint management-worker health and safety committees	Safety and Health of Employees
		Personnel Related Data
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Personnel Related Data
403-3	Workers with high incidence or high risk of diseases related to their occupation	—
403-4	Health and safety topics covered in formal agreements with trade unions	Safety and Health of Employees
		Good Relationship with Labor Union
404 Training and Education		Reference
404-1	Average hours of training per year per employee	Utilization and Development of Human Resources
		Personnel Related Data
404-2	Programs for upgrading employee skills and transition assistance programs	Performance measurement setting and appraisal on regular basis 100%
404-3	Percentage of employees receiving regular performance and career development reviews	Performance measurement setting and appraisal on regular basis 100%
		Fair Evaluation of Employees
405 Diversity and Equal Opportunity		Reference
405-1	Diversity of governance bodies and employee	Management and Execution Structure
405-2	Ratio of basic salary and remuneration of women to men	Employment and Labor

406 Non-discrimination		Reference
406-1	Incidents of discrimination and corrective actions taken	—
407 Freedom of Association and Collective Bargaining		Reference
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	—
408 Child Labor		Reference
408-1	Operations and suppliers at significant risk for incidents of child labor	Compliance with the UK Modern Slavery Act
		Policy and Statement on Human Rights
		Policies and Standards
		Specific Initiatives
409 Forced or Compulsory Labor		Reference
409-1	Operations and suppliers at significant risk for incidents of child labor	Compliance with the UK Modern Slavery Act
		Policy and Statement on Human Rights
		Policies and Standards
		Specific Initiatives
410 Security Practices		Reference
410-1	Security personnel trained in human rights policies or procedures	—
411 Rights of Indigenous Peoples		Reference
411-1	Incidents of violations involving rights of indigenous peoples	—
412 Human Rights Assessment		Reference
412-1	Operations that have been subject to human rights reviews or impact assessments	Efforts toward Human Rights
		Targetting all business offices inside and outside Japan.
412-2	Employee training on human rights policies or procedures	Human Rights Enlightenment (Education)
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	—

413 Local Communities		Reference
413-1	Operations with local community engagement, impact assessments, and development programs	With Society
		Social Activity-Related Data
413-2	Operations with significant actual and potential negative impacts on local communities	Not Applicable
414 Supplier Social Assessment		Reference
414-1	New suppliers that were screened using social criteria	With Business Partners
		Efforts toward Building an Ethical Supply Chain
414-2	Negative social impacts in the supply chain and actions taken	With Business Partners
		Efforts toward Building an Ethical Supply Chain
415 Public Policy		Reference
415-1	Political contributions	—
416 Customer Health and Safety		Reference
416-1	Assessment of the health and safety impacts of product and service categories	Promotion of Safe and Reliable Manufacturing
416-2	Incidents of non-compliance concerning the health and safety impacts and services	Result in FY 2017: "No violations against rules and regulations as well as voluntary codes" (examples of administrative guidance based on the Act against Pharmaceuticals and Medical Devices Law) <Target areas: Japan>
		Result in FY 2017: "4 violations against rules and regulations as well as voluntary codes" (recall & voluntary collection) <Target areas: Japan>
		Promotion of Safe and Reliable Manufacturing
417 Marketing and Labeling		Reference
417-1	Requirements for product and service information and labeling	Promotion of Safe and Reliable Manufacturing
417-2	Incidents of non-compliance concerning product and service information and labeling	Result in FY 2017: "1 violation against rules and regulations as well as voluntary codes" (examples of administrative guidance based on the Act against Unjustifiable Premiums and Misleading Representations, and Pharmaceuticals and Medical Devices Law) <Target areas: Japan>

417-3	Incidents of non-compliance concerning marketing communications	Result in FY 2017 : "No violations against rules and regulations as well as voluntary codes" (examples of administrative guidance based on the Act against Unjustifiable Premiums and Misleading Representations, and Pharmaceuticals and Medical Devices Law) <Target areas: Japan>
418 Customer Privacy		Reference
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Result in FY 2017: "6 examples" (incidents of reporting personal information disclosure to Personal Information Protection Commission) <Target areas: Shiseido Co., Ltd.; Shiseido Japan Co., Ltd.>
		Information Security Management
419 Socioeconomic Compliance		Reference
419-1	Non-compliance with laws and regulations in the social and economic area	Result in FY 2017: "No penalties against violating rules and regulations" <Target areas: Japan>
		Compliance