

# Customer Satisfaction and Product Safety



Shiseido is working to manufacture safe, reliable products and disseminate information with the aim of being consumer-oriented.

## Promotion of Safe and Reliable Manufacturing

Shiseido's research and production activities to ensure consumers use our products with peace of mind

## Excellent Services to Enhance Consumer Satisfaction

Shiseido's counseling services to meet consumer needs and expectations by suggesting best products and beauty tips at the counters

## Reflecting Consumer Feedback

We are strengthening our efforts to make the most of consumer feedback for product development and service improvement.

## History of Shiseido's Consumer Support

Introducing the history of Shiseido's consumer support, which has been promoting consumer-oriented management since its establishment.

## Universal Design

We are working on developing products that can be used safely and comfortably by all consumers.

## Information for Consumers

We ensure that the information and websites we offer reflect consumers' feelings and meet their needs.

## Initiatives in Response to Animal Testing and Alternative Methods

Shiseido's initiatives aimed at eliminating animal testing in the development of cosmetic products

# Promotion of Safe and Reliable Manufacturing

## Providing Safe and Reliable Products

Shiseido conducts research, development and production activities to ensure the safe consumption of our products by consumers. Based on the belief that it is important to understand the skin correctly, Shiseido conducts research on the skin by incorporating cutting-edge technologies in all fields related to cosmetics (life science, dermatology, interface science, ergonomics, psychology, etc.) and through joint research with dermatologists, universities and research institutions in Japan and overseas. Additionally, we create new beauty experiences by integrating digital devices and information science with a holistic approach that takes into account the entire human body.

The products developed from these avenues of research are evaluated for safety, including their ingredients, formulations, and packaging, with the assumption that they will be used in various situations. These products are delivered to the market after comprehensive quality checks and are continuously improved after launch based on customer feedback.

Safety is a top and non-negotiable priority. We fully comply with the regulations of the countries in which we operate and also apply our own strict ingredient-standards, which are set in tandem with our safety standards, based on environmental considerations and ethical standards when selecting ingredients. This is a minimum commitment across the organization: Each brand either already has or is in the process of putting in place its own ingredient policy that reflects these values, and develops products based on that policy.



## Safety Backed with Evidence

Shiseido carefully selects newly introduced cosmetic ingredients based on its own strict standards. Based on domestic and international safety evaluation guidelines, we examine data for each item and evaluate safety without the use of animal testing.

We also confirm that there are no safety concerns not only with regard to ingredient specifications, but also in eliminating impurities assumed to be present in the manufacturing process. We continuously collect and apply the latest information and cutting-edge technologies while engaging in discussions with external specialists to deepen our expertise, which is essential when conducting such evaluations.

## Responding to Environmental Risks

Production involves a broad array of environment-related risks, and laws related to this issue in respective countries grow stricter every year. For this reason, Shiseido HQ takes the lead in gathering information about new laws and social trends regarding the environment, analyzing their provisions, disseminating information to the relevant

departments, and accommodating social needs. Shiseido thoroughly observes environmental laws and regulations and conducts compliance evaluation based on ISO 14001 standards at production sites.

## Removal of Microplastic Beads

Shiseido completed the replacement of microplastic beads\* with alternative ingredients for applicable products in August 2018.

\*Microplastic beads: Non-water-soluble plastic particles with a size of less than 5mm added to rinse-off personal care products to promote exfoliating or cleansing functions.

## Comprehensive Safety of Chemical Substances and Safety Management

We comply with REACH regulations regarding substances imported into Europe, and not only satisfy the legal reporting requirements set out in the Pollutant Release and Transfer Register (PRTR) Law and Promotion of Chemical Management, but also proactively conduct voluntary management of the use and disposal of chemical substances such as ingredients and reagents in factories and laboratories.

PRTR Target Substance Emissions and Transfers [ PDF : 173KB ]

## System for Stable Supply of High-Quality Products

At Shiseido, quality and safety go hand in hand, taking priority over all other matters. We continuously work to maintain and control product quality not only by observing all applicable laws and regulations but also by applying our own rules through a Global Quality Policy to ensure that consumers can use our products with complete confidence. We conduct comprehensive quality control at all stages from ingredient and packaging selection to commercialization, production and distribution in order to ensure the quality and safety of all our products, including medical and food products as well as cosmetics. In doing so, we manufacture products that our consumers can trust and use regularly without any concerns.

At the ingredient selection stage, we collect and check information from all over the world down to their specific components to make sure that we use only safe ingredients.

At the commercialization, production, and distribution stages, we also have systems in place to ensure the stable supply of high-quality products at all times by complying with various standards such as Good Manufacturing Practice (GMP)\*1, ISO 22000, and the Hazard Analysis and Critical Control Points (HACCP)\*2, as well as our own product standards. For our cosmetic products, for example, we comply with all items (e.g. organizations and systems, buildings and facilities, manufacturing management, and inspections) stipulated in the Cosmetics GMP set by ISO 22716, an international standard that gives guidelines for the production, control, storage and distribution of cosmetic products, ensuring that consumers are provided with safe and secure products of high quality manufactured under strict quality control.

\*1: Good Manufacturing Practice (GMP): Standards for manufacturing and quality control of cosmetics.

\*2: Hazard analysis and critical control points (HACCP): A method of food sanitation control developed to ensure the safety of food in the United States.

## Response to Product Issues

In order to promote research, development, manufacturing and sales of safe products that achieve consumer satisfaction, Shiseido clarifies where the authority and responsibility lie in terms of quality assurance (including product planning, manufacturing and sales), and product issue prevention. We also have our own manuals for dealing with any product issues so that we can respond in a concerted manner and promptly bring the situations under control while putting consumer safety first. Thus, we are committed to strengthening and comprehensively promoting quality assurance and product issue prevention at Shiseido and our Group companies.

In the unlikely event of a quality and/or product liability issues involving the Company's products, the department that has received such information is expected to immediately report to the Quality Management Department, related business divisions, and Risk Management Department. The Risk Management Department will decide on response methods in accordance with the level of severity. The Quality Management Department will investigate the cause and the business divisions will promote various initiatives, including responses to the market.

## Appropriate Provision of Product Information

The Shiseido Group Standards of Business Conduct and Ethics is a summary of actions that each and every person at the Shiseido Group should take. Shiseido stipulates that "we do our work with a greater sense of ethics in regard to our product information and labeling or advertising expressions as well as observing respective countries' and regions' laws and regulations and corporate regulations".

## Compliance Status of Laws and Regulations Related to Advertising Expressions

Details that should be indicated on cosmetics are stipulated under the Regulatory 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, September 29, 2017). Based on these standards, the Japan Cosmetic Industry Association (JCIA) has established Appropriate Advertising Guidelines including Cosmetics as self-imposed industry standards that provide 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, the 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 Regulatory 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 Expression Seminar" twice a year in order to enhance the employee knowledge about compliance with the laws on pharmaceuticals and medical devices concerning advertising and labeling.

## Nutrition and Health

### Access to Better Nutrition / Responsible Advertising and Marketing

The World Health Organization reports an increase in the number of people with diabetes. The UNICEF reports on the overconsumption of sugars and poor nutritional balance in young people and children in "THE STATE OF THE WORLD'S

CHILDREN 2019". The report points out that these issues are associated with improper marketing and advertising of processed foods and beverages.

In the "Shiseido Group Standards of Business Conduct and Ethics," we declare that we will provide safe and excellent products and services, display product information in an easy-to-understand manner, and support beauty and health.

As a food business\*, we are responsible for preventing nutritional imbalances, obesity and lifestyle-related diseases. We will continue to develop products that meet consumer needs such as better nutritional balance and health consciousness. We will promote proper marketing and advertising for processed foods and beverages and provide accurate and easy-to-understand information.

\*The food business accounts for less than 1% of our consolidated sales (2020)

## Participation in Food and Beverage Safety, Quality and Health Initiatives Major Initiatives

Japan Confectionery Better Business Association	An association that connects consumers with businesses and governments to solve confectionery-related issues such as the safety, proper labeling, and fair transactions of confectionery products.
Tokyo Confectionery Associations	Association that provides training on manufacturing technology and food hygiene to the pastry industry.
Sustainable Restaurant Association Japan	An association that supports restaurants to achieve sustainability such as responsible procurement, nutritionally balanced menus, and reduction of food loss.
Japan Food Hygiene Association	An association that supports food companies in improving food hygiene and establishing a self-management system. Shiseido Parlor is working on the hygienic production of processed foods by referring to the guidelines and manuals of this association.

## Actions to Address Negative Impact on Health

We are working on the development of products that reduce unnecessary additives in order to suppress the negative health impacts of food. The Shiseido Group develops health and beauty foods that do not contain fat or caffeine which the Shiseido Group distributes in Japan.

### Main Initiatives

Fat / caffeine	The Shiseido Group distributes health and beauty foods throughout Japan. Among these, its core product collagen drinks* contain no fats, no caffeine, and no added preservatives.
Sugar	Shiseido Parlour Co., Ltd. collaborates with specialists in food safety and health to develop products and utilize them for appropriate marketing. We are developing low-carbohydrate products with Dr. Satoru Yamada of the Eat & Fun Health Association, an organization that promotes deliciousness and low-carbohydrate levels. In 2018, we developed a low-carbohydrate menu under the supervision of this association. Some Shiseido Parlour stores offer sweets and dishes with reduced sugar. The company's restaurant "FARO" offers desserts with a 100% reduction of fine white sugar. For sweets from Shiseido Parlour, we have a lineup of products that are packaged in small quantities to improve storage stability and to consider the amount of sugar that can be ingested at one time.
Artificial ingredients	Artificial ingredients are not used at the Shiseido Parlour restaurant FARO nor in the health and beauty products distributed by the Shiseido Group in Japan. In accordance with Japanese regulations, retort pouch products do not include preservatives.
Improving nutritional balance	Beauty Princess, a beverage by Shiseido Parlour Co., Ltd., is compounded with hyaluronic acid and collagen peptide.
Organic	The Shiseido Parlour restaurant FARO uses organic vegetables grown with reduced amounts of agricultural chemicals and fertilizers. Organic vegetables are used in 80% of the course menu.

## Responsible marketing and promotion of processed foods and beverages

The Shiseido Parlour actively displays information on food allergies (21 types of ingredients) beyond Japanese laws and regulations. We have in-house guidelines based on food legislation to ensure compliance with proper labeling

legislation on food labels. In-house training is provided to those in charge of food labeling. We also conduct factory audits of outsourced manufacturers, including items related to quality and labeling.

## Excellent Services to Enhance Consumer Satisfaction

Beauty Consultants (BCs) have major roles in responding to consumer needs at the counters and introducing products and beauty information according to each and every consumer's skin and cosmetic lifestyle. Since 1998, Shiseido has been first in the industry to introduce an in-house BC proficiency exam system certified by the Minister of Health, Labour and Welfare. The system relating to beauty knowledge and techniques was aimed at enhancing the quality of counseling activities as the Group engaged in professional beauty services.



Overseas, in order to expand the number of regular users by maximizing consumer satisfaction, we have distributed and put into daily use Shiseido's action indicator for Beauty Consultants, aimed at realizing "omotenashi spirit" at the storefronts worldwide. Also, to improve consultants' response and suggestion capabilities at the storefronts, Shiseido has developed original software, a convergence of its accumulated service know-how and beauty techniques, to be effectively used as a globally applicable tool.



In June 2013, tablet computers named "Beauty Tablet" were distributed to approximately 10,000 Beauty Consultants across Japan. Since July of the same year, exclusively designed application software has been installed in those tablets and been used at the storefronts. "The Makeup Simulator" is one of the contents of the software, with which consumers can try virtual makeup, without removing their makeup, by simply positioning their face in front of the tablet just like looking into a mirror. Other features include Foundation Finder, Skincare Consultation and Healthcare that help Beauty Consultants select the most suitable items for individual consumers from a wide variety of products. Also, to create opportunities for consumers from overseas to meet Shiseido products and to enhance their beauty, some contents are displayed in foreign languages such as Chinese (traditional and simplified), English and Thai.

We aim to increase consumer satisfaction by using such tools developed by the latest technologies, intriguing consumers at the storefronts, and helping them discover their inherent charm unknown to themselves. At the same time, we try to promptly share the voice of our consumers by inputting their opinions into the Beauty Tablet and then transmitting the data to relevant departments by the following day.

In addition, in order to further improve and develop the service skills of domestic Beauty Consultants, we began from July 2016 to appoint Lead Beauty Consultants, who work at store counters with other consultants to encourage their steady growth. By creating an environment where Beauty Consultants can constantly develop their abilities, we make an extra effort to enhance consumer satisfaction.




# Reflecting Consumer Feedback

## Consumer Services: Action Policy

The Consumer Communication Center of Shiseido Japan Co., Ltd. gathers and analyses consumer inquiries and requests, and shares information throughout the company in order to realize its medium- to long-term strategy. Through these efforts, the Consumer Communication Center recommends the development and improvement of products and beauty information, as well as the improvement of services, to related divisions.

In January 2017, Shiseido further strengthened its Consumer-oriented management system by announcing its philosophy and policy on consumer-oriented management in the form of a "Consumer-Oriented Voluntary Declaration." At the Consumer Communication Center as well, we engage in daily activities under the Customer Response Action Guidelines. Going forward, we will continue to work to promptly detect changes in consumers and social and work to reflect them in our corporate activities, thereby contributing to the enhancement of corporate value through "Consumers-Oriented."

<div><b>Consumer Services: Action Policy</b></div> <div></div> <div><b>We will take care to become a bridge between Shiseido and its customers, beauty and beauty.</b></div> <div><b>We will respond promptly, politely, and accurately to customer requests.</b></div> <div><b>We will always value our appreciation and hospitality to satisfy our customers.</b></div> <div><b>We will support Shiseido's life-life relationships with customers by linking their opinions to the creation of honest services and attractive products.</b></div> <div><b>While evolving the shape of our customer response in response to changes in lifestyles and technology, we will continue to value our mindset without changing.</b></div>
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Shiseido Japan Co., Ltd. Consumer Communication Center  
"Consumer Services: Action Policy"

## Major Initiatives

For more than half a century since its establishment in 1968, Shiseido's consumer support desk has responded sincerely and flexibly to customer opinions and inquiries and delivered useful information. We are also actively working to improve our response quality. In 2016, we obtained the five-star certification for the first time in the cosmetics industry under the quality monitoring rating stipulated by HDI-Japan\*1, and in 2020, the chat department received the three stars for the inquiry contact rating. We will also periodically implement Mystery Call Mystery Chat\*2 with the aim of further improving customer satisfaction.

In Japan, in addition to communicators who respond directly to consumers, we also provide opportunities for consumer support leaders who are in charge of customer service at business sites nationwide to visit factories and research institutes to deepen the knowledge necessary for customer service. In addition, Shiseido is actively improving its skills as an entity in charge consumer relations by participating in seminars conducted by lecturers from inside and outside the company, holding workshops by Shiseido researchers on safety and product development, and encouraging employees to acquire qualifications with the aim of enhancing their expertise.

While promoting human resource development, we are also increasing consumer convenience by adding brand-specific toll-free numbers and



Shiseido Japan Co., Ltd. Telephone Response

strengthening our response through LINE chats, and enhancing the FAQ system. In addition, in order to stably operate consumer support desks even after the COVID-19 pandemic and to evolve our working styles, we introduced LINE chat at home in 2020 and a remote call center system in 2021, and began responding to consumers at home.

Regarding global consumer response, the person responsible for consumer response in Japan and each regional headquarters (China, Asia Pacific, the Americas, EMEA, and Travel Retail) collaborates to promote consumer support.

\*1 : HDI is the largest membership organization in the world in IT support services established in the U.S. in 1989. It is a member of a number of corporations that rank among the 500 Fortune Global Companies in the U.S. Economic Magazine. HDI-Japan conducts surveys and certifications to evaluate corporate customer contact points with the aim of improving support services.

\*2 : This is an external survey that evaluates the service levels of telephone support and LINE chatting.

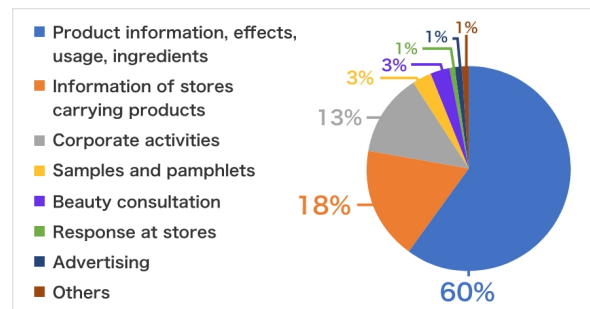
Please check support details at "History of Shiseido's Consumer Support."

## Gathering/Sharing/Utilizing Consumer Feedback

In Japan, we collect consumer feedback on our products and services in a variety of situations and methods. These include about 100,000 annual accesses to our consumer support desks and offices via toll-free calls, e-mail, LINE, and letters, as well as about 130,000 in-store customer comments posted by Beauty Consultants working at retail outlets on dedicated tablets, as well as Twitter and other SNS comments.

With the exception of some affiliated companies that independently manage information, information gathered is managed by the system, and is shared by all employees through e-mail or the intranet. In this way, it is used to create value in our products and services.

In addition, by centralizing management in the system, information can be promptly reported to the officers in charge and related divisions, which is also useful in terms of risk management.



Breakdown of feedback received by Shiseido Japan Co., Ltd.  
(Result in FY2020)

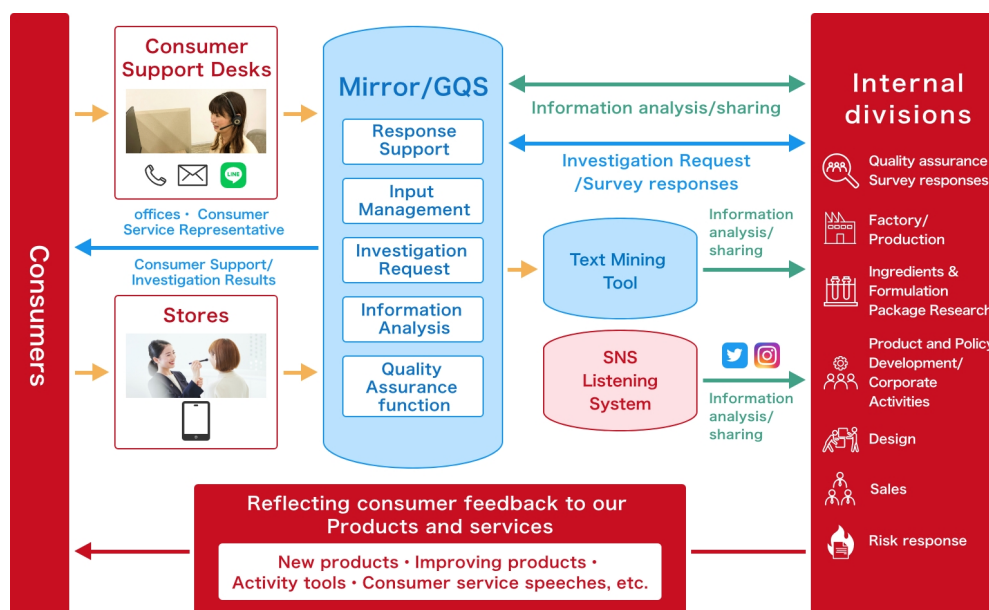
## Consumer Feedback Information Management Systems

We use Mirror\*3, a system for collecting and analyzing consumers feedback in Japan, to reflect it in our products and services.

Consumer feedback, which is aggregated into the Mirror, is linked to VOICE text mining system, enabling all employees to easily visualize consumer feedback and analyze and utilize it according to their purposes. We also use SNS listening systems to reflect consumer feedback that does not directly reach companies in our corporate activities. In addition, we are working to improve quality globally in collaboration with GQS\*4, a quality information management system that aggregates quality-related requests received from consumers around the world.

\*3 : Drawing from the idea that through the voices of our consumers, there is a "mirror" that reflects the actual state of Shiseido's activities for us to see and contemplate.

\*4 : GQS= Global Quality Information Management System



## Increasing Contact Points with Various Consumers

In response to the growing number of users of SNS, we have established an official account for LINE apps and Twitter, Yahoo! Chiebukuro\*5 to strengthen communications with a wide range of consumers.

In the "Consumer Support Frequently Asked Questions" section of our website, we answer questions on alcohol concentrations and the risk of combustion in the transportation of cosmetics in chatbots. Beauty Consulting in LINE, which uses LINE apps, collaborates with Web Beauty Consultants, who respond to personal inquiries, and AI Mimi-chan, a chatbot that answers simple questions 24 hours a day, to respond quickly to consumers. Twitter provides support for consumers who have trouble, as well as thanks them for their inquiries and compliments. Through these various channels, we aim to improve consumer satisfaction.

\*5 : Yahoo! Chiebukuro is a Japanese language Q&A website

## Collaborative Education Activities to Learn on Consumers' Perspective

We strive to improve our products and services by knowing deeply the feelings and backgrounds of consumers, and to become a trusted company, we are also focusing on "co-development" activities for our employees.

On a daily basis, we distribute consumer feedback through our intranet, internal digital signage, internal SNS, and e-mail to create opportunities for all employees to touch the opinions of consumers, thereby raising awareness.

Furthermore, for divisions involved in consumer response and manufacturing, we hold seminars to share consumer feedback tailored to each division and to review individual awareness and behaviors. In these ways, we encourage each employee to become aware of being "Consumer-Oriented" in their daily operations, and we are conducting activities to instill this idea in all corporate activities.



Consumer feedback seminar at factories in Japan and overseas



National-level CSL training meeting (Japan)

## Product Manufacturing that Reflects Consumer Feedback

SHISEIDO Ethanol for Hand Sanitizer, SHISEIDO Hand Cream N  
Launched hand sanitizers with special attention to sensitive hands  
and hand creams (2020-2021)

In response to comments that hands are rough due to frequent hand washing and disinfecting, we developed hand sanitizers with special attention to sensitive hands. The distinguishing feature is that the hand cream is not oily after application, and it only leaves minimal fingerprints on smartphones and other devices.



MAQUILLAGE Dramatic Cover Jelly BB

Evolve coverage of BB cream, which doesn't rub off on masks so easily (2021)

In 2020, we launched the Maquillage Dramatic Nude Jelly BB, which doesn't rub off on masks so easily, in response to the complaints about makeup rubbing off on masks. Following this, we added two colors of BB with coverage in response to requests that consumers want good coverage with a light feel.



BENEFIQUE Reset Clear N

Adopted dispensers (2021)

In conjunction with the renewal, we have adopted dispensers and refills to easily get the correct amount at every usage.



ELIXIR Reflect Balancing Oshiroi Milk C

Launched the optimal cover type just for those no foundation days (2020)

ELIXIR Reflect Balancing Oshiroi Milk C, which was released in 2018, has been popular since it was released as a morning milk which needs no base makeup. On the other hand, in response to comments that customers "would like to have more coverage" on days they don't use foundation, we launched another type that naturally covers blotches and unevenness.



PRIOR Color Conditioner N

Added gray color to lineup (2020)

In response to many statements from customers who want to "enjoy their gray hair as it is," we launched Gray products in addition to black, dark brown, and brown products from PRIOR hair color conditioners.



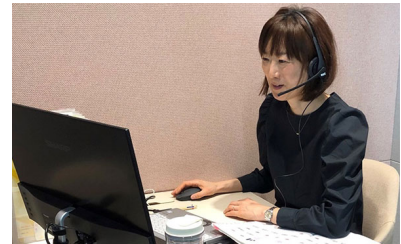
# History of Shiseido's Consumer Support

Introducing the history of Shiseido's consumer support, which has been promoting consumer-oriented management since its establishment.

2021

## Introduction of a home-based telephone system

Affected by the spread of COVID-19 in 2020, we introduced a home-based telephone system for the "Consumer Support Desk" in January 2021. When introducing the system, we verified and scrutinized the usability of the system, as well as the network environment and voice sound quality. We also prepared product information for the "Mirror" (introduced in 2011, see below) so that even at home, where we are unable to check product itself, we can successfully operate the remote telephone support system. In these ways, we have ensured the quality of our consumer support. Even under the COVID-19, we were able to continue responding to calls without closing the "Customer Support Desk" and also contribute to improving the working style of the telephone communicator.



2020

## Acquired "Three Stars Benchmark Award" in the Chat-Channel Contact Rating

"LINE Beauty Consultation Service" was rated three stars, the highest rating, by web-based Beauty Consultants in the HDI Rating Benchmark Survey (Chat-Channel Contact Rating), sponsored by HDI Japan for the second consecutive year since 2020. "LINE Beauty Consultation Service", which responds to consumers' personal inquiries, requires "five chat-handling skills" (deciphering ability, text ability, search ability, conversation ability, and personal PC skills) + "beauty knowledge and counseling skills," in order to communicate in textbooks. We are working to improve and maintain the quality of our consumer service by repeatedly reviewing and training and regularly conducting skill checks.



2019

## Establishment of Osaka Office

With the aim of continuing to operate the "Consumer Service Desk" even in the event of a major earthquake or other disaster in the Tokyo metropolitan area, we established the Osaka Office and started telephone services at two bases.

2019

## Introduction of "AI MIMI-chan"

We further evolved "LINE Beauty Consultation Service", which started in February 2018, and introduced "AI MIMI-chan" in January 2019. "AI MIMI-chan" is an AI chat bot that responds immediately to simple questions from consumers 24 hours a day, 365 days a year. Beauty Consultant in LINE has



since been linked with a Web Beauty Consultant that handles personal consultations, and through working with "AI MIMI-chan", we have built a system that allows consumers to consult anytime, anywhere. "AI MIMI-chan" personifies a new Web Beauty Consultant who is learning to support consumers. Her name means "beauty" and "ear" to listen to the voice of consumers as a beauty professional.



2018

## Beauty consultations started at LINE Chat

Since 2012, we have been offering web chat services on PCs and smartphones. In February 2018, we evolved into a beauty consultation service through LINE so that we can support more consumers. This has led to an increase in new touch points with a wider range of consumers including young people and men. In addition, we provide new value by combining the convenience of LINE with the consultations provided by beauty consultants who respond to each individual's requests, leading to continuous access and being able to ask questions and check the responses anytime.



2016

## Received "Five Stars Benchmark Award" for the first time in the cosmetics industry in the Inquiry Contact Rating

Since 2013, in "the Quality Monitoring Division", we have won the three stars for three consecutive years. In 2016, in addition to the three stars, we also took on the challenge of the five stars, which are highly evaluated for our company-wide customer response system, and we were able to obtain both. At the Five Stars, the infrastructure (information, environment, and systems) is secured to provide high-quality service to customers. In particular, we were highly evaluated for the establishment of an in-house feedback system to maximize the use of customer opinions in corporate management and marketing.



2015

## Established Twitter Customer Service

In order to listen to the voices of consumers, who are constantly changing, we began monitoring social media, such as Twitter, in 2011. In 2015, we established the official twitter account" to respond to customers on Twitter. At present, we do not only respond to inquiries but also call on those who are in trouble, such as "I don't know where to purchase." We also give compliments to tweets, such as "The store staff was very good." We also serve as a contact point with those who do not directly give comments to us. In 2017, we began supporting Yahoo Chiebukuro (a Q&A forum site) with official accounts.



2013

## Acquired the first "Three Stars Benchmark Award" in the cosmetics industry in the "Inquiry Contact Rating"

In 2013, our Customer Support desk received the highest rating of three stars in the "Quality Monitoring Division" of the HDI Rating Benchmark Survey sponsored by HDI-Japan, the Japanese branch of the US-based Help Desk Institute (HDI), the world's largest support services industry organization.

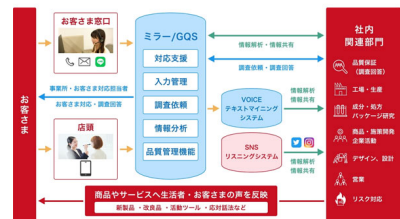
The highest rating is based on the auditor's rating of the customer support staff's call records on a four-point scale according to the fields of "service system, communication, response skills, processes/response procedures, and difficult responses" and is only given to a small percentage of the companies that were screened. Shiseido's customer support desk was highly evaluated for its efforts to provide customer service from the customer's point of view and earned a three-star rating.



2011

## From "Voice Net C", a customer response and analysis system, to "Mirror"

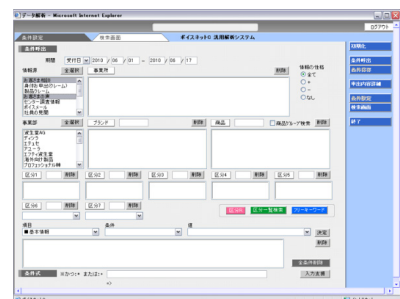
In 1996, we evolved our system "Voice Net C" for collecting and utilizing customer opinion information, which we have used together with the introduction of the toll-free telephone number, into a global specification, and newly introduced under the name "Mirror". Until then, we had used customer response systems in Japan, China, and elsewhere to collect and analyze customer inquiries, opinions, and requests, and effectively reflect them in our corporate activities. However, for the newly developed overseas subsidiaries, the task was to collect opinions and manage them through systems. With the introduction of "Mirror", we have become able to collect and accumulate risk information globally, and this has become a system that plays a role in risk management.



1996

## Started "toll-free number" and introduced "Voice Net C"

We have introduced a toll-free number to gather feedback from customers more actively and use it in our corporate activities. With an increase in the number of incoming calls, we hired new staff, and the consumer support system greatly changed. At the same time, we introduced the "Voice-Net C" system for the first time, which enables us to input and search consumer opinions, and to relay consumer opinions to related divisions. Many staff used PC software for the first time, and in addition to consumer support training, we repeated exercises for system operation and text input. The method of responding to customer inquiries has changed dramatically, from the conventional analog style to respond consumer inquiries watching paper materials, to the style of searching information and inputting results with PCs, thereafter.



1994

## Operation of Shiseido Cosmetic Garden [C]

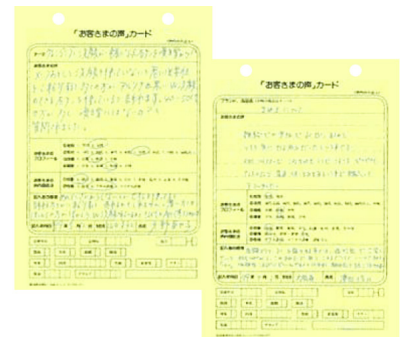
Shiseido Cosmetic Garden C was opened in Omotesando, Tokyo, as a showroom where consumers can try our products freely without buying at all. As a new communication space that connects consumers and Shiseido, it was later established in Osaka and Fukuoka, collecting consumer feedback and information, and using it for overall marketing including product development. They have completed their role because we have increased the stores where visitors can freely try our products. The personal and professional counseling services that we have evolved here have now been handed over to "the Personal Beauty Session" at "Shiseido The Store" in Tokyo Ginza, which has been well received by many consumers.



1987

## From "Consumer Division" to "Consumers Center"

In 1987, the consumer department of the public relations office was spun off and the consumer division was established with enhanced customer service functions. This division oversaw not only responding to the opinions received at the consumer consultation desk, but also disseminating information to consumers and holding consumer seminars. Since renamed the Consumers Center, in order to reflect the opinions of more customers in our management, we have not only begun to make inquiries at our contact points but have also begun to collect opinions at stores through "Customer Voice Cards." These customer feedback is now being collected more quickly through tablets owned by each Beauty Consultant.



1975

## Introduction of the "Consumer support specialist system"

In order to promptly respond to customer inquiries and requests, we have assigned a "consumer support specialist" at each business site in Japan. The "consumer support specialist" responded quickly to inquiries from customers, and sometimes met directly with customers to hear detailed stories. In addition to responding to individual customers, we have also disseminated accurate information to society through public relations activities in the region. Experienced beauty consultants have overseen these activities because they require a wealth of knowledge and good judgment. This system is still being employed at each of our business sites nationwide under the name of "Consumer Support Leader" as a consumer support system unique to Shiseido, and that mentality has been inherited.



1968

## Establishment of the Customer Response Division

In 1968, we appointed a dedicated customer response officer to offer comprehensive responses to customer questions and opinions on corporate matters and to reflect the opinions we received in our management. To promptly reflect customer opinions and requests at retail outlets in counseling, this dedicated person belonged to the Consumer Section, which



is responsible for sales. Then, in 1971, when the consumer movement was booming, this position was transferred to the newly established public relations division to strengthen our communication with consumers.

※Shiseido Japan Co., Ltd. Consumer Communication Center Logo Mark Concept : "Our sincerity" that always stays close to consumers and helps to realize the beauty of each person, and "Circle (activity)" that takes the voices of consumers seriously and reflects them in corporate activities.



Consumer Communication Center Shiseido Japan Co., Ltd. Logo (2018~)

1949

## Held a "makeup and grooming course" to guide you on makeup methods

Launched in 1949, the seminar of personal appearance was intended for high school graduates to introduce the makeup method for working adults. Subsequently, the seminar was held as a "Consumer Seminar" for a wide range of targets in conjunction with the penetration of cosmetics into society, and the further development of the seminar was the "Successful Aging Seminar." Based on the desire to make all consumers beautiful, we also held seminars for the elderly, people with disabilities, schools, and targets, depending on the participants and their purpose. At the seminars for the elderly, makeup increased smiling faces and facilitated social communication. Through skincare and makeup, we also provided mental wealth. This activity has been taken over by the current "Life Quality Beauty Seminar".



## Founding period

### "Consumer principle" of The Five principles

Shiseido was founded in 1872 as Japan's first private western-style pharmacy with the desire to deliver high quality pharmaceuticals to customers that incorporate western medicine rather than bad pharmaceuticals. In 1927, we codified our management creed, which has been passed down from our founders, into our basic philosophy of "The Five Principles". They are Shiseido's management philosophies and have the element of comments on the outside and the meaning of the mindset that employees should have in place. The most important was the "Retail principle" (later renamed "Consumer principle"). In "Consumer principle", it is said that "management is devoted to the consumer perspective", and this principle is the starting point of the first item "With Consumers" of the current "Shiseido Group Ethics Code of Conduct" and the "Consumer-Oriented Management Voluntary Declaration" declared in 2017.



# Universal Design

Universal design takes into consideration the environment of all consumers. This concept is a major theme for Shiseido, which aims to create products that can be used comfortably and with peace of mind by all our customers.

In 2017, Shiseido further developed the "Shiseido Universal Design Guidelines," which were compiled in 2005 based on specialized theories and laws on universal design. We established a basic policy to create attractive designs that prioritize safety, security, and ease of use. In 2017, we renewed the guidelines to make them more specific and easier to understand.

Currently, the departments involved in product development are sharing information on how our products will be used, in what kinds of situations, and by whom in accordance with the aforementioned guidelines in order to achieve specific designs for newly developed products.

A product's design should be intuitive and simple. The amount used and how it is used should be clearly indicated, and the product should be easy to use until it is spent. We believe that the beauty of a product is that it can be used without stress by anyone who holds it in their hands, and that it also makes people feel excited when they use it.

## PRIOR



The product's packaging is designed to be easy to use, with a cap that is decorative but does not roll or slip easily. The push-type bottle that makes it easy to dispense the right amount. The cases of some of our products feature wrap-around packaging with easy-to-understand instructions, along with "before and after" pictures. You can learn how to correctly use the product right after you purchase it.



In 2018, PRIOR received the Gold Award at the IAUD International Design Awards, sponsored by the International Association for Universal Design.



## MAQuillAGE

The gold surface reflects light and is beautiful to the eye, giving the design a modest feel. At the same time, the fine unevenness delivers a sense of quality to the fingertips and a firm grip for easy use.



## SHISEIDO

This is an easy-to-use cleanser that comes out as foam, removing makeup in one go. The packaging has been carefully researched to specifically cater to washing the face. It is designed to be easy to hold even when your hands are wet and to be stable in the bathroom.



SHISEIDO  
Complete Cleansing Microfoam

The distinctive cap design, which represents the advanced contents, is also designed to provide stability to the tube, which is prone to collapse.



SHISEIDO Vital Perfection  
Wrinkle Lift Deep Retino White 5

## ELIXIR

The rounded container represents the characteristics of the product, but the oval shape when viewed from above makes it easy to use and open the lid as it fits perfectly in the palm.



ELIXIR  
BALANCING MIZU CREAM

## Clé de Peau Beauté

The soft indentations on the head and sides of the pump fit the finger, making the dispenser easy to press, both when held or when stationary. The bottle has an on/off function for the dispenser to make it more convenient to carry around.

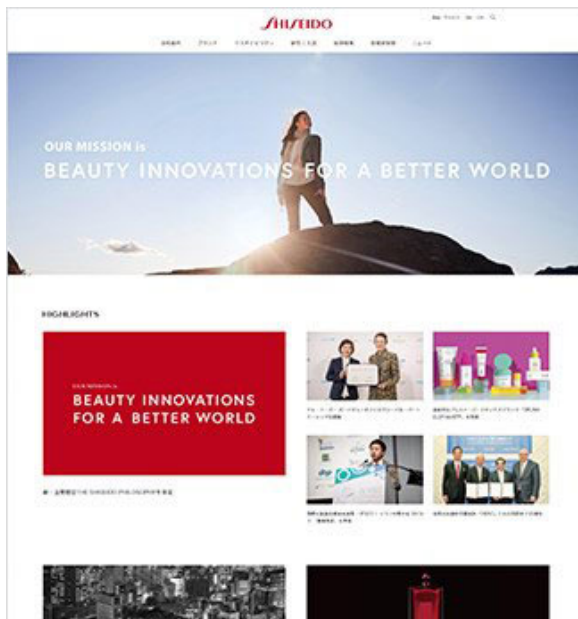


Clé de Peau Beauté  
MICELLAR CLEANSING WATER

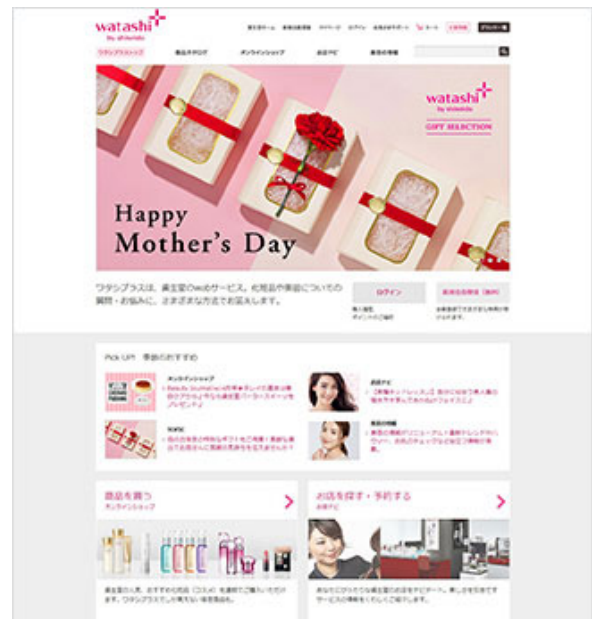
# Information for Consumers

## Shiseido Website

Shiseido provides extensive product, beauty, and company information on Shiseido Company Website and watashi+(Japanese only), reflecting efforts to create appealing content and administer the site in response to consumers' desires and needs.



Shiseido Company Website



watashi+

## Efforts to support those with visual disorders

### Providing Audio Information for the Visually Challenged

"Listeners' Café" provides a speech-based introduction to the basic use of cosmetics and other information to visually challenged individuals in an easy-to-understand manner. It also publishes an audio content "Osharena Hitotoki (Stylish Moments)" four times a year in each season. Both "Listeners' Café" and "Osharena Hitotoki" are provided only in Japanese.



### "Guide Make" seminar for persons with visual impairments




Since 1984, Shiseido has been providing various services, such as the creation of Braille stickers and the operation of the "Shiseido Listeners Cafe" site, which introduces seasonal beauty information in voice and text, as an initiative for the visually impaired.

From 2019, "Guide Make" offers makeup methods that can be practiced by persons with visual impairments as a menu for grooming courses at the Shiseido Life Quality Beauty Seminar. The beauty therapists at Shiseido provide easy-to-follow verbal guidance using inobtrusive, natural finger techniques for everything from skincare to point makeup such as lipstick. In the seminar, rather than learning techniques exactly, we prioritize the enjoyment of every participant who can smile while grasping makeup tips and gaining confidence.



## What Skincare and Makeup Can Do for Healthier Days of Various Generations

Taking advantage of its strength, Shiseido will continuously contribute to society and people's health to realize a sustainable society.

For All Generations	Makeup	 <p>Shiseido Life Quality Makeup</p> <ul style="list-style-type: none"> <li>● Activities powered by makeup to improve the quality of life (QOL) of people who have serious skin concerns such as appearance changes caused by side effects of cancer treatment, birthmarks and scars.</li> <li>● Shiseido Life Quality Beauty Center A unique facility specialized in Shiseido's cover makeup.</li> </ul>
For Working Adults For Elderly People	Skincare Makeup	 <p>Shiseido Life Quality Beauty Seminar</p> <ul style="list-style-type: none"> <li>● Beauty Seminars Grooming and makeup lessons for new graduates, company executives and other working adults. Favorable appearance upgrades your first impression and trustworthiness.</li> <li>● Shiseido Cosmetic Therapy Elderly people can improve their daily movements and activities by doing skincare and makeup for themselves.</li> </ul>
For Babies and Toddlers	Skincare	 <ul style="list-style-type: none"> <li>● Skincare for babies to prevent allergies.(Japanese Only)</li> </ul>
For Children	Skincare	<ul style="list-style-type: none"> <li>● Face cleansing, UV protection methods and other day-to-day beauty information provided to protect children's healthy skin.</li> </ul>



		
For Expectant Mothers and Mothers	Skincare	 <ul style="list-style-type: none"><li>● Skincare to energize the sensitive skin and minds of expectant mothers and mothers.(Japanese Only)</li></ul>

# Initiatives in Response to Animal Testing and Alternative Methods

## Initiatives towards Abolishing Animal Testing

Shiseido has established a safety assurance system based on alternative methods and has discontinued animal testing in cosmetics/quasi drugs that are developed in April, 2013 or later. This excludes cases in which we must explain the safety to society.

We will continue to develop effective alternative methods in the future and proactively and sternly work with administrative agencies in various countries with the aim of establishing alternative methods as official methods (to be certified as official experimental methods according to laws and regulations of various countries/regions).

## In Cases in Which We Must Explain the Safety to Society

This refers to cases in which we must prove again the safety of ingredients that are in the market and the only option in order to do so is animal testing, as well as cases in which animal testing is essential to assure the safety of cosmetics in some countries\*.

\*some countries : In China, in order to guarantee the safety of imported cosmetics, safety studies including animal testing may be required.

## Shiseido Safety Assurance System

Shiseido has established a system that assures the safety of raw materials without animal testing through the three steps of safety assurance by existing toxicological data, safety assurance by alternative methods, and final safety assurance by human-testing (regular use test and patch test on people under the supervision of doctors, etc.). We have also established the Discussion Panel on Cosmetics Safety Assurance Independent of Animal Testing, involving external experts and researchers, with the aim of discussing the scientific validity and social acceptance regarding this system.

## Alternative Methods

Shiseido makes every possible effort to eliminate animal testing, through combined use of official safety information and literature information, accumulated safety databases, safety prediction systems based on chemical structures, and safety evaluation results from in vitro tests (tests carried out under artificially-constructed conditions, such as in test tubes) and tests on humans.

In Japan, we have set up a joint research of the Alternative Method Consortium with specialists outside the company, and have made public our successes at the symposium that we hold jointly with the Japanese Society for Alternative to Animal Experiments (JSAAE). Furthermore, we have actively participated in projects for validation and evaluation of alternative methods conducted by research groups supported by the Japanese Ministry of Health, Labor and Welfare, and by the JSAAE since the initial periods of these research projects, working to encourage the spread and expansion of alternative methods in place of animal testing.

As for our efforts abroad, we have cooperated in developing and evaluating alternative methods, as an expert panel for the U.S.'s Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM), and as a member of an industry-government-academia project for the European Partnership for Alternative Approaches to Animal Testing (EPAA) and Cosmetics Europe (CE). For skin sensitization tests, which are vital for evaluating the safety of cosmetic



ingredients, in partnership with Kao Corporation, we are currently developing the human Cell Line Activation Test (h-CLAT), and as a result of joint research both in Japan and abroad, verification research is now being commenced at the European Union Reference Laboratory on Alternative to Animal Testing (EURL ECVAM).

We continue to work even more actively to improve alternative methods, in cooperation with the industries, government and academic bodies, both domestically with the Japan Cosmetic Industry Association, JSAAE and the Japanese Center for the Validation of Alternative Methods (JaCVAM), and overseas with CE, EURL ECVAM, EPAA, the Personal Care Products Council (PCPC), and ICCVAM.