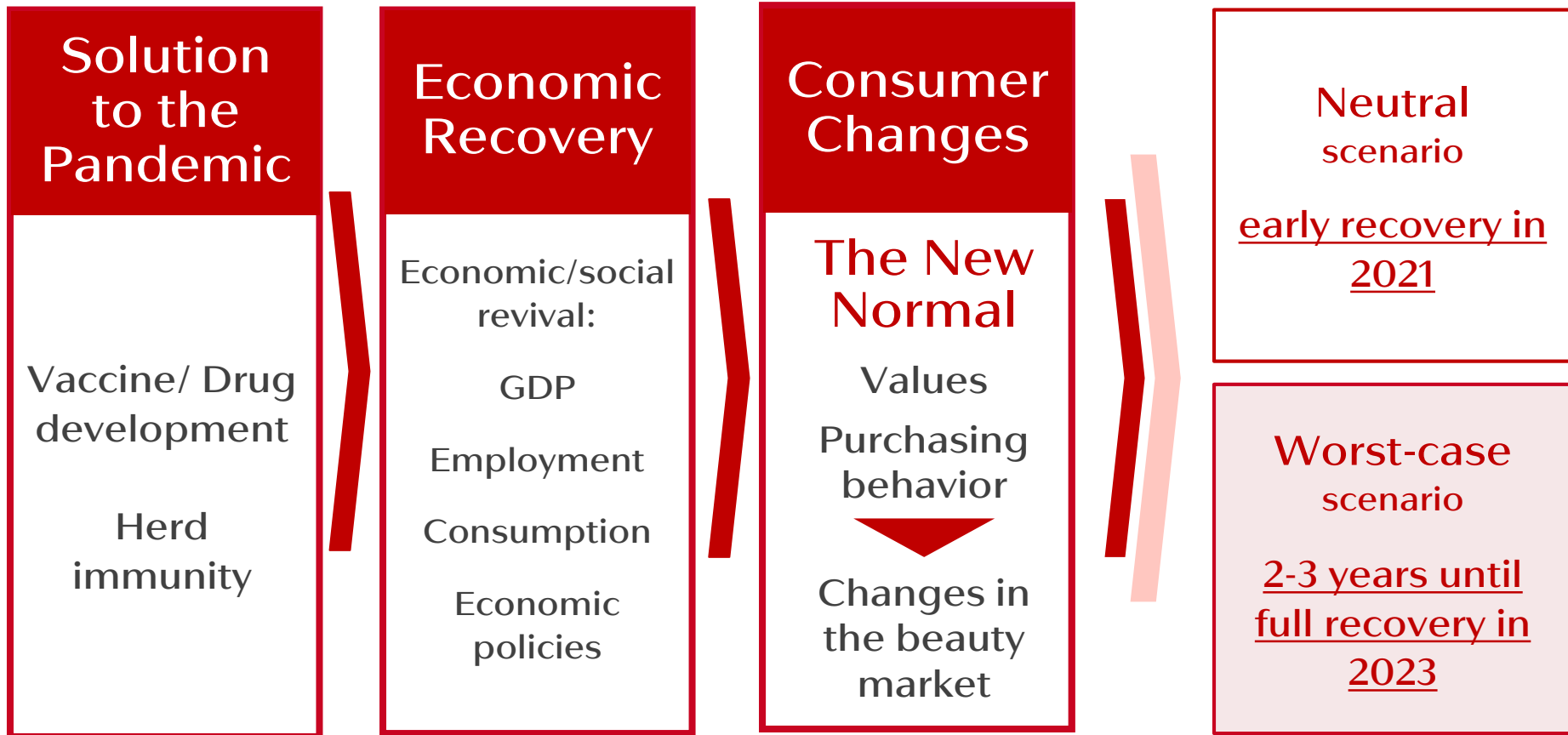


# Economic Impact of COVID-19 and Business Environment Scenarios

## Crisis as a Transformation Opportunity



# Fundamental Reforms for Resilience: Transformation Based on Worst-case Scenario

2020	Defend Business/ Review Mid-term Strategy	<ul style="list-style-type: none"><li>● Tighten cost management to minimize business impacts</li><li>● Continue strategic investment in the recovery of China</li><li>● Rebuild mid- to long-term strategy Formulate new VISION</li></ul>
2021- 2022	Fundamental Reforms	<ul style="list-style-type: none"><li>● 2021: Gradual recovery, growth yet to start Promote fundamental structural reforms Bolster investment in the recovery of China</li><li>● 2022: Gradual recovery throughout the year Complete structural reforms for a resilient revenue base</li></ul>
2023-	Realize the New VISION	<ul style="list-style-type: none"><li>● Accelerate investment for growth in 2023 and beyond with a resilient revenue base</li></ul>

# Realize Our VISION for 2023 and Beyond with a Strong Revenue Base and Foundation for Growth

- Global-level productivity
- Cash-flow-oriented business
- Sustainability-focused management and marketing
- Restructuring of business and brand portfolios
  - Review business, brand, and regional strategies
  - Divest non-core businesses and conduct strategic M&As
- Digital transformation of business models
  - Enhance omni-channel, D2C and Beauty Tech
- Increased capability and cost efficiency through collaborations and open innovation (SCM, R&I)
- Diverse people, organizations, work styles

**Be a Global Winner  
with Our Heritage**

