



People

To respect all people and deepen our relationships.

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Initiative

Respect human rights, and ensure responsible value chain management

■ Respect for human rights

Basic policy

The FineToday Group has identified “Respect for human rights, and promotion of DE&I in the value chain” as one of its material issues and is committed to respecting the human rights of everyone involved in its business and throughout its value chain.

The Group recognizes the importance of international standards on human rights. These include the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. In addition, recent years have seen growing interest around the world in not only issues such as forced labor and child labor but also topics such as harassment rooted in changing social structures and diverse values. Businesses have important responsibilities concerning solutions to these issues, and failure to respond appropriately could pose severe risks to a business.

Recognizing that all its business activities are grounded in respect for human rights, the FineToday Group has established the FineToday Group Human Rights Policy, based on the United Nations Guiding Principles on Business & Human Rights. Additionally, the FineToday Group Code of Conduct and Ethics (see p. 63) stipulate that all forms of discrimination, abuse, and moral harassment must never be committed and are never tolerated.

FineToday Group Human Rights Policy (Preamble)

We in the FineToday Group are committed to respecting the human rights of all stakeholders associated with the value chain of our business activities in accordance with our Purpose (our reason for existing in society) and our Values (our ideals and principles).

The daily necessities that we provide reach all corners of the world and promote wellbeing by improving sanitation and bolstering physical and mental health. We believe that a culture of cooperating with stakeholders and accepting diversity is essential in contributing to the sustainable development of society and promoting innovation.

At the same time, we also recognize that our products could potentially lead to a variety of negative impacts during their life cycle. In order to fulfill our responsibilities as a provider of daily necessities, we respect the human rights of employees, consumers, local communities, business partners, suppliers, and everyone else who plays a role in our value chain.

Website

FineToday Group Human Rights Policy
<https://www.finetoday.com/en/sustainability/esg-list/>

— Respect for human rights

Human rights management system

The Sustainability Committee's Human Rights Working Group promotes human rights across all FineToday Group companies. The group also raises employee human rights awareness by identifying issues related to our operations and providing learning opportunities in all departments.

Our human rights due diligence includes forming specific response teams to implement corrective measures for priority

human rights risks. The teams examine risk response strategies and ways to improve operations to prevent risk.

— FY2025 Human Rights Working Group training and discussion topics

Implementation date	Topic
March 2025	Human Rights Issues in the Workplace
May 2025	Gender Representation in Advertising
August 2025	Create an Inclusive Workplace for People with Disabilities
November 2025	Business & Human Rights

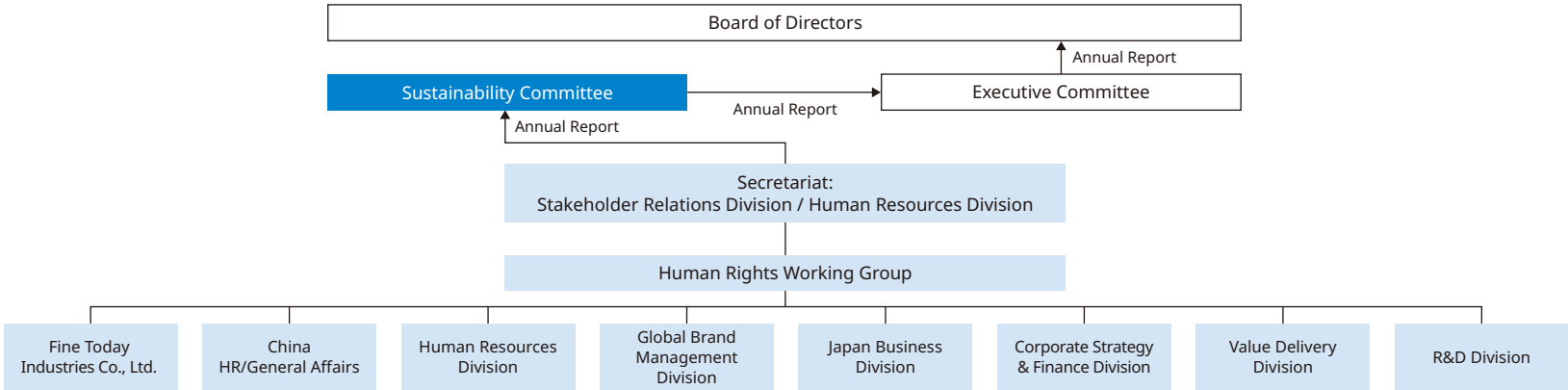
Human rights due diligence

The FineToday Group is progressively implementing human rights due diligence throughout its supply chain.

FineToday conducted a human rights survey encompassing all employees in March 2023, analyzed the results, and identified potential issues for each Group operation.

Response teams were established for priority human rights risks, with each team identifying issues and setting KPIs to measure their progress. The teams set four KPIs in fiscal 2024 and began implementing measures, including improving the advertising content review process.

— Human rights management structure



— Human rights heat map

Severity	High	• Human rights violations in product development (human testing) • Forced labor in the supply chain and human rights violations affecting local communities, etc.	
	Medium	• Occupational health and safety • Insufficient disclosure of ingredient and raw material information to consumers • Personal data breach • Nationality discrimination • Harassment • Long working hours • Human rights violations in advertising content	
	Low	• Freedom of association and the right to collective bargaining • Discrimination based on gender • Other forms of discrimination based on religion, disability, and other characteristics	
		Low	High
		Likelihood of occurrence	

— Respect for human rights

Human rights initiatives

Human rights education and training

We provide Human Rights Training and Ethics and Compliance Training for employees as part of our efforts to prevent discrimination and harassment based on nationality. Participation by Group employees was 100% in FY2025.

— Priority human rights initiatives and KPIs of 2025

Initiative area	Initiative objective	KPI	FY2025	Associated divisions
Forced labor in the supply chain and human rights violations affecting local communities	- Introduce the EcoVadis sustainability assessment tool to improve supply chain management - Revise guidelines as necessary	Percentage of raw material suppliers screened for human rights risk: 100%	100% (As of March 31, 2026)	Value Delivery Division Stakeholder Relations Division
Nationality discrimination	Provide human rights education, including on nationality discrimination, at overseas bases	Participation rate: 100% (Group total)	100%	Stakeholder Relations Division Human Resources Division
Harassment	- Continue harassment prevention training in Japan and overseas - Promote whistleblowing hotlines	Participation rate: 100% (Group total)	100%	Stakeholder Relations Division Corporate Strategy & Finance Division
Long working hours	Compliance with statutory working hours	Violations: 0	0	Human Resources Division
Human rights violations in advertising content	- Review the system and process for verifying advertising content - Consider training based on global trends and risks related to advertising content	Percentage of ads verified: 100%	100%	Global Brand Management Division Japan Business Division Corporate Strategy & Finance Division
Human rights violations in product development (human testing)	Maintain the high company standard led by the Institutional Review Board (IRB)	– (Confirm, continue)	– (Confirm, continue)	

Prevention of human rights violations in the supply chain

The FineToday Group supplier contracts require compliance with the Supplier Code of Conduct.

The Group is also taking steps to improve the transparency of its reporting, including engaging EcoVadis and other third-party organizations to assess and update the status of human rights compliance.

Helplines

The FineToday Group Code of Conduct and Ethics (see p. 63) strictly prohibits and maintains zero tolerance of discrimination based on race, gender, age, nationality, religion, disability, or other characteristics, as well as abuse, sexual harassment, and abuse of power.

The Group Internal Hotline, Group External Hotline, and Audit and Supervisory Committee Contact accept reports of acts such as the above. These three hotlines also accept reports of compliance violations and other incidents that could lead to loss of society's trust. All global employees, including those of Group companies outside Japan, can use them. The Whistleblowing Office handles reports and consultations while taking steps to ensure the reporting individual incurs no disadvantageous treatment.

We will also continue providing appropriate information and improving the consultation desk for external stakeholders.

— Harassment whistleblowing hotlines

Group Internal Hotline	- The hotlines accept anonymous consultation and reports - Available to all individuals, regardless of contractual status - Whistleblowers will not suffer any disadvantageous treatment
Audit and Supervisory Committee Contact	
Group External Hotline	
Freelance Support Desk	



Initiative

Respect human rights, and ensure responsible value chain management

■ Collaboration with suppliers

Basic policy

Raw material suppliers, packaging material suppliers, and OEM/ODM partners are essential partners in delivering products and services that enrich consumers’ daily lives. The FineToday Group strives to strengthen the supply chain through dialogue and cooperation with suppliers and promotes sustainable procurement activities across all areas, including compliance, human rights, and environmental protection.

To promote sustainable and responsible procurement with suppliers, the FineToday Group has established the “FineToday Group Procurement Policy” and “FineToday Group Sustainable Raw Materials Procurement Guidelines.” In addition to these, the FineToday Group has established the “FineToday Group Supplier Code of Conduct” describing specific requirements that suppliers need to meet. To reinforce our commitment to work together with suppliers, the FineToday Group is concluding Master Purchase Agreements that incorporate items required in the Code of Conduct with existing and new suppliers.

FineToday Group Procurement Policy

Procurement Vision

- Together with our Purpose “to enrich the lives of everyone today and for generations to come, one fine day at a time,” we strive through our procurement activities to achieve the following.
- Optimized costs, best quality, and provision of products and services in a timely manner
 - A society in which human rights are respected and a sustainable society where environments are conserved and people and the planet coexist in harmony.

We will conduct business with suppliers that share the same spirit toward the vision above in accordance with the policy below.

Basic Policy

- Building good partnerships
We strive to create new value and improved products with suppliers based on a firm, trusting relationship and to mutually evolve and develop.
- Fair purchasing transactions
We engage in fair, transparent and free competition, and appropriate business transactions.
- Performance of contracts
We strictly adhere to contracts and rules related to purchasing transactions built on high transparency and ethics.
- Promoting responsible procurement
We share our stance on fulfilling our social sustainability responsibilities—including compliance with laws, labor practices, respect for human rights, conflict minerals, and protection of the environment—with our business partners and encourage them to take their own voluntary initiatives.
- Respecting diverse values
We respect the diverse values of our suppliers and continuously create new ideas and innovations through collaboration.

FineToday Group Supplier Code of Conduct

- [I] Legal Compliance
- [II] Anti-Corruption
 - 1. Prohibition of Bribery and Corruption
 - 2. Prohibition of Unfair Provision of Gifts and Entertainment
 - 3. Prohibition of Improper Transactions
 - 4. Information Security, Protection of Intellectual Property, Confidential Information, and Personal Information
 - 5. Publication of Information
- [III] Respect for Human Rights
 - 1. Prohibition of Discrimination
 - 2. Prohibition of Abuse and Harassment
 - 3. Prohibition of Forced Labor and Human Trafficking
 - 4. Prohibition of Child Labor
 - 5. Compliance with Labor-Related Laws and Regulations
 - 6. Freedom of Association and Collective Bargaining
 - 7. Respect for the Rights of Indigenous People
 - 8. Migrant Workers
- [IV] Safe and Healthy Working Environment
 - 1. Safe and Healthy Facilities
 - 2. Prevention of Workplace Injuries and Illnesses
 - 3. Disaster Prevention Measures
- [V] Protection of the Environment
- [VI] Quality Assurance and Securing Traceability
- [VII] Measures
- [VIII] Subcontractors’ Compliance with this Code

Website

- FineToday Group Procurement Policy
- FineToday Group Sustainable Raw Materials Procurement Guidelines
- FineToday Group Supplier Code of Conduct
<https://www.finetoday.com/en/sustainability/esg-list/>

— Collaboration with suppliers

Supplier management

The FineToday Group added a manufacturing function in April 2023 (see p. 07). To promote sustainable and responsible procurement throughout the supply chain, the FineToday Group concludes Master Purchase Agreements with packaging-materials, raw-materials, OEM, and ODM suppliers that require compliance with the Supplier Code of Conduct.

FineToday conducted transactions with approximately 120 suppliers in FY2025.

— Supplier assessments

Approach

The FineToday Group implements a supplier assessment program to strengthen the sustainability of its supply chain and identify and mitigate risks throughout the value chain.

Methodology

Starting in November 2025, we implemented the EcoVadis Supply Chain Assessment Tool and conducted a sustainability risk examination prior to the sustainability assessments for all companies doing business with our Group (100% coverage). Suppliers identified as higher-risk are subject to additional questionnaire-based assessments.

The Sustainability Department and the Procurement Department, which oversees production materials, including product packaging and raw materials, as well as finished OEM and ODM products, review the assessment results and supplier responses. When issues are identified, the departments develop and implement a PDCA cycle for corrective action.

— Supplier management status

Percentage of suppliers that signed the Supplier Code of Conduct	100%
Percentage of suppliers whose contracts contain provisions on the environment, labor, or human rights	100%
Percentage of suppliers that underwent sustainability assessments	0%
Percentage of eligible suppliers that received on-site sustainability audits	0%
Percentage of audited or assessed suppliers subject to corrective actions	0%

* Packaging materials, raw materials, OEM and ODM suppliers only.

Sustainable raw-materials procurement

The FineToday Group uses palm oil as one of its main raw materials. Environmental and human rights issues have been raised concerning the extraction and cultivation of palm oil.

In April 2022, FineToday joined the Roundtable on Sustainable Palm Oil (RSPO), an international certification system that promotes the production and use of sustainable palm oil. We established a sourcing framework for certified palm oil and obtained RSPO Supply Chain Certification in 2025 and aim to achieve 100% use of RSPO-certified palm oil by 2030.



Contribute to improving self-esteem and realizing a society where people can live in their own way through our products and services

Basic policy

Our Purpose is “To enrich the lives of everyone today and for generations to come, one fine day at a time.” We enrich people’s daily lives by delivering high-quality refined beauty essentials that offer choices enabling them to express their individuality.

To fulfill our Purpose, the Group has identified “contributing to improving self-esteem and realizing a society where people can live in their own way through our products and services” as one of its material issue initiatives. In today’s world, where values surrounding beauty and lifestyle continue to diversify, fostering an environment that respects each person’s identity and individuality and enables people to make choices with confidence is essential to enhancing well-being. As a personal care company, we believe

addressing these social issues is a responsibility that is inseparable from our business activities.

We will contribute to creating a society in which people with diverse values and perspectives can fully express their individuality and realize their potential, regardless of skin color, gender, social, cultural, or geographical background, living environment, religion or beliefs, or physical characteristics, and where everyone can live life in their own way.

Promotion structure

To ensure that the commitments outlined in its basic policy are fully reflected in its business activities, the FineToday Group maintains a diversity and inclusion assessment system that is applied from the earliest stages of product and service planning. During the product proposal phase, a checklist is used to verify that designs and representations are free from bias, helping ensure that the needs of a broad range of consumers are appropriately addressed.

These processes are designed to identify and address biases and assumptions at an early stage, helping ensure that everyone can choose our products and services with confidence.

— Highlight

Supporting men’s evolving self-care routines

Our UNO Face Color Creator (BB Cream for Men), which commands 91%* value share of the market for men’s foundation products, is shaping new self-care habits and empowering men to embrace diverse lifestyles and authentic self-expression. We are committed to building brands and products that deliver unique experiences and contribute to a society where everyone can express themselves freely and confidently.

* Percentage of the men’s foundation market in terms of value, Intage SRI+ January 1, 2025 to December 31, 2025





A Message from the Executive Officer

Strengthening an organizational culture rooted in Aesthetic Intelligence

Masashi Hokibara
Executive Officer, General Manager, Human Resources Division
FineToday Co., Ltd.

Basic concepts and positioning of Aesthetic Intelligence

A key priority in fulfilling our Purpose is maximizing our human capital, the FineToday Group's greatest strength and asset. We foster an environment and culture in which individuals and the Company grow together by providing equal opportunities for our diverse workforce, enabling every employee to reach their full potential, and harnessing that collective strength across the organization.

Our Group has established Aesthetic Intelligence as a core value for fulfilling our internally developed vision for FY2030. Aesthetic Intelligence is not a matter of personal sensibility or preference. It is a “corporate culture that naturally prioritizes empathizing with emotions and bringing joy,” and serves as a powerful engine for “providing unique value through joyful brand experiences” to consumers.

Our group has built a unique competitive advantage by leveraging the excellent brands inherited from our predecessor, Shiseido Co., Ltd., while establishing our own standard of value with Aesthetic Intelligence. This principle guides product development,

brand communication, and our efforts to enhance the value we deliver to customers.

In this way, we believe that the Aesthetic Intelligence consistently demonstrated in all aspects of our endeavors, from our businesses to our organizational management, decision-making, and human resource development is essential to fulfilling our internally developed vision.

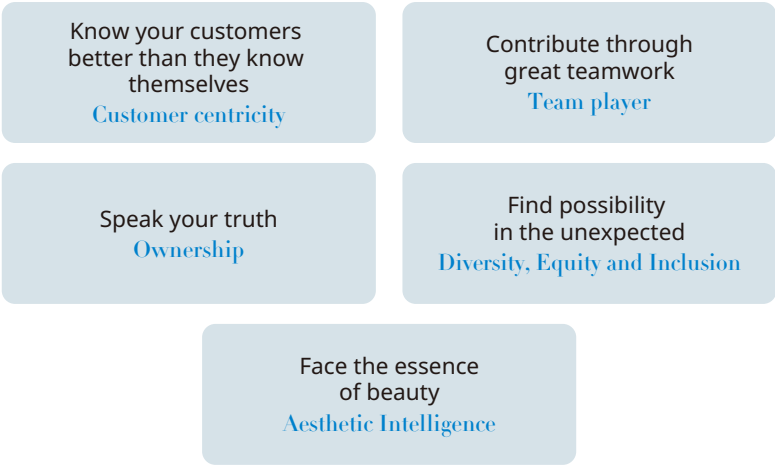
Creating new value with Aesthetic Intelligence and Leadership Behavior

To act on our Material Issues (Fine Today & Tomorrow), which are at the core of our sustainability activities, we must create value rooted in the truth, goodness, and beauty embodied in our Aesthetic Intelligence. The Leadership Behavior global code of conduct establishes “facing the essence of beauty” as a fundamental principle for all Group employees. By embracing this principle while respecting one another's perspectives, our diverse employees

generate new ideas and create greater value together.

Embedding Aesthetic Intelligence into our evaluation, development, and dialogue systems supports the growth and aspirations of every employee while strengthening the organization's ability to create value.

Leadership Behavior



New evaluation system to foster a culture of autonomous growth

We instituted a new performance evaluation system in FY2025 that is designed to more appropriately reward employees who take on new challenges and contribute to the Group's sustainable growth. The system evaluates not only performance outcomes, but also the behavioral processes demonstrated through the Leadership Behavior framework. Rather than focusing solely on results, the framework supports individual career development and autonomous growth by recognizing both the everyday behaviors that embody

our Aesthetic Intelligence and the efforts involved in taking on new challenges. A transparent and fair evaluation process will strengthen relationships of trust with employees and build a foundation for an organization that is resilient to change.

Cultureship: Strengthening a self-directed culture through the management team

The source of the Group's sustainable growth lies in the capabilities of its employees and an organizational culture that enables them to perform at their best.

To strengthen this foundation, we launched the workshop-based Cultureship program for Company officers in December 2025. The program is designed to strengthen participants' ability to independently develop and implement initiatives that further embed our corporate culture. Through exercises such as individual reflection, team discussions, and peer presentations, participants strengthen their judgment in a variety of situations while building a shared understanding of the leadership style we aspire to embody.

The program is currently being rolled out to senior managers in Japan and globally, and we plan to expand it to a broader audience in the future.

Leaders are expected to act with self-discipline and continually refine the "aesthetic judgments" that guide decision-making in accordance with the Group's guidelines. Cultureship is a foundation for an organizational culture in which all employees share common values and proactively embrace challenges, even in times of rapid change.

Future outlook

We will further accelerate the integration of Aesthetic Intelligence

throughout the Group and strengthen the foundation for sustainable growth through 2030 and into the next 100 years.

Our global materiality KPI is to achieve a Leadership Behavior Penetration Rate (behavioral level) of 95% by 2030. The objective is not simply to increase awareness, but to ensure that Group leaders in every country and region can communicate the significance of the Leadership Behavior principles in their own words and that all employees develop a deep understanding of their purpose and importance. Expanding the new evaluation system and strengthening our organizational culture will establish our shared Aesthetic Intelligence as a common behavioral standard across all

countries and regions.

We are linking our systems (institutions) and values (culture) as closely as the gears of a machine to build a competitive advantage that is inimitable and to lay the foundation for sustainable growth.

Guided by our Purpose, "To enrich the lives of everyone today and for generations to come, one fine day at a time," we aspire to become a corporate group that remains an integral part of people's everyday lives, with Aesthetic Intelligence at its core, both today and 100 years from now. United by our Purpose across our global organization, we will work together to enhance corporate value.





Initiative

Eliminate inequality based on gender, physical characteristics, nationality, etc. in the workplace

■ An inclusive culture that harnesses diversity

Basic policy

The FineToday Group has made diversity, equity, and inclusion (DE&I) a cornerstone of its management and a material issue for realizing its Purpose, “To enrich the lives of everyone today and for generations to come, one fine day at a time.” We do not view recruiting a diverse workforce as an end in itself. We believe that what truly matters is fostering an inclusive corporate culture in which diverse perspectives are reflected in decision-making and value creation. DE&I is a foundational element of our culture of Aesthetic Intelligence.

The FineToday Group Code of Conduct and Ethics (see p. 63) strictly prohibits and calls for zero tolerance of various types of discrimination, mistreatment, and mental harassment based on race, skin color, gender, age, language, wealth, nationality, country of origin, religion, ethnicity, social background, political views, disability, health status, or sexual orientation. We strive to eliminate all unequal treatment based on gender, physical characteristics, nationality, and other personal attributes.

The Group currently has operations in Japan, China, and the

Asia-Pacific (APAC) region, with approximately 54% of its employees based outside Japan. In addition to recruiting new graduates, we actively recruit experienced professionals whose diverse perspectives drive new market opportunities and value creation.

We will continue fostering a culture of open dialogue and psychological safety in which everyone, regardless of personal attributes, can contribute their perspectives to decision-making. By bringing together diverse perspectives, we will continue strengthening our capacity for sustainable growth while creating lasting social value.

A diverse workforce

The FineToday Group believes that employment of people with diverse values, backgrounds, and skills generates innovation that will contribute to sustainable growth in the Group and society. For this reason, it has identified fair hiring with respect for individual diversity as a basic policy of employment.

In employee selection, it eliminates from consideration factors unrelated to job ability. People involved in hiring undergo training to ensure compliance with this principle.

Multinational recruitment

Group companies in Japan, China and APAC regions actively hire people with diverse national and cultural backgrounds. Multinational recruitment conforms to immigration regulations on visa status and other matters.

Employment of people with disabilities

DE&I is one of our core Material Issues, and within DE&I, we place particular emphasis on inclusion through a diverse workforce. We

strive to recruit and empower people with disabilities by creating opportunities to thrive using their individual strengths, specialties, and job aptitudes.

In January 2022, we hired a certified healthcare assistant with a visual impairment to be an in-house therapist and to develop and manage an in-house massage center.

In August 2022, we hired para-athletes who compete on the world stage. We actively create opportunities for these athletes, who usually train independently, to connect with other employees, enabling them to fully dedicate themselves to competition while also seeing firsthand how their efforts and accomplishments inspire others.

Referral recruitment

FineToday operates an employee referral program that allows employees to introduce acquaintances and friends, with the dual goals of recruiting a diverse workforce and minimizing the gap between expectations and the actual work environment after joining the Company. Referred candidates have knowledge about the Company culture, work styles, and job responsibilities prior to joining, and the program ensures they transition smoothly into the workplace by giving them clear expectations of their roles. The Company evaluates referred candidates using the same standards and recruitment process applied to all other mid-career hires to ensure fairness in hiring decisions.

■ [An inclusive culture that harnesses diversity](#)

Evaluation and compensation

The FineToday Group Code of Conduct and Ethics (see p. 63) calls for the Group to evaluate people fairly. Under the Approach to Evaluations and Compensation based on this Code, the Group strives to ensure fairness and equity in areas such as evaluation and compensation of employees.

Approach to evaluations and compensation

- Employees will be treated fairly both inside and outside the Company, and systems will be employed that are designed to secure employees' understanding.
- Employee evaluations will be highly transparent and based on objective facts, free from prejudice and overreliance on first impressions.
- Evaluations will be based on both performance against objectives and demonstrated competencies.
- Standards for evaluation, promotion, etc. will be disclosed to employees, and employees will be given feedback on the results of evaluations.
- Support and guidance for employee development will be provided through regular communication in addition to evaluation interviews held at least once a year.

Remuneration levels and systems

In addition to complying with minimum wage and working hour laws and regulations, the FineToday Group takes care to maintain remuneration levels and systems that are competitive in the labor markets of individual countries and regions. Decisions on remuneration amounts reflect wage statistics from government agencies and other sources as well as remuneration data from external research institutions and are reviewed regularly.

The FineToday Group also maintains a performance-oriented remuneration system that reflects roles, responsibilities, and results, striving to eliminate seniority factors. Base salaries reflect individual roles and duties, and calculations are free from discrimination by gender or other considerations. The Group provides information on salaries, bonuses, evaluations, promotions, and other aspects of the system on the intranet.

In accordance with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, FineToday complies with legal minimum wage and applies identical remuneration systems to identical levels of qualifications and duties (equal pay for equal work).



Initiative

Eliminate inequality based on gender, physical characteristics, nationality, etc. in the workplace

Empowering diverse employees

Basic policy

The FineToday Group places a high priority on creating a workplace where each individual can express their unique personality and abilities, and recruits and employs a diverse workforce of people of different ages, nationalities, genders, and physical characteristics. Our Group respects the diversity of every employee and values an environment where everyone feels comfortable voicing their opinions.

We are strengthening support systems and improving the workplace environment so employees can work in ways that suit their individual circumstances, even as they experience life stages such as raising children or caring for family members. We believe these efforts support employee growth and encourage taking on new challenges, enhancing the overall performance of our organization.

The Group has identified “improving employee well-being” as one of our material issues. As part of this initiative, we have set a goal of increasing the percentage of women in management positions to 35% by 2030. This numerical target is an indicator of our progress. Our goal is not simply to recruit individuals based on specific attributes, but to build an organization with an unbiased

decision-making process. We will continue implementing policies and cultivating a corporate culture that fosters an inclusive and sustainable workplace.

Programs to support diverse work styles

The FineToday Group carries out a variety of measures to enable employees to balance work with their private lives.

Support for work styles unbound by time and place

Group companies in Japan offer flextime programs with no core hours and remote working programs that enable employees to work wherever they feel most comfortable, including at home or other locations.

FineToday has adopted a free-address office system at its head office, allowing employees to choose the workspace best suited to each assignment, whether a quiet space for focused work or a casual area for collaborative idea generation. This approach promotes communication throughout the organization and encourages collaboration across departments.

Encouraging employees to take annual paid leave

At the start of each year, the FineToday Group issues a notice to all Group employees encouraging them to take annual paid leave and asks them to plan when to take leave.

Overview of main programs <FineToday>

Program	Summary
Annual paid leave	Employees receive up to 21 days of annual paid leave, depending on years of continual service and the month of joining the company. Rules call for employees awarded 10 or more days of annual paid leave to take at least five of those days during the fiscal year in which they were awarded.
Summer vacation	Employees receive five days off in addition to Saturdays and Sundays.
Refreshment leave	Employees with 10 or more years of continuous service may take five or 10 consecutive days off every five years. Assistance is available for travel and other expenses as well.
Flextime program	Employees may use this program as long as they work at least one hour per day, with no specified core working hours. (Working hours are managed by the month, instead of the day.)
Remote working program	Employees can use this program as many times as they need, for childcare, family care, or any reason. They can work from home or elsewhere.
Side-job program	FineToday has established conditions for permitting employees to work side jobs and rules on handling side jobs. Employees may work side jobs after the company has checked and approved conditions reported by the employees, such as forms and places of employment and expected working hours. This is intended to protect employee health and safety as well as retaining the trust of society and protecting trade secrets.

— Empowering diverse employees

Programs to support childcare and family care

The FineToday Group offers longer leave than required by law for employees who need to care for children or other family members and actively promotes these programs to employees. In addition, FineToday has established the Guidelines on Transfers Involving Employees Caring for Children. Employees taking time off for childcare or family care also are exempt from unwanted transfers involving relocation.

In January 2025, we initiated the Childcare and Family Care Support Bonus System to further add to our work environment and culture supporting individuals balancing life events and careers. The system recognizes and rewards those employees who help facilitate other employees to take childcare or nursing care leave.

Support for returning to the workplace after childcare leave

FineToday offers a childcare plan program through which female employees discuss with their superiors the process from pregnancy through returning to work after childbirth. This helps to alleviate employee concerns about pregnancy, childbirth, and childcare and with sharing information with superiors to facilitate returning to work.

— Overview of main programs <FineToday>

Program	Summary
Support for childcare	
Childcare leave	Employees can take this leave for up to five years in total, until their children reach the age of three years. This period exceeds that required by law. In special situations, an employee may take leave up to three times for the same child. Note: While childcare leave is unpaid, childcare leave benefits are paid under employment insurance.
Childcare leave system for childbirth	Employees can take four weeks of leave within the first eight weeks after childbirth. This leave is primarily intended for employees who do not take maternity leave (primarily male employees).
Maternity leave	An expectant mother may take six weeks of paid leave before and eight weeks of paid leave after giving birth. (Some periods of this leave are unpaid.) Note: Employees may use accumulated leave or annual paid leave for the unpaid periods.
Short-term childcare leave	Employees may take paid short-term childcare leave for up to two weeks during the period until the child's third birthday. An employee whose spouse or other partner has given birth may take separate special paid leave of up to five days.
Childcare working hours	Employees may shorten their working hours by up to two hours per day during the period until the child enters the third grade (i.e., the end of March when the child is nine years old). This exceeds the legal requirement. During the period until the child reaches the age of one year, one hour of the shortened working hours is paid.
Financial assistance for employees caring for children	One of the Cafeteria Plan* options provides employees caring for dependent children with financial assistance for childcare costs such as those of nursery school and babysitting and with the children's education costs.
Child nursing care leave	Employees may take paid time off in hourly units to care for sick or injured preschool children or take them to health checkups or vaccinations. Note: This leave is available for up to five days (40 hours) per year for a parent of one child or up to ten days (80 hours) per year for a parent of two or more children.
Spousal accompaniment program for childcare	An employee caring for a child through the third grade who accompanies a spouse or other partner on a job transfer in Japan may continue his or her career at a business facility near the partner's assignment.

Program	Summary
Support for family care	Family members eligible for care include members of not only the employee's family but that of the employee's spouse or other partner too.
Family care leave	Employees may take leave an unlimited number of times (up to one year each time) for each relative who requires long-term care (up to a total of three years).
Family care working hours	Employees may take paid time off in hourly units to care for relatives who require long-term care. This time off is paid for up to five days (40 hours) per year per eligible family member.
Financial assistance for employees providing long-term care	One of the Cafeteria Plan* options provides an allowance to help pay for long-term care services and facility charges for family members certified to require long-term care.

* A benefit program under which the company awards points to employees that they can use to receive their choice of services.

Program	Summary
Childcare and nursing care support	
Childcare and Family Care Support Bonus Introduced January 2025	If conditions are met, up to three months' worth of the reduced bonus for employees on childcare or family care leave will be proportionally distributed in the following year as a bonus addition to employees who covered their duties.

— Empowering diverse employees

Other programs

FineToday has programs to provide support for employees in various situations, such as when a partner is transferred to work overseas or for employees engaging in volunteer work.

In January 2025, the menstrual leave system was revised and renamed Personal Care Leave. This revision expands the scope and reasons for leave to accommodate individual health care, such as infertility treatment and early pregnancy physical changes, in addition to ongoing physiological care. The system helps support employee physical and psychological wellbeing by providing employees flexibility in their work conditions.

Our employment regulations clearly state that all employees and their partners, regardless if they are same-sex partners or their sexual orientation or gender identity, are eligible for the same rights and benefits as any other partners. The system is intended to raise awareness of related issues and create an environment of understanding and acceptance in the workplace so all employees can feel comfortable about taking leaves of absence.

— Overview of main programs <FineToday>

Program	Summary
Leave program for transfer of a spouse to work overseas	An employee may take up to three years of leave to accompany a spouse or other partner who has been transferred overseas.
Special volunteer leave program (Social studies day program)	An employee may take up to three days of paid leave per year to participate in activities to contribute to society on weekdays.
Personal Care Leave Revised January 2025	Eligibility for personal care leave was broadened from menstrual leave for women to include any male or female employee. The reasons for requesting leave were expanded to encompass a wider range of situations, such as hospital visits for infertility treatments and menopause-related physical discomfort, and the individual is not obligated to inform their supervisor of the reason. The leave may be taken in one-hour increments for a total of one day per month (additional leave days are unpaid).



Initiative

Ensure occupational health and safety, and promote decent work environments

Occupational health and safety

Basic policy

The FineToday Group's Purpose is "To enrich the lives of everyone today and for generations to come, one fine day at a time." Guided by this Purpose, we have identified "Improving employee well-being" as one of our material issues and work to ensure occupational health and safety and decent work environments.

The FineToday Group Code of Conduct and Ethics (see p. 63) specifies that the Group will strive to create healthy and safe workplaces and enhance work-life quality for employees. The group also has established the Occupational Health and Safety Policy, under which it focuses on maintenance and improvement of employees' health and building workplace environments and a corporate culture for safety and peace of mind.

The Occupational Health and Safety Policy also identifies the aim of workplaces where everybody can work in good health and with peace of mind. This policy serves as the foundation of a variety of active efforts now underway, including prevention of occupational illnesses, formation of appropriate workplace environments, and support for autonomous health management by employees.

Occupational Health and Safety Policy

The FineToday Group aims for workplaces where everybody can work in good health and with peace of mind.

It will carry out the following measures toward this end.

1. Realizing safe, comfortable working environments for all workers
2. Aiming for zero accidents involving time off work
3. Conforming to the requirements of the occupational health and safety management system (applies only to business sites with manufacturing sections)
4. Conducting risk assessments and striving to prevent on-the-job accidents in all workplaces
5. Continually improving the occupational health and safety management system and raising the level of occupational health and safety (applies only to business sites with manufacturing sections)
6. Promoting occupational health and safety activities to emphasize an appropriate culture and thinking, through discussion and engagement with all employees

Promoting occupational health and safety

FineToday has established the seven-member Health Committee, chaired by a manager from the Human Resources Division. The committee's other members comprise two managers from the Human Resources Division, one industrial physician, and three representatives chosen from employees. The committee meets at least monthly to promote various occupational health and safety measures.

Fine Today Industries also has a Health and Safety Committee that meets at least once each month. The committee strives toward its goal of eliminating lost-time accidents by making improvements to hazards and unsafe activities and preventing serious accidents.

FT Industries Vietnam conducts occupational health and safety activities in accordance with ISO 45001.

Main agenda items of the Health Committee (FY2025) <FineToday>

- Sharing the findings of workplace patrols and addressing issues identified
- Keeping down long working hours (e.g., numbers of eligible persons and consultations with the industrial physician)
- Status of health checkups and stress checks
- State of occurrence of on-the-job accidents
- Sharing information provided by occupational physicians, such as ways to improve engagement and enhance productivity, and tips for maintaining gut health
- Providing the Mental Health Promotion Plan
- Sharing information provided by the health insurance association
- Setting up the counselor contact desk
- Introducing a health checkup results management system

Education and training on occupational health and safety

FineToday provides online training for employees, with aims including to raise awareness of occupational health and safety and to share information on cautions.

— Occupational health and safety

Ensuring occupational health and safety

The FineToday Group implements measures from a variety of approaches to realize workplace environments where employees can work in good health and with peace of mind.

Keeping down long working hours

FineToday's "Article 36" agreement (an agreement on working hours under Article 36 of the Labor Standards Act in Japan) specifies a maximum limit of 80 hours of overtime work per month. The intention is to promote thorough working-hour management and efficient work practices so that employees will not exceed this limit. The HR section meets with the supervisors of employees found to have exceeded this limit to identify the cause and develop and implement practical improvement measures.

Since temporary workload increases and imbalances during peak periods could lead to overwork, FineToday checks project workloads and staff assignments. If a project does not have the staff it needs at the time, responses are considered such as partial outsourcing, use of temporary placement agencies and development of new tools.

In addition to these initiatives, we have introduced an attendance management system that enables each department to thoroughly and efficiently manage work hours of their employees. The system enables work-hour verification in real time and automatically sends alerts when monthly work hours exceed a set amount.

Health checkups

All employees of Group companies in Japan are members of the health insurance society, which provides annual health checkups. Checkups cover the examination items of regular checkups that employers must provide by law (statutory items) and other optional items provided by the health insurance society, chiefly cancer screening (optional items). All employees are made aware of the need to undergo checkups on the mandatory statutory items.

Employees instructed to seek treatment, follow-up exams, or detailed exams following checkups receive the support they need through means such as meeting with industrial physicians and follow-up exams.

Appropriate health checkups and similar services are provided at Group companies overseas in accordance with local laws and regulations.

Stress checks

FineToday provides annual stress checks for all employees other than temporary employees. We provide consultation upon request for individuals evaluated as "highly stressed" and are taking steps to reduce sources of stress in the workplace, including by improving our leadership training.

Support programs for women's health issues

FineToday provides external support services for women's health issues. These services have contributed to reduced presenteeism (reduced productivity when employees are not fully functioning in the workplace due to health issues) and increased productivity.

— Details of support programs for health issues

Menstrual period program	• Providing online content for all employees to learn about the menstrual period • Support for administering low-dosage oral contraceptive pills through online gynecological exams
Menopause program	• Providing online content for all employees to learn about menopause • Support for administering traditional Chinese herbal medicines and other treatment through online exams

Health campaigns, etc.

We conduct various campaigns when considered helpful for employees to maintain and improve their health.

— Main initiatives (FY2025)

Dental checkup campaign	Covers part of the cost of employee dental checkups
Flu vaccinations	Covers part of the cost of (optional) flu vaccinations for employees and their families
Cervical cancer prevention	Covers the cost of HPV vaccinations
Smoking cessation	Covers (up to a limited amount) the cost of smoking cessation treatments

Occupational health and safety

External mental health and wellbeing consultation desk

FineToday provides mental health and wellbeing support for executives, employees, and their families through an external consultation desk. Counselors are available via telephone, email, and in-person in certain areas.

All consultations are confidential, and information is shared

with supervisors or worksites only with the individual's consent. The Company is also working to increase awareness that this service is available to family members living with employees.

Topics covered by the external mental health consultation desk

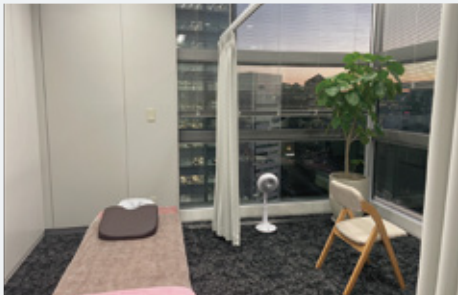
- Workplace issues: Stress or anxiety related to work
- Family and personal life: Challenges balancing work with childcare or family care
- Personal concerns: Any recent issues causing distress

Highlight

In-house massage center for employees

The FineToday head office operates the Re-fine massage center to support employee health and improve productivity. A full-time, nationally certified massage therapist provides massages as well as acupuncture and adhesive moxibustion treatment. The center also shares health management tips, the latest health research findings, and other information for healthy daily lifestyles through the in-house social networking service.

Employees working at other sites may receive assistance with part of the costs of using private relaxation spas.



Creating a workplace where everyone can work with peace of mind
Improving psychological safety at Fine Today Industries



Yuko Yamazaki
Process Engineering Group, Manufacturing Department
Fine Today Industries Co., Ltd.

Fine Today Industries (FTI) is committed to creating a workplace environment where all employees, regardless of disabilities, can work with peace of mind.

We recognized that employees with disabilities often found it difficult to seek advice when facing challenges. To address this, we established a new consultation desk and began holding regular meetings to create a system for identifying and addressing issues at an early stage. Over approximately eight months beginning in September 2025, we conducted 42 interviews with the seven employees with disabilities in operational roles, helping to foster a supportive environment where employees are encouraged to raise concerns. To promote understanding and strengthen response capabilities across the workplace, we conducted study sessions and information-sharing meetings

for managers and continue to provide monthly ethics training to approximately 570 employees in the Manufacturing Department.

FTI's employment rate of persons with disabilities stands at 4.11% (as of June 1, 2025), significantly exceeding the statutory employment rate of 2.5% (as of FY2025). We are also implementing internal initiatives to reduce workloads and help create a safe and healthy workplace environment. Through these efforts, we aim to fulfill the role society expects of us as a company, foster a culture that embraces challenges while respecting diverse values and opinions, and create a workplace where every employee can continue working with confidence and feel supported.



Initiative

Ensure occupational health and safety, and promote decent work environments

■ Enhancement of engagement

Basic policy

The FineToday Group creates workplaces that prioritize safety and health, meaningful work dignity and fairness, and collaboration through dialogue, in line with international standards, including the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the ILO concept of decent work.

We are creating an environment where every employee can work in a way that is true to themselves by using surveys to measure and improve employee engagement increasing opportunities for dialogue between top management and employees, and ensuring fair evaluations and robust measures to prevent harassment. We also continue improving working conditions and the workplace environment through constructive labor-management dialogue with labor unions and employee representatives.

We recognize that each employee has a unique sense of job satisfaction and psychological safety, as well as individual perspectives on what constitutes an environment enabling them to thrive. In addition to helping employees build the skills and confidence needed for career development, we believe it is essential

to foster a culture that recognizes and embraces diversity. These principles are clearly articulated in our Values and Leadership Behavior, and we are working to embed them throughout the Group.

Engagement surveys

At least once each year, FineToday, Shanghai FTS Cosmetics, Fine Today Industries, and FT Industries Vietnam conduct an engagement survey of all employees, using an external survey tool. This initiative not only assesses objectively the state of matters such as ease of work but also plays an important role in identifying current issues in each organization in the Group and encouraging autonomous improvements.

To aid in fostering our organizational culture, we also gauge employee understanding and acceptance of the corporate Purpose and our Values & Leadership Behavior. Management in each organization uses the survey findings to identify actions for employee improvement.



Initiative

Ensure occupational health and safety, and promote decent work environments

■ Labor-management relations

Labor-management negotiations

The FineToday Group places great importance on collaboration through dialogue in accordance with the concept of decent work advocated by the International Labour Organization (ILO). The preamble to the FineToday Group's labor-management agreement with its labor union states, "In recognition of the social mission of our business, we will strive toward sound corporate growth while maintaining and improving the economic and social standing of employees, based on solid labor-management relations grounded in integrity and trust." Based on this common foundation, we participate in labor-management consultation forums to resolve a wide range of labor-management issues, including those related to the working environment, while mutually respecting the positions of both labor and management.

Our overseas operating sites respect the labor laws of their respective countries and regions and strive to build and maintain sound labor-management relations through appropriate consultation.

The labor union operates under a union-shop system, and all general employees (non-management regular employees) are members as of the end of December 2025.

■ Main topics of labor-management negotiations (FY2025) <FineToday>

- Relationship between the employer and the labor union at FineToday
- Future measures based on the findings of employee engagement surveys

Dialogue between top management and employees

FineToday actively provides opportunities for direct, two-way dialogue between the Representative Director and CEO and employees, regardless of their forms of employment.

In FY2023, we continued holding One-on-One Meetings for direct dialogue between the CEO and employees, departmental get-together events, and site visits.

Such dialogue provides a valuable opportunity to deepen mutual communication, as management ascertains information on matters such as the thinking of our workforce of employees with diverse backgrounds. The CEO asks employees about subjects such as their careers and current duties, while employees speak directly to the CEO about their views and questions concerning management policies and other topics. Employees have responded positively to this initiative. For example, one commented, "It makes me feel like I have a part to play in management and what's going on today."

We will continue to provide various opportunities for two-way dialogue with employees.

Global meetings

The FineToday Group regularly holds global meetings attended by all employees in Japan, China, and APAC. The meetings, which include online messages from the CEO, idea contests, and anniversary events, enable communication across countries and

regions and stimulate communication and cooperation among Group companies.



Develop human resources in the workplace

Basic policy

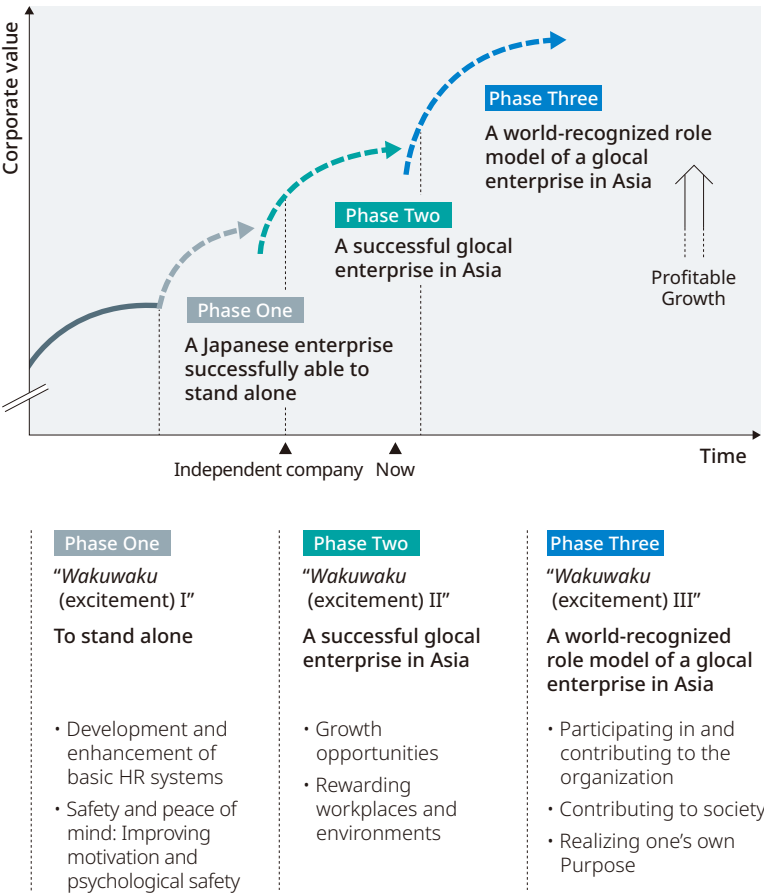
The FineToday Group aims to provide an environment in which all people across national and regional boundaries, regardless of race, gender, age, or nationality, can thrive while thinking and acting on their own.

Our material issues include the category of “Develop human resources in the workplace.” We are accordingly providing education and training to develop talent while also conducting engagement surveys to assess and improve our human resource development activities. Dividing human resource measures into three phases for the period from 2021, when it began doing business, through 2030, it has established specific themes for each phase. During Phase One, “Wakuwaku (excitement) I,” of establishing our independence, measures are focusing on improving the motivation and psychological safety that serve as the driving forces behind the work of each and every employee. The current Phase Two is focused on becoming a successful glocal company in Asia.

Through these initiatives, the FineToday Group aims to realize an environment in which all employees can continue to have positive impacts on the organization and society conscious of their

own Purposes for working, while taking on and striving to achieve the FineToday Purpose.

Three phases of human-resource measures



Behavioral evaluation based on Leadership Behavior

The FineToday Group places great importance not only on the outcomes of human resource development but also on the quality of the decisions and actions that produce them. To provide a common foundation, we established a globally unified code of conduct called “Leadership Behavior” as a guideline for daily operations.

Leadership Behavior encompasses fundamental behaviors such as customer focus and teamwork, as well as a commitment to respecting diverse values and the Group’s unique value of Aesthetic Intelligence, which emphasizes the sincerity underlying our judgments and actions, as well as the way we engage with others.

Leadership Behavior is more than a guiding principle for the FineToday Group. It drives the behavioral change and talent development that improve the quality of management. The Company began incorporating Leadership Behavior into the performance evaluation criteria for managers and above employees in FY2025. The evaluations assess not only achievements but also the decisions and actions that led to those outcomes.

These performance evaluations are cultivating Leadership Behavior and our core Aesthetic Intelligence as practical knowledge, thereby fostering the unique human resources and organizational culture that define our Group.

Programs to support skills development

In addition to individual programs designed to deepen understanding of the company's culture, FineToday offers training programs for individual posts to improve individuals' specialized abilities, and programs to support self-learning and growth so that people who are motivated can learn on their own.

Cultureship

The FineToday Group positions a culture centered on Aesthetic Intelligence as a cornerstone of its management foundation for fulfilling its Purpose. Aesthetic Intelligence is a shared value that defines what the Group values and guides its decisions and actions. Leadership Behavior is the tangible expression of these values in the actions of our leaders.

To embed this culture throughout the organization, we launched a series of workshops under the theme of "Cultureship," a concept that combines culture and leadership, from late 2025 through 2026, initially targeting the management team. We began expanding these workshops to countries and regions worldwide in 2026 so leaders in each location could deepen their understanding of Leadership Behavior and incorporate it into their daily decision-making and management practices. In this way, we are spreading our culture throughout the organization from the top down.

Onboarding support

Orientations for new mid-career hires help them to adjust smoothly to their new workplaces. Mid-career hires also have free access to the Knowledge Site containing a wealth of in-house information to ensure a successful transition into the company.

Booster Program

The Booster Program, introduced in 2024, encourages employees to contribute beyond their own departments and functions. Employees have opportunities to apply their skills across the organization, and several are already participating. The program supports employees in taking the initiative to shape their own careers.

— Education and training systems (FY2025) <FineToday>

Employee level	Requirements		Employee level and selection		Specialization (department)	Self-driven career development	
Executives	Orientation for mid-career employees	Compliance training	Cultureship	IT literacy training	Department internal training	FT business basics	Management video
			"L navi" program for middle management				
	Orientation for mid-career employees	Compliance training	Training for new executives	IT literacy training	Department internal training	FT business basics	Management video
General employees							
			Year-two training				
			Graduate training				