

FineToday Group

Sustainability Report 2025

finetoday

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Editorial Policy

Business administration and promotion of environmental, social, and governance sustainability initiatives serve as the integral twin axles of FineToday Group's business. The Group publishes a Sustainability Report to deepen its dialogue with stakeholders. The first part of the report consists of the Corporate Profile and FineToday Group Sustainability. These include a message from the CEO along with information serving as the fundamental premises of reporting on sustainability activities, including FineToday's Purpose and Values, its medium- to long-term vision, and information on R&D and manufacturing activities. With reference to Global Reporting Initiative (GRI) Standards, the sections on the Environmental, Social, and Governance each report on individual activities related to sustainability initiatives as comprehensively and specifically as possible. Stakeholder dialogue is essential to business growth and raising the bar on sustainability initiatives. FineToday Group will continue its proactive approach to disclosure in the future.

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Published	August 2025
Period covered by this Report	FY2024 (January 1–December 31, 2024) * Includes some information from other periods.
Organizations covered by this Report	FineToday Holdings Co., Ltd. and 13 Group companies (two companies in Japan, two companies in China, and nine companies in the Asia-Pacific [APAC] region)

Subjects referred to in this Report	Information on FineToday Holdings Co., Ltd. is identified by the terms “FineToday Holdings Co., Ltd.” and “Company.” Information on the Group as a whole uses the terms “FineToday Group” and “Group.” Information concerning FineToday Co., Ltd. uses the terms “FineToday Co., Ltd.” and “FineToday.” Other companies are referred to by their individual names.
Guidelines and other reference materials	• The Global Reporting Initiative's GRI Standards • The Framework of the Task Force on Climate-related Financial Disclosures (TCFD) • The Framework of the Taskforce on Nature-related Financial Disclosures (TNFD)

Our management centered on Aesthetic Intelligence will steer us through the changing business environment to achieve sustainable growth and our Purpose.

Introduction

The FineToday Group was created in July 2021 from the personal care business of Shiseido Co., Ltd. As a fully independent entity, we maintain a management structure as an autonomous manufacturer of beauty products with the express objective of becoming Asia's top personal care company.

Since embarking on our business with basic functions, such as sales and marketing, we have fortified our management divisions, acquired production bases in Japan and in Vietnam, and opened our own R&D facility, the FineToday Beauty Innovation Center. Today, our business encompasses fully integrated sales, marketing, manufacturing and technology development.

As our business evolved and grew, we developed and expanded our product brands by increasing Fino sales in each sales region, launching and expanding our first original brand +tmr (Plus Tomorrow), fully renovating the TSUBAKI brand and, in 2025, introducing our SENKA line of premium products. Since becoming a fully independent organization, we have achieved balanced business growth across our product categories and in our business regions.

While the Group's business has been growing and thriving, the operating environment is rapidly changing. Geopolitical uncertainty,

fragmentation of consumer preferences, and rapid advances in AI and other technologies are making it increasingly difficult to predict the future. In these conditions, I believe that our corporate management must have a solid foundation of values.

Aesthetic Intelligence—the core value of the FineToday Group

Aesthetic Intelligence is the core value of our management, rooted in our heritage of developing skin products during our time as part of Shiseido. We pursue value that goes beyond external beauty to deliver internal and emotional value, honesty, integrity, and thoughtfulness that allows users to enjoy the full richness of mind, body, behavior, and society.

We see ourselves as a company offering not just daily necessity items, but daily beauty products infused with our own aesthetic sensibility, which is what sets us apart from other companies. Our original +tmr brand, for example, provides high-function haircare focused on delivering essential proteins for healthy hair, creating anticipation for the result, and presenting in an appealing package, all of which are designed to lift spirits and brighten moods. Our extensive use of recycled PET plastic also lets users feel they are making an environmentally positive choice.

Tetsuo Komori

Representative Director,
CEO
FineToday Holdings
Co., Ltd.

Our sense of beauty is the foundation from which we contribute in many ways to enriching everyday lives.

I consider it my mission to embed our Aesthetic Intelligence deeper into every aspect of Group culture from product development to our business and organizational management. I will continue to make opportunities to talk about this with employees.



Our original +tmc (Plus Tomorrow) brand fully embodies our Aesthetic Intelligence.

Combining Aesthetic Intelligence and autonomous solution governance to support DE&I and human resource development

Aesthetic Intelligence is also central to our human resource development. Our Group operates in 11 countries and regions across Asia, and respecting the unique culture and needs of each area is essential. Our greatest asset for this is the diversity of our people. I believe that empowering every employee to reach their full potential will be the key to using our unique Aesthetic Intelligence to create corporate value.

Our Group workforce is highly diverse across age, industry background, and with nearly half being foreign nationals. This diversity is a major strength, and a “glocal” management approach is essential

to maximizing its value. Glocal management means upholding our shared global value of Aesthetic Intelligence while allowing individual units to adapt and apply it locally to their specific circumstances. Our ability to embrace diversity and bring out every employee’s full potential is the primary source for creating corporate value. That is why our diversity, equity, and inclusion (DE&I) initiatives and an effectively operating autonomous organizational structure are absolutely critical.



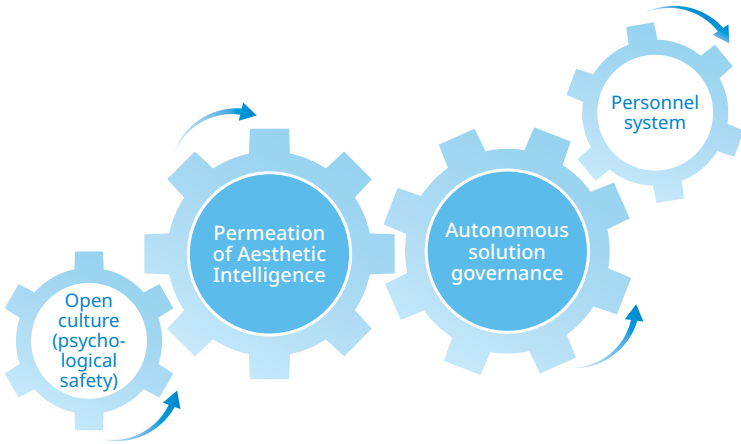
A recent induction ceremony included a two-way dialogue between management and new employees about the essence of beauty. During the interchange of ideas, management and employees added flowers to represent an idea or value important to them, creating a single, colorful arrangement.



The flower arrangement represents the diverse beauty of the FineToday Group.

As a first step toward building an organization with autonomous problem-solving, I introduced the principle of no consequences for pointing out problems. I regularly remind employees of this, as it is important to maintaining a strong sense of psychological safety. We are shaping an organization that addresses issues from the middle and bottom up, rather than relying on top-down solutions. I call this “autonomous solution governance,” which I see—along with

business performance—as a hallmark of a great company. Together, our Aesthetic Intelligence and this governance naturally support acceptance of diverse values and the advancement of DE&I. I also believe it will foster talent with a broad range of knowledge.



An open culture and a personnel system integrating Aesthetic Intelligence and autonomous solution governance powerfully drive human resource development and DE&I.

Management rooted in Aesthetic Intelligence and focused on business operations and sustainability

The FineToday Group’s Aesthetic Intelligence contributes to the prosperity of its stakeholders, making sustainability not just essential, but intrinsic to our operations. Accordingly, our management is firmly grounded in both business operations and sustainability.

Our Purpose, established soon after our founding, is “To enrich the lives of everyone today and for generations to come,

one fine day at a time.” Guided by the two perspectives, we aim to earn the trust and understanding of our stakeholders—the “everyone” in our Purpose.

The Group has made steady progress in sustainability in a short time, earning recognition from various organizations. In 2024, EcoVadis*¹ ranked us in the top 3% of all companies and awarded us with a Gold Medal, given to companies in the top 5%,

for a second consecutive year. The Japan Packaging Institute recognized our environmental efforts for our +tmr (Plus Tomorrow) products with a Toiletry Packaging Award at the Japan Packaging Contest 2024*². We also expanded our environmental data disclosure by releasing a TNFD report in 2025, following the publication of our TCFD report in 2023.

The Material Issues “Fine Today & Tomorrow” adopted in

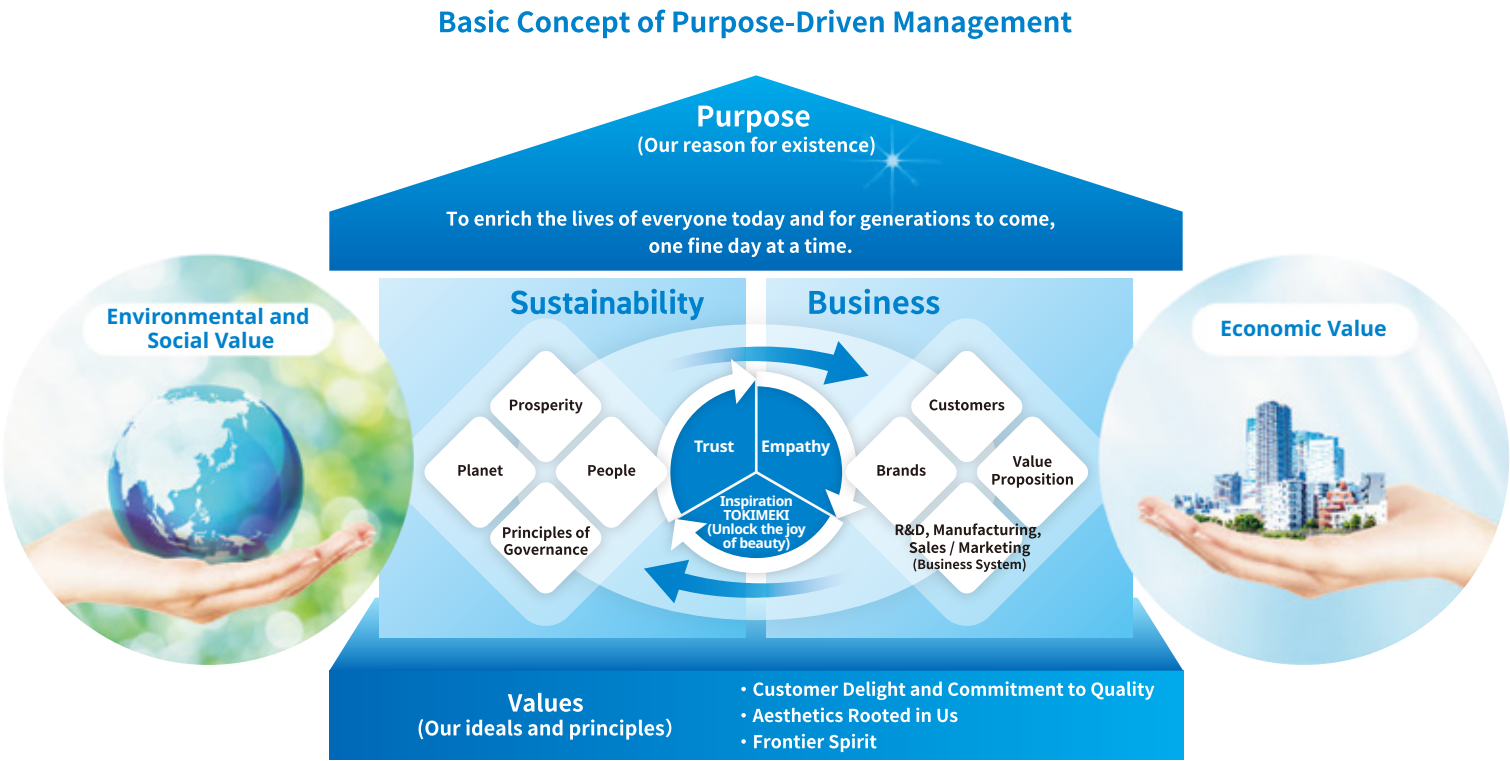
March 2025 outline a roadmap and medium- and long-term targets for continuously delivering value to all stakeholders. We are actively working toward these targets through our management with a dual focus on business operations and sustainability.

I often say that our Aesthetic Intelligence is what makes our Group unique and enables us to avoid the price competition typical in the mass-produced daily necessities industry. I also believe it fosters stakeholder understanding and trust, from which we derive both tangible and intangible corporate value.

Our diverse workforce is engaged in a united effort to actively implement initiatives that will advance our business and the sustainability of the planet as we become a Group that will be respected by generations 100 years in the future.


Tetsuo Komori
Representative Director, CEO
FineToday Holdings Co., Ltd.

*¹ The world's largest sustainability assessment platform with more than 150,000 companies rated across 185 countries.
*² An annual contest by the Japan Packaging Institute that promotes the development and use of packaging and packaging technologies contributing to daily life, culture, and social needs. Products are evaluated across 11 categories, including appropriate packaging and environmental compatibility, preservation, and conservation.



Purpose

Our purpose is to enrich the lives of everyone today and for generations to come, one fine day at a time.

Our inherited Aesthetic Intelligence and expertise enables us to help people feel more alive every day.
Our products and services bring wellness to the mind and body as well as the environment.
Our team embodies truth, goodness, and beauty, and acts as one for the benefit of people and the planet.

Values



We strive to delight our customers, providing exceptional products and services tailored to their daily lives. We work together as one united and agile team to anticipate and meet our customers' true needs wherever they are.



We are committed to continuing our inherited tradition of "Aesthetic Intelligence." We are true to both people and the planet. We act with integrity, compelled to enrich present and future generations by bringing quality and comfort to their minds and bodies.

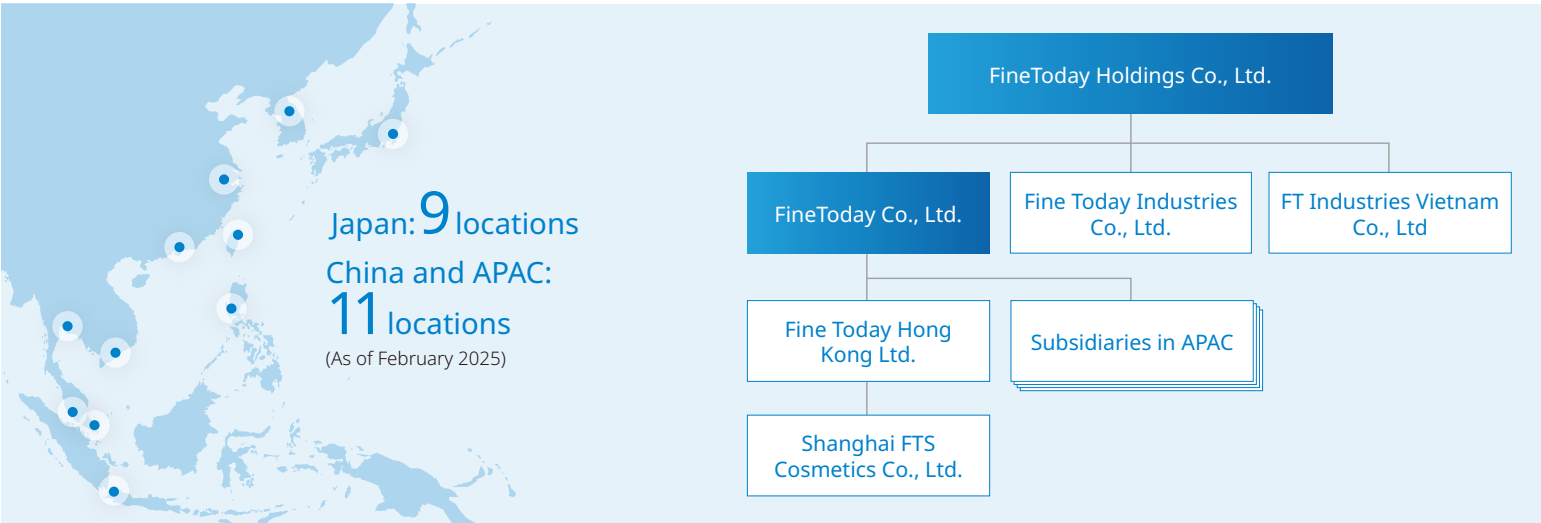


We challenge ourselves to generate ideas, experiment, and be open to new possibilities. We embrace diversity and inspire each other with different perspectives in pursuit of our purpose.

FineToday Group launched its business in July 2021 as a fabless manufacturer succeeding the personal-care businesses of Shiseido Company, Limited and FT Shiseido Co., Ltd., through an absorption-type company split.

In 2023, we acquired of Shiseido Vietnam Inc. along with its Kuki Factory and Vietnam Plant from Shiseido Company, Limited. We also established our own R&D facility, the FineToday Beauty Innovation Center, in Tokyo, Japan, and established our business structure integrating technology development, production, and sales.

Following our Purpose, the FineToday Group seeks to quickly and flexibly develop beautifying and enriching personal care products for consumers across Asia. We aim to be a glocal corporation that is a role model for advancing sustainable business practices in the Asia region.



The origin of our corporate logo & symbol mark

Our company name “FineToday” represents our commitment to delighting and enriching daily lives, and creating a world in which everybody can joyfully say “Today is a fine day.”
The letter “f” is arranged with the musical note ♪ to create a sense of dynamism and enthusiasm for a wonderful day.
The blue color represents the clear sky of a fresh new day.

Company profile

Company Name

FineToday Holdings Co., Ltd.

Location of Head Office

18F, Shinagawa Grand Central Tower, 2-16-3
Konan, Minato-ku, Tokyo, Japan

Representative

Tetsuo Komori
Representative Director, CEO

Our Business

Manufacturing, Sales and Marketing of
Personal Care Products, etc.

Date of Business Launch

January 1, 2023

Fine Today Industries Co., Ltd.



Fine Today Industries Co., Ltd. (FTI), which is responsible for FineToday Group's manufacturing functions, began operation in April 2023. FTI, whose predecessor the Shiseido Co., Ltd. Kuki Factory began operation in 1983, seeks to produce high-quality personal care products to beautify and enrich consumers' daily lives, with a thorough focus on Aesthetic Intelligence. In its manufacturing processes, it focuses on lessening environmental impact and maintaining safe, secure working environments, as a member of the local community. FTI has a worldwide presence in the FineToday Group, as it aims to develop an integrated business system from technology development through purchasing, manufacturing, sales, and marketing.

Location of Head Office	5 Kiyoku-cho, Kuki City, Saitama Prefecture
Site Area	Approx. 100,000 square meters
Business Areas	Manufacturing of personal care products, etc.
Certifications	• ISO 14001 • ISO 22716

FT Industries Vietnam Co., Ltd.



In December 2023, FineToday Holdings Co., Ltd. acquired Shiseido Vietnam Inc. (SVI), a wholly-owned subsidiary of Shiseido Company, Limited operating a factory in Vietnam. The acquisition was the Group's first overseas production base and fulfilled the Group objective to establish a fully integrated structure from technological development to production and sales. The structure was substantiated in name and reality in November 2024 with the adoption of the new company name FT Industries Vietnam Co., Ltd. (FTIV).

FTIV has been producing halal-certified products since 2012 and provides localized products meeting specific market and cultural needs in each Asia-Pacific (APAC) region. The company also improved its environmental performance with the installation of rooftop solar panels in August 2024, which provided approximately 20% of its power needs in FY2024.

Location of Head Office	Long Binh Industrial Park (Amata), Long Binh Ward, Dong Nai Province, Vietnam
Site Area	Approx. 70,000 square meters
Business Areas	Manufacturing of personal care products, etc.
Certifications	• ISO 14001 • ISO 45001 • Halal certification

FineToday Beauty Innovation Center



The FineToday Group established the FineToday Beauty Innovation Center in July 2023 as an urban laboratory for research and development of personal care products. Located in Toyosu, Koto, Tokyo, the center is easily accessible from the FineToday Head Office in Minato, Tokyo, and the production center FineToday Industries in Kuki, Saitama. The tight collaboration between the Group's brand marketing, production, and sales functions and the active communication with the R&D department enables us to accelerate innovation of new value to deliver to customers.

Location of Head Office	MEBKS TOYOSU, 6-4-34 Toyosu, Koto-ku, Tokyo
Site Area	Approx. 1,100 square meters
Function and Role	Research and development of personal care products

Providing daily beauty products to enrich people’s lives as a glocal company in Asia

FineToday Group delivers high-quality personal care products based on an understanding of consumers’ essential needs. Demonstrating a frontier spirit based on our Aesthetic Intelligence, we aim to become Asia’s No.1 daily beauty product company.



Consolidated net revenue
More than
JPY **100** billion (FY2024)

Percentage of
revenue from overseas
Over **50**% (FY2024)

Group employees

Approx. **2,300** (As of December 31, 2024)

Percentage of
employees overseas*
Approx. **45**% (FY2024)
* Employees outside Japan

Percentage of
women employees
Japan **50**% China **70**% APAC **70**% (As of December 31, 2024)

Building Strong, Diverse Brands That Last

FineToday Group products are more than everyday essentials—they are daily beauty rituals that spark joy and enrich everyday life, earning the trust and loyalty of our consumers.

Our UNO Face Color Creator (BB Cream for Men), for example, which commands 88%* 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, 2024 to December 31, 2024



+t m r



fino



TSUBAKI



SENKA



uno



Ag+



SEA BREEZE



KUYA



SUPER MILD



AQUAIR
水之書話



MA CHÉRIE



HADASUI



ウォーターインリッパ



水分ヘアパック



FRESSY



ハンド・ケア
シリーズ



HG



プリベア



ヤングバブル



ボアソ
かみそり

In line with our purpose “To enrich the lives of everyone today and for generations to come, one fine day at a time,” we at FineToday Group work to identify our key issues (material issues) in order to promote sustainability management and strive to resolve social issues through our business activities. As one aspect of these efforts, we participate actively in international initiatives. Our sustainability activities also are evaluated by an external organization.

Participation in external initiatives

Task Force on Climate-Related Financial Disclosures (TCFD)

Endorsed in June 2022
FineToday



Task Force on Climate-Related Financial Disclosures (TCFD)

Consortium joined in December 2023
FineToday



Science Based Targets initiative (SBTi)

Certified for “1.5°C target” in January 2024
FineToday



Roundtable on Sustainable Palm Oil (RSPO)

Joined in April 2022
FineToday



Taskforce on Nature-related Financial Disclosures (TNFD)

Registered as a TNFD Adopter in July 2025
FineToday



Japan Clean Ocean Material Alliance (CLOMA)

Joined in May 2025
FineToday



Women’s Empowerment Principles (WEPs)

Signed in March 2022
FineToday



UN Global Compact

Signed in April 2022
Also joined Global Compact Network Japan at the same time
FineToday



External Evaluation

EcoVadis

In December 2024, FineToday Group earned a Gold Medal from EcoVadis. The Gold Medal is awarded to only the top 5% among companies evaluated. EcoVadis is the world’s largest sustainability assessment agency, with more than 150,000 registered companies in 185 countries.
FineToday Group



Cultural Diversity Index

In October 2024, the Company received Gold certification from CDI for its guidelines for cultural diversity initiatives and inclusion metrics, which cover ethnicity, race, skin color, culture, customs, language, and religion.
FineToday Group



Shareholder Voice

We are ongoing partners in the creation of sustainable value

Rebekah Earp — Managing Director, Asia, CVC Capital Partners

FineToday Co., Ltd. commenced its operations in July 2021, when Funds advised by CVC Capital Partners (CVC) carved out the Personal Care business from Shiseido. At CVC we work in close partnership with our portfolio companies to build better businesses. FineToday group has made many excellent and progressive achievements since its establishment. During this time, we have been delighted to see the brand adopt reusable and recyclable packaging; reduce GHG emissions in accordance with the SBTi. 1.5°C target, including solar power generation in Vietnam; and issue both sustainability and TCFD reports.

These have culminated in EcoVadis Gold medals for 2023 and 2024. As partners, we look forward to continuing to work with FineToday to create sustainable value for all stakeholders.

Eight Material Issues that FineToday Group is addressing to continually create value for all stakeholders

Principles of Governance

To become a presence trusted by all of our stakeholders.

Promotion of transparent, fair, and trustworthy governance

We will continue to strengthen our prompt, transparent, and effective corporate governance system, including the proper operation of our internal control system.

Creation of a corporate culture that realizes our purpose

In fulfilling our Purpose, we will build a corporate culture where business growth and ESG improvement are core pillars of management.



Planet

To halve our environmental impact throughout our value chain.

Response to climate change

We are implementing initiatives to lower CO2 emissions from our business activities and to increase sales of our environmentally friendly products to reduce emissions beyond our own operations.

Conservation of the natural environment and biodiversity, and realization of a circular society

We will construct a sustainable business model that has low environmental impact throughout the value chain and that uses natural resources effectively.



People

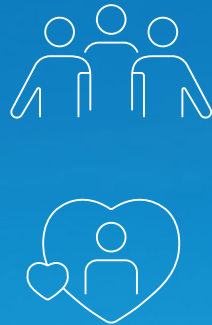
To respect all people and deepen our relationships.

Respect for human rights, and promotion of DE&I in the value chain

We respect the fundamental human rights of all people in our value chain and support the creation of a society that is inclusive and supportive of diverse values, ideas, and personalities.

Improvement of employee well-being

We will continue to develop and expand a comfortable work environment and systems so that every employee pursue a physically, mentally, and socially fulfilling professional career.



Prosperity

To provide a wonderful day to as many people as possible.

Innovation to beautify and enrich everyday life

We will continue to create new value that meets the diverse needs of consumers and provide beauty and richness to the mind, body, and environment.

Improvement of community well-being

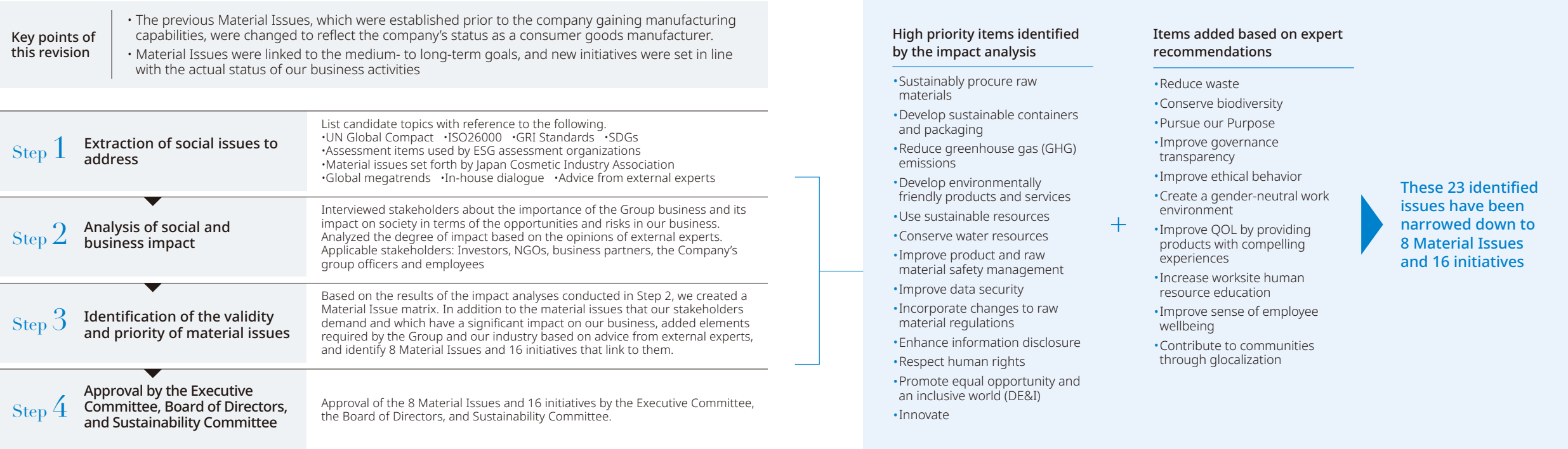
We will return technology, human resources, products, funds, and our other management resources to society to help create happy and flourishing communities.



Redefining Material Issues and our medium- to long-term goals in accord with our business activities as a manufacturer of daily beauty products

To improve the effectiveness of its Purpose-driven management and contribute to achieving the SDGs, FineToday Group redefined its 8 Material Issues and updated 16 initiatives in 2024 to better reflect international sustainability standards and guidance. We will periodically review and revise our sustainability activities as necessary in accordance with the trends in the international community and changes in the business environment.

Materiality identification process



Strategic KPIs and PDCA cycles for each Material Issue

Principles of Governance

Material Issues	Commitments	Initiatives	KPIs	Target value (Achievement year)	FY2024 results	FY2025 measures	Related Sustainable Development Goals (SDGs)
Promotion of transparent, fair, and trustworthy governance 	We will establish an effective corporate governance system with the aim of ensuring a transparent management structure capable of quickly addressing to the needs of all stakeholders, including customers, business partners, and shareholders. We will also work to strengthen our corporate governance through consistent and proper operation of our internal control system.	Strengthen governance, ensure compliance, and promote risk management	Number of serious compliance violations*1	No ongoing cases (per fiscal year)	0	- Implement compliance education and training - Formulate a BCP and strengthen measures against physical risks	
		Address information security and cyber security	Ongoing information security training and cybersecurity drills	No numerical targets (per fiscal year)	Training sessions: 1 Practice sessions: 3	- Hold information security training - Conduct targeted email attack and CSIRT practice drills	
	We will contribute to the creation of a safe and secure society where product reliability is guaranteed and risks are properly managed.	Promote activities to ensure product reliability	Number of serious quality-related incidents*2	No ongoing cases (per fiscal year)	0	Broaden the quality management system to China and Southeast Asia branch offices and increase quality assurance activities overseas	
Creation of a corporate culture that realizes our purpose 	Under the purpose of “To enrich the lives of everyone today and for generations to come, one fine day at a time,” we will continue to foster a corporate culture that contributes to the realization of a sustainable society through management that combines our business operations with the promotion of ESG measures	Provide each and every employee with opportunities to work toward our purpose	Percentage of positive responses on the Purpose and Vision in engagement surveys	88% (FY2030)	83.0%*3	Hold Group-wide meetings and other opportunities to think about our corporate Purpose	

*1 Events that harm public welfare and require external disclosure

*2 Number of serious health issues that must be reported to the Pharmaceuticals and Medical Devices Agency (PMDA)

*3 FineToday Holdings and FineToday employees

People

Material Issues	Commitments	Initiatives	KPIs	Target value (Achievement year)	FY2024 results	FY2025 measures	Related Sustainable Development Goals (SDGs)
Respect for human rights, and promotion of DE&I in the value chain 	We will share with all of our stakeholders our policy of respecting the basic human rights of all people in the value chain and of refusing to tolerate any human rights violations, and we will fulfill our responsibilities in this area in accordance with the United Nations Guiding Principles on Business and Human Rights, and other internationally accepted human rights principles.	Respect human rights, and ensure responsible value chain management	Execution rate of measures to appropriately address currently defined priority human rights risks*1	100% ongoing (per fiscal year)	100%	- Continue human rights due diligence - Conduct in-house training sessions to raise human rights awareness	  
	We will contribute to the realization of a society where people with diverse values and ideas are able to fully demonstrate their individuality and abilities regardless of skin color, gender, social, cultural or geographical background, living environment, religion and beliefs, physical characteristics, or any other trait, and where everyone is able to live in their own way.	Contribute to improving self-esteem and realizing a society where people can live in their own way through our products and services	Implementation rate of the DE&I assessment process when proposing new products*2	100% ongoing (per fiscal year)	—*3	Conduct thorough assessment processes and raise DE&I awareness	 
		Eliminate inequality based on gender, physical characteristics, nationality, etc. in the workplace	Percentage of engagement survey responses that were positive for acknowledgement of comments and opinions	90% (FY2030)	78.8%*4	Conduct evaluation training and 360-degree feedback for executives	 
			Percentage of women in management positions	35% (FY2030)	30.7%	Create a personnel system that supports active workplace participation by all workers	
Improvement of employee well-being 	In order to generate a high degree of vitality and ensure physical, mental, and social fulfillment for each and every employee, we will boost job satisfaction (joy and sense of achievement gained through work) and facilitate work comfort (internal environments and systems) to improve the well-being of employees.	Ensure occupational health and safety, and promote decent work environments	Percentage of engagement survey responses that were positive for rewarding work	80% (FY2030)	65.5%*4	Conduct training and global communication to foster aesthetic intelligence management and culture	 
			Number of serious occupational accidents	0 (per fiscal year)	0	Increase company injury and illness support and create an environment where employees can work with peace of mind	
		Develop human resources in the workplace	Percentage of engagement survey responses that were positive for opportunities for growth	80% (FY2030)	63.8%*4	Provide opportunities for collaboration and new experiences, such as in-house side jobs	  
			Percentage of employees who hold to our Values & Leadership Behavior (behavioral level)	95% (FY2030)	53.0%	Introduce behavioral assessments based on Leadership Behavior	

*1 Risks identified during human rights due diligence at the start and during the fiscal year
*2 Of the new products proposed within the target fiscal year, those that meet the company's internal DE&I requirements
*3 New KPI target beginning FY2025
*4 FineToday Holdings and FineToday employees

Planet

Material Issues	Commitments	Initiatives	KPIs	Target value (Achievement year)	FY2024 results	FY2025 measures	Related Sustainable Development Goals (SDGs)
Response to climate change 	We will reduce the volume of CO₂ emitted through our business activities by using renewable energy and installing energy-efficient equipment. We will reduce the volume of CO₂ emitted through the use of our products and services by providing eco-friendly products and promoting eco-friendly practices. We will reduce CO₂ emissions at the procurement stage by promoting supplier engagement and purchasing raw materials that emit low volumes of CO₂.	Reduce greenhouse gas (GHG) emissions	Scope 1,2 emissions reduction rate (compared to 2021)	42% (FY2030)	73%	Formulate a Group GHG Reduction Roadmap	
			Scope 3 emissions reduction rate (compared to 2021)	25% (FY2030)	Scope 3 emissions increased by 6% compared to 2021		
Conservation of the natural environment and biodiversity, and realization of a circular society 	We will build a sustainable business by helping to conserve biodiversity and reduce the burden on the natural environment, while also actively applying innovative technologies. We will eliminate all waste in our business activities and throughout the entire value chain, and promote the effective use of resources.	Sustainably procure raw materials (mainly palm oil)	Sustainable palm oil procurement	100% (FY2030)	- Conducted TNFD analysis - Continued membership in RSPO	- Publish a TNFD report - Receive RSPO SC certification - Create a palm oil procurement roadmap	
		Sustainable containers and packaging (mainly plastic)	Percentage of sustainable containers and packaging	100% (FY2030)	96%	- Revise the container and packaging guidelines - Establish a KPI management system	
			Reduction rate of petroleum-derived virgin plastic used in primary containers (Per unit compared to 2022)	25% or higher (FY2030)	3%	Formulate a Group medium-to long-term plan for reducing plastics	
		Conserve water resources in our production activities	Reduction rate of water intensity (compared to 2021): FTI	10% (FY2030)	21%	- Add total Group water consumption to disclosure data - Formulate a plan to reduce manufacturing sites water consumption	 
			Reduction rate of water intensity (compared to 2021): FTIV	10% (FY2030)	13%		

Prosperity

Material Issues	Commitments	Initiatives	KPIs	Target value (Achievement year)	FY2024 results	FY2025 measures	Related Sustainable Development Goals (SDGs)
Innovation to beautify and enrich everyday life	We will continue to create new value that meets the diverse needs of consumers through innovation, and bring beauty and wellness to mind, body, and the environment.	Provide unique value through thrilling brand experiences	Achievement rate of the top share in category segments	85% (FY2030)	75%	• Conduct promotions tailored to each product and region	
		Innovate to create diverse value	Provision of new value to global consumers, with a focus on Asia*1	At least once per fiscal year	—*2	Under consideration	
Improvement of community well-being	As a public institution in society, we aim to improve the well-being of local communities, and we will actively contribute to communities by making use of our technology, human resources, products, funds, and other resources in ways that benefit society.	Contribute and donate to local communities	Ongoing collaboration with NGOs, NPOs, public interest organizations, local governments, and other external partners	No numerical fiscal year targets	¥51 million	• Continue social contribution activities centered on local issues at each site	

*1 Including the creation of new brands and overseas rollout of existing products
*2 New KPI target beginning FY2025

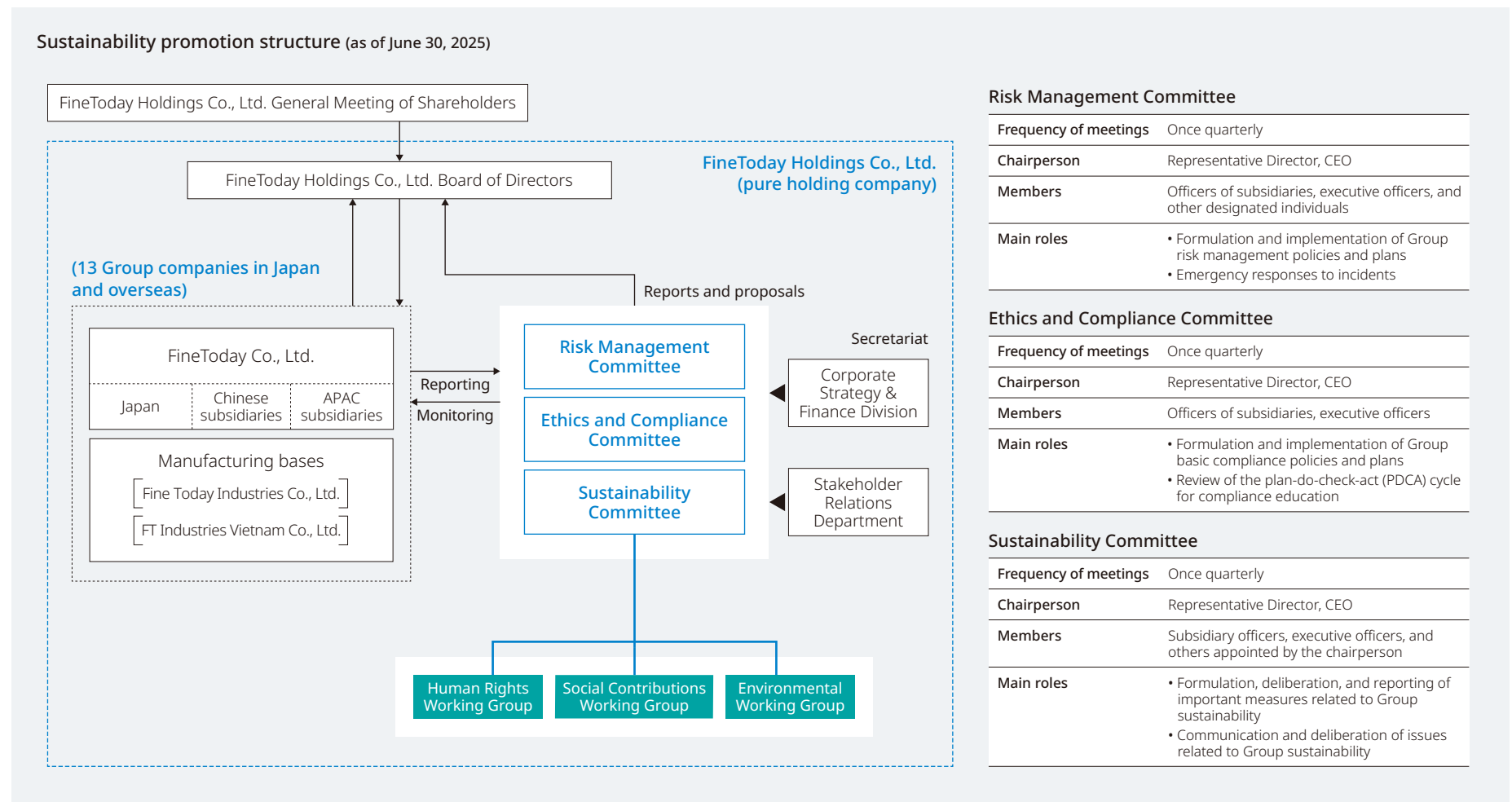
Developing a sustainability promotion structure in which top management plays a central role

The FineToday Group Risk Management Committee, Ethics and Compliance Committee, and Sustainability Committee, overseen by the FineToday Holdings Representative Director and CEO, are responsible for confirming and assessing business and sustainability risks and formulating sustainability policies and plans.

The Sustainability Working Group of the Sustainability Committee, performs a central role in activities such as following up on the sustainability action plans carried out by individual sections and formulating execution plans on important topics.

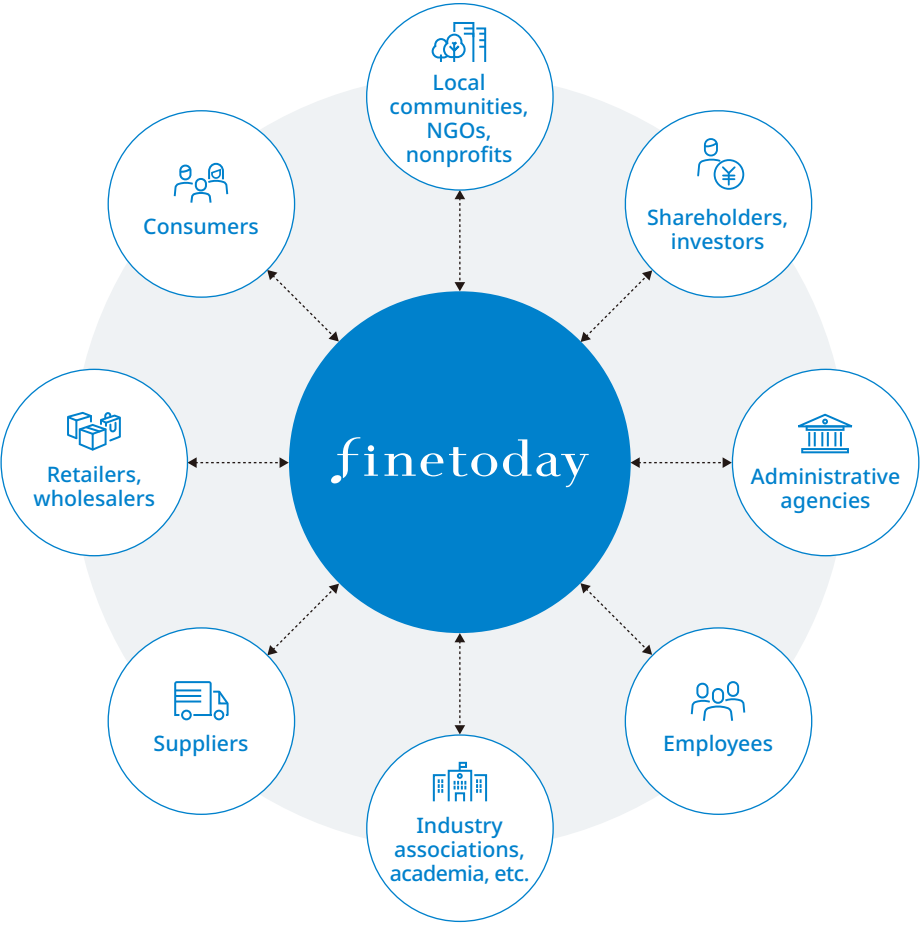
FineToday Group also has adopted a system that reflects sustainability indicators in decisions on remuneration for executives and division general managers.*

* The remuneration system includes performance-linked bonuses evaluated from the degree of achievement of sustainability indicators, which are set based on engagement survey findings and GHG emissions conditions. The Nomination and Remuneration Committee deliberates on the strategic use of officer nominations and remuneration to enhance the effectiveness of the Company's governance framework.



Reflecting stakeholder dialogue in sustainability activities

Consumers	FineToday Group is expanding its range of consumers contact through means such as consumer support desks and social media platforms. The Group rewards consumers' trust by listening with sincerity to their voices and reflecting them in quality management for its products and services. Dialogue methods and venues • Consumer support desks • Social media
Retailers, wholesalers	FineToday Group listens with sincerity to the voices of retailers and wholesalers and reflects them in product improvements, new-product development, and service improvements. Dialogue methods and venues • Briefings on new products and marketing • Meetings to share merchandising proposals • Product study meetings
Suppliers*	FineToday Group strives to enhance sustainable and responsible supply chains together with suppliers who share the vision of the FineToday Group Procurement Policy. Dialogue methods and venues • Concluding Master Purchase Agreement which incorporates items required in the FineToday Group Supplier Code of Conduct * Packaging materials, raw materials, OEM and ODM suppliers
Industry associations, academia, etc.	FineToday Group works with industry associations to promote the sustainable development of society and the industry. Dialogue methods and venues • Participation in councils organized by industry associations • Information collection and opinion exchanges • Dialogue with outside experts



Local communities, NGOs, nonprofits	As a good corporate citizen, FineToday Group actively participates in the activities of local communities, NGOs, and nonprofits, to help realize a sound, sustainable society and environmental solutions. Dialogue methods and venues • Activities to contribute to society in accordance with the FineToday Group Corporate Citizenship Policy • Cash and product donations • Volunteer activities • Sharing comments about our activities and from donation recipients
Shareholders, investors	We seek to enhance our corporate value by disclosing information and engaging in dialogue to build trust and interest in FineToday. Dialogue methods and venues • Information collection • Exchange of opinions • Information disclosure • Overseas investor meetings
Administrative agencies	In addition to complying with applicable laws, regulations, and rules in each country and region, FineToday Group cooperates with administrative agencies to contribute to solutions to social issues and to sustainable development in the international community. Dialogue methods and venues • Exchange of opinions • Cooperation in events organized by local governments and others
Employees	FineToday Group aims to be an organization in which diverse people can leverage their individual strengths to thrive on their own, regardless of gender, nationality, religious belief, disability status, and sexual orientation. Dialogue methods and venues • Engagement surveys • Internal whistleblowing systems, hotlines • Leadership development • Values and Leadership Behavior internal promotion, global communication conferences

Environmental

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FineToday Group Basic Environmental Policy

Establishment of the Basic Environmental Policy

The FineToday Group established the FineToday Group Basic Environmental Policy in 2023 to provide a clear statement of the basic principles and action guidelines for Group initiatives to protect the environment. The policy sets the priority areas for our environmental initiatives as climate change, biodiversity, water, a sound material-cycle society (circularity), and air and chemicals management.

FineToday Group Basic Environmental Policy

Basic Philosophy

• **Realization of a Sustainable Society**

We in the FineToday Group believe in the importance of balancing our business activities with conservation of the global environment so that we may pass on a beautiful global environment to future generations. Through our personal care products, we strive to provide people all around the world with a fine day, and at the same time, we are contributing to the realization of a sustainable society by working to protect the global environment through our business activities in order to beautify and enrich the lives of those in future generations.

• **Corporate Social Responsibility**

We in the FineToday Group recognize the social responsibility that we bear as a company, and in addition to complying with laws, regulations, and international rules aimed at conserving the global environment, providing our employees with environmental education, and collaborating with local communities, we also intend to proactively disclose information and engage in other forms of environmental communication.

Action Agenda

• **Priority Areas and Basic Approach**

(1) Initiatives in Response to Climate Change

Through our business activities and value chain, we work to promote

energy-efficiency and reduce greenhouse gas emissions, which cause climate change.

(2) Initiatives in Biodiversity Conservation

We work to assess the impact of our business activities and value chain on biodiversity and endeavor to reduce any negative effects in order to promote sustainable use of natural capital in harmony with nature.

(3) Sustainable Management of Water

Through our business activities and value chain, we engage in sustainable use and management of water resources, in regard to both water withdrawal and water discharge.

(4) Initiatives in Realizing a Sound Material-Cycle Society (Circularity)

In order to promote sustainable consumption, we contribute to the realization of a circular economy through appropriately managing and efficiently utilizing resources as well as through reducing waste in our business operations, product usage, and product life cycles, including used product packaging.

(5) Air Quality Control and Chemicals Management

We strive to reduce our environmental impact and prevent pollution by reliably managing the chemical substances used in our business activities and value chain.

• **Environmental Management System**

We in the FineToday Group have established an environmental management system and intend to work continuously to maintain and improve this system through application of the PDCA cycle.

Our responses to climate change

Basic policy

In line with our Basic Environmental Policy, the FineToday Group strives to fulfill its social responsibility to protect the environment and help realize a sustainable society.

The Material Issues “Fine Today & Tomorrow” designates addressing climate change issues as a priority area, and we are making climate change initiatives a management priority.

Our responses to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

In June 2022, FineToday announced its support for the TCFD recommendations and conducted scenario analysis to assess climate change-related risk and opportunity impact on corporate management. The analysis results and other information were published in the TCFD Report issued in March 2023.

FineToday also joined the TCFD Consortium (see p. 11) in December 2023 and continues to promote climate change measures.

Website

TCFD Report
https://www.finetoday.com/en/uploadimages/FineToday_TCFDreport2023.pdf

Science-Based Targets (SBT)

FineToday is committed to reducing greenhouse gas (GHG) emissions throughout its value chain. We have set 2030 targets to reduce the company's greenhouse gas emissions*1 compared to 2021 by 42% and our total indirect emissions*2 (including the value chain) by 25%. The Science Based Targets initiative (SBTi) has validated our targets for its Business Ambition for 1.5°C.

To achieve the Fine Today & Tomorrow 2030 objectives, we will continue monitoring Scope 1, 2, and 3 GHG emissions (see p. 69) and are formulating detailed plans for reducing emissions over the medium and long term.

*1 Direct emissions (Scope 1) from the company's own fuel use and industrial processes and indirect emissions (Scope 2) from electricity and heating purchased by the company

*2 Other indirect emissions (Scope 3) from business activities and the value chain

Environmental initiatives at the Vietnam Factory

The Vietnam Factory installed rooftop solar panels in 2024, raising its annual renewable energy usage to approximately 40%. The factory has also put in place a Central Energy Monitoring System, brought over from Japan. The system helps minimize energy consumption by providing visualization of energy usage and enabling meticulous energy monitoring and control.

The factory has also improved the water usage system in its production activities to better conserve resources and reduce water stress. During the four months from August to December, the system helped reduce water usage by approximately 2,700 cubic meters.

We will continue examining and advancing environmental measures, such as ISO 14001-based initiatives, to lower the factory's power consumption and continue the transition to renewable energy sources.



Our responses to climate change

— Priority items

Risk

	Item	Overview	Financial Impact*1			Timeframe*2		
			Sales Item	Expense Item	Investment Item	Short-term	Mid-term	Long-term
Physical Risk	Large Typhoon, Heavy Rain, Flood	Delay of transportation caused by supply chain segmentation, loss of sales opportunities, and loss of assets due to the product damage at logistics bases	Medium	High		✓	✓	✓
	Rising Mean Temperature	Decrease in demand for autumn and winter products	Medium				✓	✓
Transition Risk	Carbon Tax	Increase in transportation costs		Low-Medium			✓	✓
	National Climate Change Policy	Reducing carbon emissions in logistics, rising production costs, and increased cost due to decarbonization measures		Low-Medium			✓	✓
	Shift in Consumer Purchasing Towards Low Carbon Products	Costs increase due to the use of alternative raw materials and promotion of low carbonization of product lifecycle			Medium		✓	✓

*1 FineToday assesses the financial impact by sales, expenses, and investment items based on the annual profits and expenses using the criteria of “High,” “Medium,” and “Low.”

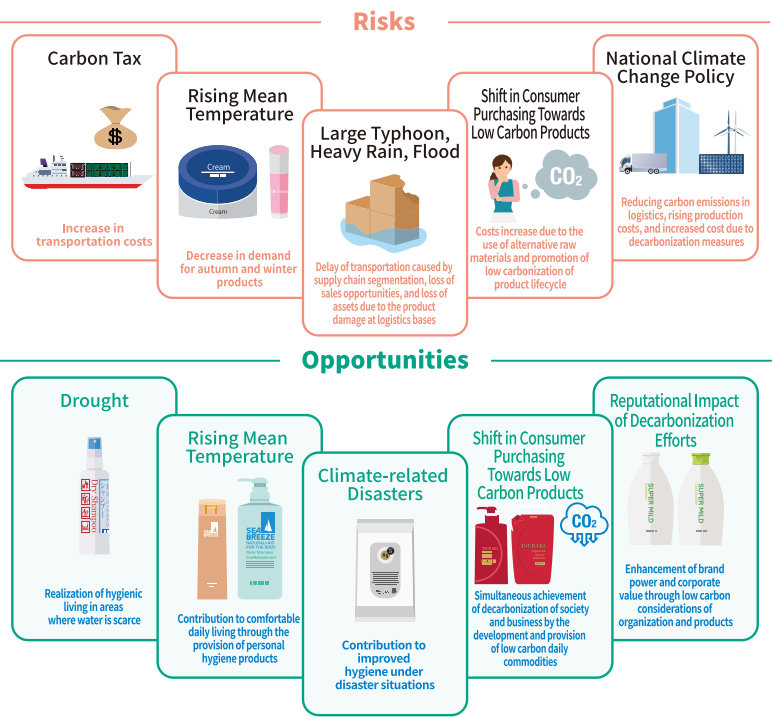
*2 FineToday specifies the timeframe as shown on the right. Short-term: 2022–2023 (The time of assessment) Mid-term: Around 2030 Long-term: Around 2050

Opportunity

	Item	Overview	Financial Impact*1			Timeframe*2		
			Sales Item	Expense Item	Investment Item	Short-term	Mid-term	Long-term
Physical Risk	Climate-related Disasters	Provision of products that can be used during disasters	Low-Medium	High				✓
	Drought	Increased demand for products that do not require water	Low-Medium					✓
	Rising Mean Temperature	Increased demand for personal hygiene products	Low-Medium				✓	✓
Transition Risk	Shift in Consumer Purchasing Towards Low Carbon Products	Increased sales resulting from the provision of low carbon products	Medium	Low-Medium				✓
	Reputational Impact of Decarbonization Efforts	Enhancement of brand power and corporate value through low carbon considerations of organization and products		Low-Medium			✓	✓

Our responses to climate change

Strategic thinking on climate change



FineToday collected and quantitatively assessed information on climate-related risks and opportunities. As a result, it has become clear that the physical risks of climate change associated with the increase of extreme weather events, such as large typhoons, heavy rain, and flood, are inevitable. However, overall trends have emerged indicating that climate change is not always necessarily negative for FineToday products.

Based on the scenario in which the average temperature will increase 1.5 or 2°C globally in the long term, we believe that it will become more important to promote the development of low carbon products along with the reduction of company-wide greenhouse gas emissions. In addition, we recognize that the importance of developing products that are helpful for people living under extreme weather conditions will increase based on the scenario in which average temperature will increase 4°C.

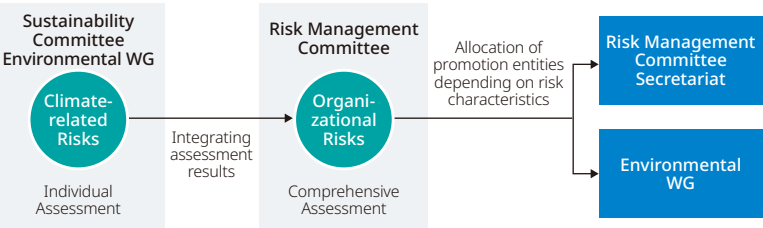
Climate-related risk management

The Risk Management Committee and the Environmental Working Group (WG) under the Sustainability Committee lead our measures addressing the five climate-related risks.

The only acute physical risk that was assessed as “short-term” and “high” is “large typhoon, heavy rain, flood.” Current measures are under way to separate our logistics warehouses into eastern and western regions and increase inventory levels. The Risk Management Committee is now in charge of addressing natural disaster risk in addition to leading our risk response for “rising mean temperature,” “shift in consumer purchasing towards low carbon products,” “carbon tax,” and “national climate change policy.”

We will continue advancing activities to bolster our resilience to climate-related risks and disclose relevant information in accordance with the TCFD recommendations.

Responses to climate-related risks in which the Risk Management Committee plays a central role



(As of May 2025)

Action towards a sound material-cycle society (circularity)

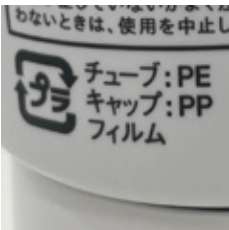
Basic policy

The FineToday Group established the FineToday Group Basic Environmental Policy to contribute to a sustainable society. Along with climate change, the Group has designated the realization of a recycling-oriented society as a key material issue, and is taking steps to promote the efficient use and reuse of resources.

In March 2025, the Group set a target to reduce the amount of petroleum-based virgin plastic used in its containers by at least 25% per unit of production by 2030, compared to 2022. We are working to build our business and create a sustainable society by continuing to increase our eco-friendly refillable products, provide larger-sized products, and incorporate sustainable materials.

Container and packaging initiatives

Pursuant to the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging, FineToday calculates annually the volumes of materials used in containers and packaging and sends materials to recycling operators as specified in the act. In addition, products provide information on the resources used in their packages to encourage recycling.



Initiatives for promotional materials

FineToday uses various promotional tools to support product sales by retailers. These promotional materials play important roles displaying products and communicating product information and product visions to customers on the sales floor.

Most promotional materials are disposed of after use, and some are disposed of without being used as planned. FineToday actively strives to reduce wastes of promotional materials and change the materials to be more environmentally friendly.

Reducing wastes of promotional materials

FineToday is committed to reducing the amount of waste generated from promotional and other materials.

• Activities to put unneeded materials to prompt disposal

For several years, FineToday has addressed the issue of inventories of promotional materials remaining unused over the long term by separating materials into those actively used and those not used as planned. Unused materials are disposed of through systematic monthly waste processing. This has helped to reduce inventories of promotional materials remaining unused over the long term and to cut wastes of promotional materials as a whole.

• Ordering promotional materials more efficiently

By nature, the volumes of promotional materials needed are not necessarily clear in advance. This can cause gaps between volumes of promotional materials produced and those actually used. In response, FineToday changed how Sales and Marketing cooperate, adopting a structure under which Sales, with their wealth of retail knowledge, decide on volumes of promotional materials. This helps to reduce waste by using promotional materials more efficiently.

Promoting resource recycling in logistics

FineToday and three other companies are engaging in a cooperative logistics initiative to reuse rented pallets used for trade between Japan and China. The initiative reduced the amount of disposable pallets used while also improving logistics efficiency by eliminating transshipment operations. This inter-industry cooperation improves resource efficiency, reduces environmental impact, and contributes to the creation of a circular economy.

Our responses to nature and biodiversity issues

Basic policy

In line with our purpose of “to enrich the lives of everyone today and for generations to come, one fine day at a time,” the FineToday Group has set “Fine Today & Tomorrow” as its Material Issues to address through 2030 in the four categories of “Principles of Governance,” “People,” “Planet,” and “Prosperity.” The “conservation of the natural environment and biodiversity” in the “Planet” category is deemed a critical focus area, and the conservation of natural capital is a priority action area for management.

Alignment with the Taskforce on Nature-related Financial Disclosures

FineToday supports the principles of the Taskforce on Nature-related Financial Disclosures (TNFD)* and registered as a TNFD Adopter in July 2025.

* TNFD is an international network of private companies and financial institutions cooperating to establish a framework to assess and disclose risks and opportunities for natural capital and biodiversity. The TNFD was officially established by the United Nations Environment Programme Finance Initiative (UNEP FI), the United Nations Development Programme (UNDP), the World Wide Fund for Nature (WWF), and Global Canopy (NGO in England) in June 2021.



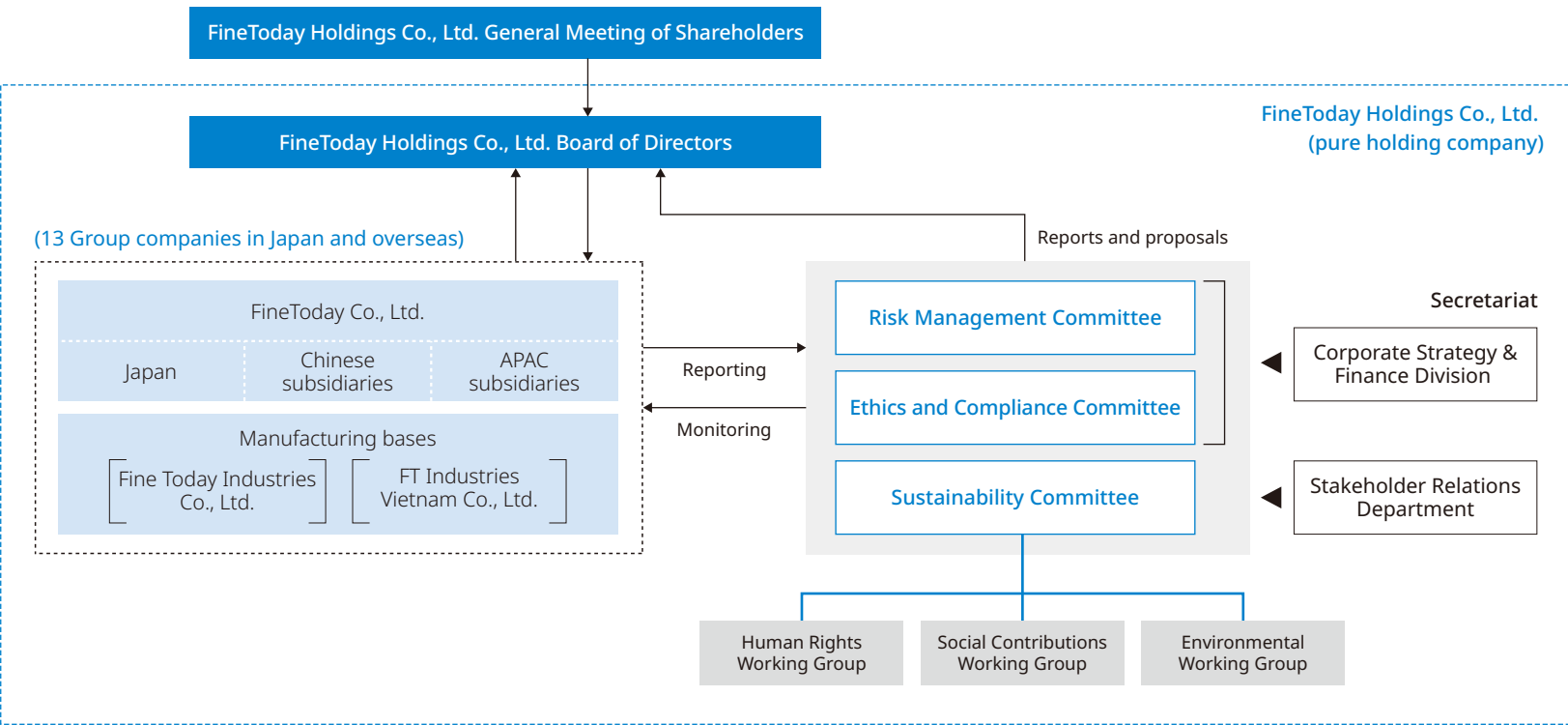
Website **TNFD Report**
https://www.finetoday.com/en/uploadimages/FineToday_TNFD-Report_2025_EN.pdf

Governance

FineToday promotes initiatives for natural capital conservation established by the Sustainability Committee, whose meetings are held quarterly each year. The Sustainability Committee meetings are chaired

by the President and CEO, and attended by the heads of each division with the goal of forming, deliberating, and reporting measures, policies, and strategies to address environmental issues, including natural capital conservation. Important issues identified by the Sustainability Committee in its discussions and reported to the Board of Directors.

— Sustainability promotion structure (as of June 30, 2025)



Our responses to nature and biodiversity issues

Strategy

Impact and dependence on nature

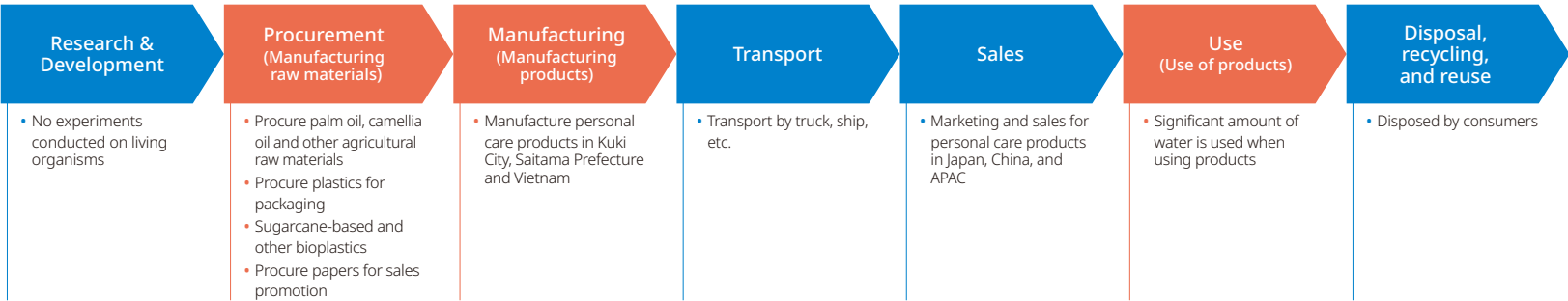
The 15th Convention on Biological Diversity (COP15), held in December 2022, adopted new global goals on biodiversity to be achieved by 2030 and 2050.

FineToday uses the TNFD framework to understand the relationship between its operations and the natural environment in line with current global trends. The Company follows the LEAP approach to assess its impact and dependence on nature as well as related risks and opportunities with the aim of becoming a “nature positive” organization.

Scoping

To determine the scope of the LEAP assessment, FineToday decided to consider its value chain and examine “procurement

(raw material production),” “manufacturing products,” and “use of products,” all of which are considered to have a significant relationship with natural capital.



Our responses to nature and biodiversity issues

Locate: Discovery of touchpoint with nature

Using ENCORE, a tool to assess nature-related risks and impacts on nature that individual sectors are exposed to, we clarified the impacts and dependencies on natural capital by individual sectors associated with the FineToday value chain. “Manufacturing raw materials” was assessed with ENCORE’s tool for large-scale rainfed arable crops, and “manufacturing products” was assessed with its tool for personal products. Since there was no appropriate classification, “use of products” was assessed uniquely using a method established by us.

Evaluate: Evaluation of dependencies and impacts

Based on the impacts and dependencies assessment by ENCORE, we examined those included in the FineToday value chain. In regard to “use of products,” we assessed impacts only since no dependencies were expected.

Assess: Assessment for risks and opportunities

We examined items assessed as “medium” for impacts and dependencies of “manufacturing raw materials,” “manufacturing products,” and “use of products” to comprehensively understand the state of transition risks (policy and legal risks/ market risk/ technology risk/ reputation risk), physical risks (acute risk/ chronic risk), corporate performance opportunities (markets/ capital flow and fund procurement/ resource efficiency/ products and services/ reputational capital/ resilience), and sustainable performance opportunities (sustainable

use of natural resources/ ecosystem conservation, restoration, and regeneration), and identified material risks and opportunities.

Impacts on natural capital in value chain

	Input (Use)		Output (Pollution)					
	Use of terrestrial ecosystem	Use of water	GHG emissions	Non-GHG air pollutants	Water pollutants	Soil pollutants	Solid waste	Microplastics
Manufacturing raw materials		NA	NA	NA			NA	NA
Manufacturing products	NA							NA
Use of products	NA			NA	NA	NA		
Materiality								

* Since “manufacturing raw materials” is indirect involvement, only those items evaluated as “high” were assessed with the ENCORE tool.

Value chain dependencies on natural capital

	Direct physical input			Promotion of manufacturing			Mitigation of direct impacts					Prevention of collapse	
	Textile and other materials	Ground water	Surface water	Pollination	Soil quality	Water circulation	Buffering and attenuation of mass flows	Climate regulation	Dilution by atmosphere and ecosystems	Disease control	Hazardous substance control	Flood and storm protection	Mass stabilization and erosion control
Manufacturing raw materials	NA	NA	NA						NA				
Manufacturing products				NA	NA	NA	NA	NA		NA	NA	NA	NA
Materiality													

* Since “manufacturing raw materials” is indirect involvement, only those items evaluated as “high” were assessed with the ENCORE tool.

Our responses to nature and biodiversity issues

Prepare: Preparation for responses and reports

We sorted responses to material risks and opportunities regarding “manufacturing raw materials,” “manufacturing products,” and “use of products” identified through assessment using the SBTN’s AR3T framework, and identified priorities as shown below:

– Manufacturing raw material

Classification (Risks/Opportunities)		Expected Risks and Opportunities	Priority Responses
Transition risk	Policy	Increasing the costs of countermeasures due to the expansion of regulations such as EUDR, and increasing difficulty in procurement	Promoting procurement of environmentally-friendly raw materials such as RSPO certified palm oil, etc.
	Market	Decreasing the sales of products that are non-compliant with RSPO certification, etc.	
	Reputation	Reputational damage due to the continued use of palm oil resources despite its effect on deforestation	
Opportunity	Market	Increasing demand for products that are made from sustainable raw materials certified by RSPO, etc.	Decentralized procurement
	Reputational capital	Reputational benefit through the use of sustainable raw materials	
Physical risk	Acute	Increasing costs due to damage to agricultural products caused by flooding and other natural disasters	Promoting raw material procurement through regenerative and organic agriculture
Opportunity	Market	Increasing demand for products made from raw materials produced with attention to reducing pollution, such as environmentally-friendly agriculture	Reputational benefit through the use of raw materials produced with attention to reducing pollution
	Reputational capital	Reputational benefit through the use of raw materials produced with attention to reducing pollution	

– Manufacturing product

Classification (Risks/Opportunities)		Expected Risks and Opportunities	Priority Responses
Transition risk	Policy	Increasing cost of countermeasures due to the need for reducing water use	Increasing water-use efficiency in manufacturing process/ reuse of water
Opportunity	Resource efficiency	Improving the business continuity and reducing costs through the improvement of water-use efficiency	
Transition risk	Policy	Increasing costs due to the need for visualization and the reduction of GHG emissions	Reducing GHG emissions in the manufacturing process
Opportunity	Market	Increasing demand for low-carbon footprint products	
	Resource efficiency	Decreasing costs by reducing GHG emissions and implementing other energy-saving measures	
	Reputational capital	Reputational benefit from reducing GHG emissions	Reduction of waste in the manufacturing process
Transition risk	Policy	Increasing costs due to the need for waste control	
Opportunity	Resource efficiency	Decreasing costs by reducing waste in the manufacturing process	Reduction of pollutants in the manufacturing process
Transition risk	Policy	Increasing costs due to the need for pollutant control	
Opportunity	Resource efficiency	Decreasing costs by reducing pollutants in the manufacturing process	

– Use of products

Classification (Risks/Opportunities)		Expected Risks and Opportunities	Priority Responses
Opportunity	Market	Increasing costs due to the need for reducing water use	Development of products that do not require water or that require less water when using
	Reputational capital	Improving business continuity and reducing costs through the improvement of water-use efficiency	
Transition risk	Policy	Increasing costs due to the need for visualization and the reduction of GHG emissions	Development of products that do not use require hot water or use low-temperature warm water
Opportunity	Market	Increasing demand for products that do not require hot water when using	
	Capital flow and fund procurement	Support from financial institutions for GHG emission reduction	
	Reputational capital	Reputational benefit from reducing GHG emissions	

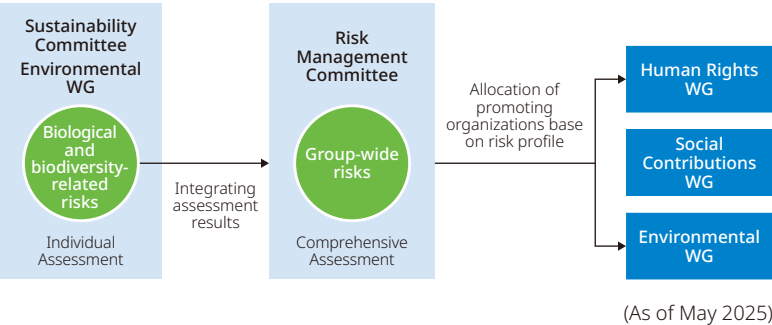
Our responses to nature and biodiversity issues

Management of risks and opportunities

As the business environment surrounding companies has become diverse and complex, FineToday identified the “integration of risks and opportunities” as a material issue, and appropriately manages intangible factors that interfere with the improvement of corporate value, including those related to natural capital, Group-wide under the supervision by the Risk Management Committee, which holds meetings four times a year.

The Sustainability Committee assess the risks and impacts related to natural capital to identify them and provide appropriate management. The processes for identifying and managing natural capital-related risks are integrated with the organizational risk management processes by the Risk Management Committee.

— Risk Management Committee oversees nature capital risk response



Fine Today Industries environmental initiatives

The FineToday Group’s manufacturing company Fine Today Industries (FTI) is committed to reducing the environmental impact of production processes as part of its responsibility as a member of the local community.



Futa 21 hybrid wind- and solar-powered street lighting, a symbol of FTI’s environmental initiatives (installed in December 2010)

Continual improvements to environmental activities based on ISO 14001

In 1997, when it was operating as the Kuki Factory of Shiseido Co., Ltd., FTI was the first facility in the cosmetics industry in Japan to earn ISO 14001 certification. By running through a plan-do-check-act (PDCA) cycle based on ISO 14001, it strives to enhance its environmental management structure and continually reduce its environmental impact.

It continues to maintain ISO 14001 certification through annual regular maintenance review and update review every three years, both conducted by external agencies.

Compliance with environmental laws and regulations through a periodic checking structure

The manufacturing sections, whose activities involve larger environmental impacts, play leading roles in assessment of compliance with environmental laws, regulations, etc., based on ISO 14001, to ensure thorough compliance.

Promoting education and training to raise employees’ environmental consciousness

FTI provides a wide range of environmental education and training for employees. By raising the environmental awareness of each and every employee involved in diverse activities in each section, it aims to lessen its environmental impact while also maintaining and building positive relations with the local community.

Main education and training topics at FTI

- Sharing results and plans for environmental management, including protection of energy sources and responding to climate change
- FineToday Group Corporate Philosophy, FTI Environmental Policy
- Requests for cooperation in waste segregation, energy conservation, and paperless operations
- Raising awareness of measures to prevent outflows of raw materials and chemicals off site
- Requests for cooperation in refraining from idling vehicle engines

Reducing CO2 emissions through systematic environmental investment

FineToday Group has identified protecting the “Planet”—our natural environment—as a key material issue and a core focus of its sustainability efforts. FTI is also engaging in systematic investment aimed at reducing CO2 emissions.

Upgrading cogeneration systems

In 2012, FTI upgraded the gas-turbine generator system it had adopted in 2001 to a power-generation system based on two gas-engine generators. Waste heat generated by this system is used to produce hot water and steam for use in manufacturing areas. Stable operation of this generation system also supports manufacturing with little energy loss. It also makes it possible to secure power supplies even in the event of a prolonged power failure or rolling blackouts due to natural disasters or other causes. During normal operations, the system generates 1,700 kWh of electricity, accounting for 41% of the factory’s total usage of 4,100 kWh.

— Capital investment and measures to reduce CO2

2012	• Upgrading from absorption chillers to heat-pump chillers • Upgrading cogeneration systems (two gas-engine systems)
2015	• Upgrading brine chillers • Changing method of connecting fluid supplies from semifinished-product tanks to filling lines (reducing CO2 emissions by using less hot water, through switching from automated pipe connectors to a process under which workers connect fluid supply hoses manually)
2016	• Upgrading the electrical substation for factory building no. 4 from standard oil-immersed transformers to super-high-efficiency oil-immersed transformers (three units)
2017	• Upgrading the production chillers in factory building no. 4 and switching to LED lighting in the building
2018	• Promoting use of LED lighting
2019	• Switching some electricity used to hydroelectric power (3,455 MW)
2022	• Switching all electricity used to hydroelectric power (target power: 9,799 MW) • Use of carbon-offset credits (J-Credits) (purchase of CO2 emissions credits) • Upgrading the electrical substation for factory building no. 5 to ultra-high-efficiency transformers • Upgrading the energy building’s compressor to an inverter-controlled compressor (one unit)
2023	• Updated the air conditioner systems in the filling and finishing rooms on the first floor of factory building no. 3
2024	• Upgrading the air supply system to the biological treatment tank in the wastewater treatment building from a roots blower to a turbo blower • Installing LED lighting in the energy building, pump building, exterior locations, and sections of factory building no. 5

Note: Measures prior to July 2021 are listed under Shiseido Co., Ltd. personal care business.

Focusing on waste reduction and appropriate control of chemical substances

In addition to ongoing efforts to reduce waste generated in manufacturing processes and the employee dining hall, FTI also properly controls harmful chemical substances used in its operations. It also carries out periodic environmental surveys in accordance with laws and regulations to prevent soil pollution and air and water pollution.

Waste reduction

- Each type of waste is treated in accordance with applicable environmental work procedures.
- Various shredders and compactors have been adopted in the Recycling Center on site, where some wastes are compacted and reduced for recycling as valuable resources.
 - FTI has adopted drum washers to wash the insides of polymer drums and composite packaging, previously disposed of as waste, so they can be recycled as valuable resources.
 - Food waste, produced mainly in the employee dining hall, is reduced through biotreatment in food-waste disposal equipment.

Control of hazardous wastes

- Waste batteries are disposed of properly by industrial waste processing vendors.
- Ex.: Primary batteries (alkaline and manganese batteries) are disposed of properly through a process of segregation and nonferrous smelting (zinc recovery)

Control of substances subject to the PRTR Act

- Pursuant to the Act on the Assessment of Releases of Specified Chemical Substances in the Environment and the Promotion of Management Improvement (PRTR Act), the names and quantities handled of specified chemical substances produced or used are reported to the Atmospheric Environment Department of the Saitama Prefecture Environment Bureau in June of each year.

Prevention of soil pollution

- A review conducted in FY2021 showed that soil pollution levels conformed to reference values. FTI renovates facilities such as the interior and exterior drainpipes of individual buildings and underground piping on the factory site in a timely manner.

Prevention of air and water pollution

- FTI has adopted equipment and technologies to reduce NOx and organic substances included in wastewater generated in manufacturing processes to within the reference values stipulated by laws and regulations and values agreed to with local governments. It measures NOx concentrations twice a year and soot and dust concentrations once every five years.
- FTI processes manufacturing wastewater through activated-sludge treatment in its wastewater treatment facilities, releasing it into the sewer system only after first treating it to conform to values specified by laws and regulations.

Prevention of noise pollution

- FTI thoroughly prohibits idling by delivery trucks and employees' personal vehicles on site.
- It measures noise levels on site boundary lines once a year. These measurements showed that reference levels continued to be satisfied in FY2024.



Horizontal recycling of release paper

FTI implements extensive measures to use resources efficiently and to reduce waste. One of our environmental initiatives is working with companies to create systems for recycling the release paper for point-of-purchase (POP) labels (stickers).

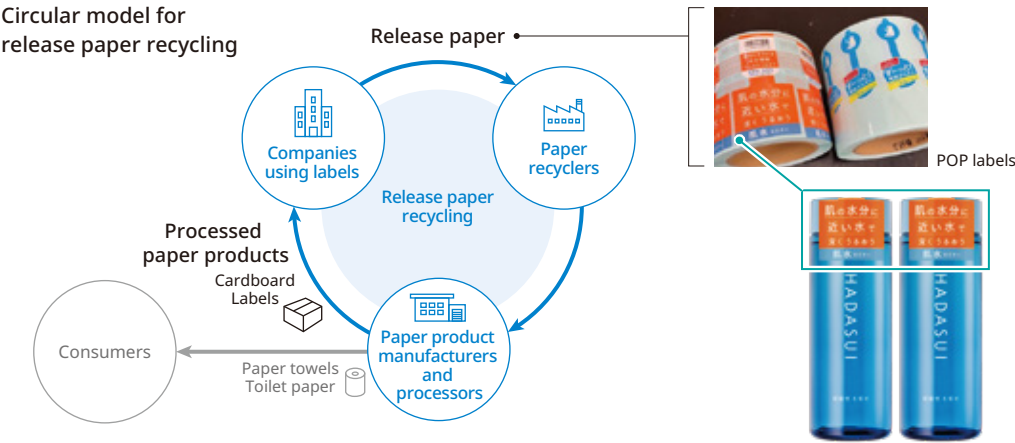
FTI had been paying the processing fees for release paper remaining after the client manufacturing processes and contracted collection of the paper as industrial waste (waste plastic). The release paper was then recycled as RPF (Refuse Paper & Plastic Fuel) by compressing the waste paper and plastic into fuel pellets for industrial use. RPF combustion produces 33% less CO₂ emissions than coal.

In June 2024, we began using the Japan Earth Conscious Labeling Association's (J-ECOL) circular-use model to recycle release paper into other paper products. The high-quality pulp used to produce release paper makes it an ideal resource for paper manufacturing, but the resource has been largely

untapped due to the lack of collection infrastructure. J-ECOL created a complete recycling structure in which its association member and partner companies collect and recycle the release paper into resources that paper product manufacturers and processing companies then recycle into cardboard, paper towels, and other products. FTI's horizontal recycling of release paper, which had been the main raw industrial waste material used as RPF, lowered the volume of waste material by eight tons in FY2024, and we expected the annual reductions of 20 tons beginning in FY2025.

FTI's shift from using recycled release paper as industrial waste mainly for RPF to using it as a resource for horizontal recycling back into paper products has not only lowered its disposal expenses but also reduced the amount of industrial waste it produces each year by close to 20 tons.

The FineToday Group is working to reduce the use of POP labels and to further reduce environmental impact.



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Quality assurance

Basic policy

The FineToday Group has established the FineToday Group Quality Assurance Principle, based on its Purpose and Values. This principle identifies the attitude and responsibilities for quality assurance in all stages from product design, research and development, manufacturing, distribution/logistics, and customer use.

The FineToday Group's quality assurance values

Customer Delight and Commitment to Quality

- We strive to delight our customers, providing exceptional products and services tailored to their daily lives.
- We work together as one united and agile team to anticipate and meet our customers' true needs wherever they are.

Quality management system

The FineToday Group is developing its own quality management system (QMS) to deliver products that will satisfy customers and earn their trust. The QMS will be utilized in governance based on objective decision-making in accordance with management reviews in each fiscal year.

Quality control at Fine Today Industries

Fine Today Industries, which handles the Group's manufacturing functions, strives to produce quality products by complying with Good Manufacturing Practice (GMP).

In addition to multiple inspections during manufacturing processes and testing using precision instruments, its highly experienced staff also assess products through sensory analysis. The plant interior is zoned by sanitation management level, strictly restricting the apparel that may be worn in and articles that may be brought in to each zone.



Product safety education and training

The FineToday Group shares information from customers inquiries with management and relevant sections on a daily basis and uses the information to raise internal awareness of product safety issues.

As a manufacturer and distributor of cosmetics and quasi-drugs, we have established rules and procedures to ensure the proper and smooth execution of quality assurance and safety control operations based on the Pharmaceutical Affairs Act. We also provide employees with education and training for legal compliance and quality control.

Responding to quality issues and product incidents

Quality issues and incidents concerning FineToday Group products are swiftly addressed according to rules, procedures, and related manuals.

R&D

Developing an R&D structure to meet glocal needs

Toward realizing a development structure as a glocal enterprise

Aiming to be a role model for a glocal enterprise in Asia, FineToday Group is making progress on development of an integrated business system covering activities from development of new technologies, products, and brands through manufacturing and sales. The aim is to continue supplying products and services to meet the diverse needs of consumers in the areas where it does business.

Since FY2021, FineToday's R&D Division has played a central role in building an R&D structure as part of these efforts. This division has formulated a three-year medium-term plan under which it aims to realize the R&D needed of a glocal enterprise in Asia, by FY2024, through systematic progress in areas such as enhancement of human resources and organizational reforms. In this way, FineToday Group is taking on the challenge of growing to be a business group that will earn the support of even more consumers in the personal care field.

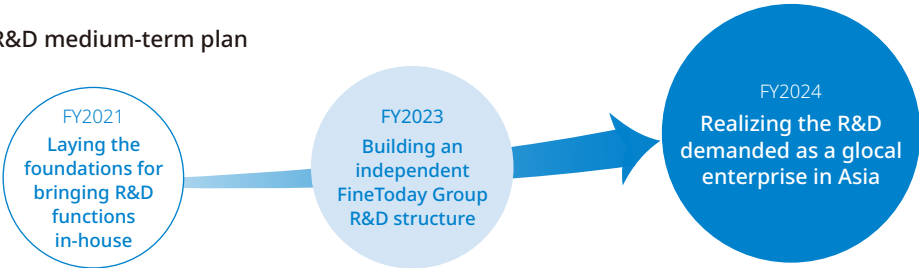


Overview of and progress on midterm plans

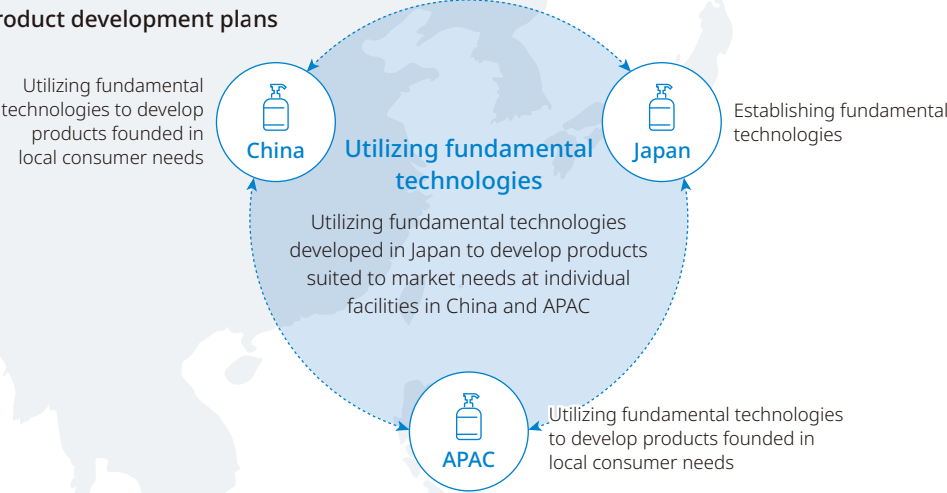
Approximately 60% of FineToday Group's sales come from the overseas markets of China and APAC. Currently, Group products consist of brands developed in the Japan market adjusted for overseas markets. In the future, however, the Group will aim to develop products and services better suited to consumers through thoroughly identifying and analyzing consumer needs in each country and region. The Group has identified as an important future goal the development of a structure under which facilities outside of Japan individually collect information on market needs and work together with the R&D Division in Japan to develop and supply unique products and services for each country and region.

The R&D Division's midterm plan identifies the themes of initiatives for each fiscal year based on this goal. In this way, the Group will move forward steadily on improving its R&D structure to meet glocal needs. FineToday Group has laid the foundations for building such an R&D structure in FY2022-2023, which it has identified as the period in which the Group will establish this structure. The Group has made enhancements to its people in charge of R&D, pharmaceutical affairs, quality assurance, technology, and intellectual property. It also is making progress in areas such as development of organizational structures and information systems in addition to securing the permits needed.

Topics of the R&D medium-term plan



— Global product development plans



Developing brand value and advancing Basic and Fundamental Research

To promote the medium-term plan in R&D, FineToday Group's R&D focuses on the central themes of Brand Value Development and Basic and Fundamental Research for future solutions. Brand value development aims to establish technologies to deliver to consumers FineToday Group's unique brand value, which has earned the trust of personal care markets, while valuing the brand value technologies inherited from Shiseido Co., Ltd.

In addition to product quality, safety, and features, the Group strives to generate sensual value through which consumers truly can experience the brand value of the products they use. For this reason, it is focusing on research

and development and enhancement of expertise to communicate this sensual value to consumers.

At the same time, it is vital to carry out Basic and Fundamental Research over the medium to long term to continue developing new products. In the cosmetics and pharmaceuticals industry in particular, which includes the personal care field, not a few companies leverage their own proprietary core technologies to develop products with competitive advantages. FineToday Group too will aim to develop technologies to contribute to further growth in China and APAC while enhancing the Group's resources such as its people and facilities.

Leveraging Group resources toward further growth

Currently, the R&D Division's staff includes researchers with backgrounds in various organizations, including raw-material producers as well as cosmetics manufacturers. This stimulating environment of interaction among people with such diverse backgrounds serves as an important strength in advancing development of products and services.

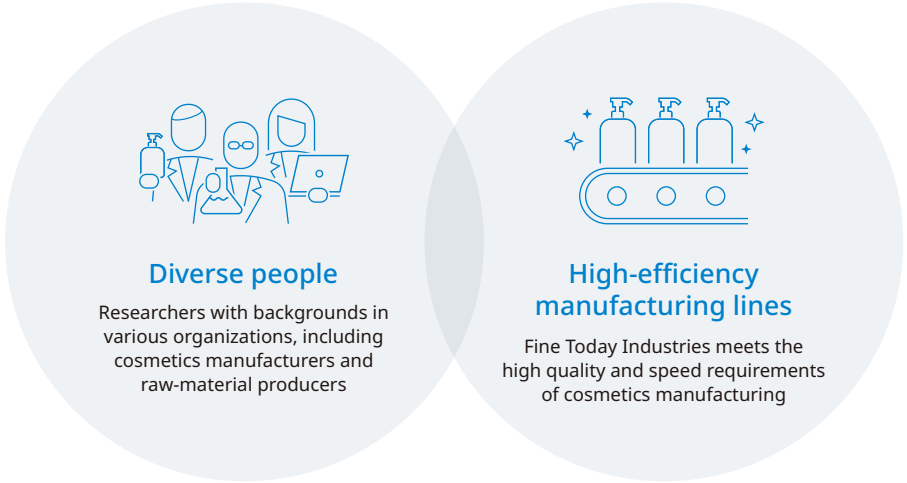
Fine Today Industries, which joined the Group in April 2023, satisfies the high quality and manufacturing-speed demands of cosmetics. It is capable of timely introduction of

products that reflect Basic and Fundamental Research and new ideas.

FineToday Group will strengthen collaboration and leverage its strengths to the maximum in accelerating innovation for growth and delivering value to consumers.



— The Group's strengths serving as the bases for delivering value



Giving consumers information they need

Basic policy

In accordance with FineToday's Purpose and Values, and with the FineToday Group Code of Conduct and Ethics (see p. 65), advertising, labeling, promotion, and other activities for FineToday Group products comply with applicable laws and regulations. All products sold to consumers are labeled accurately and advertised and promoted responsibly.

FineToday has established a quality control structure for product labeling to ensure that labeling conforms to applicable laws and regulations and is easy for consumers to read and understand. Staff devoted to checking the content of labeling and advertising participate in training programs led by regulators and in various seminars to be able to judge the quality of labeling in light of the latest legal interpretations and regulatory and societal trends. FineToday also discusses related matters with outside experts and consults with regulators as appropriate, striving to maintain and improve specialized abilities in this area.

Advertising initiatives

FineToday Group has established in-house rules calling for communication in line with the Standards for Proper Advertisement of Pharmaceuticals, etc., the Act against Unjustifiable Premiums and Misleading Representations, and guidelines for cosmetics

advertising from associations including the Japan Advertising Agencies Association, and WOM Marketing Association of Japan.

Closed captioning TV commercials

Closed captioning of TV commercials helps to communicate information to a wider range of viewers, including those with special hearing needs. The Japan Commercial Broadcasters Association's closed-captioning initiatives previously accepted closed-captioned TV commercials in only network and local broadcast time slots, but since October 2022 broadcasters have accepted closed-captioned TV commercials in all time slots.

In response, all of FineToday's TV commercials have been closed captioned since the new commercials for the haircare brand Tsubaki first aired on October 14, 2022.

Website

Closed-captioned TV commercials launched
<https://www.finetoday.com/jp/news/newsrelease/20221013/> (Japanese only)

Information on websites

FineToday Group communicates information on products and services via a wide range of media, including not only advertising but also owned media such as brand sites and official social media accounts as well as external media.

A Consumer Support page was added to the official FineToday website in June 2023. The page features frequently asked questions

(FAQs) and answers on each brand and product as well as information for contacting FineToday by toll-free calls, email, online chat, and social media. The new page entitled Our Commitment to Consumer Support added in December 2024 contains the mission and action guidelines of the Consumer Support Desk, a description of our consumer feedback process, and examples of our responses to consumer feedback.

Website

Consumer Support
<https://support.finetoday.com/hc/ja> (Japanese only)

Our Commitment to Consumer Support
<https://www.finetoday.com/jp/sustainability/customer/> (Japanese only)

Package initiatives

FineToday's in-house manual on legal requirements for product packaging ensures our products present information in full compliance with laws, regulations, and guidelines so consumers have a clear understanding of our products.

Labeling in the languages of the countries and regions where products are sold

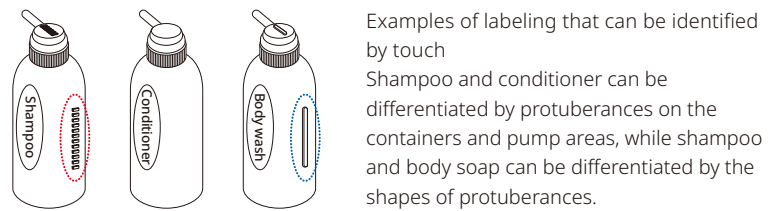
Information on subjects such as how to use products and their ingredients is labeled in local languages. FineToday strives to communicate the information consumers need in accordance with the laws and regulations of the countries and regions where products are sold.

Giving consumers information they need

Universal design

FineToday is promoting universal design of product packages based on Japan Cosmetic Industry Association guidelines and Japan Industrial Standards (JIS).

For example, containers of shampoo, conditioner, and body wash, which often come in similar containers and are used together in baths and bathrooms, feature labeling that can be identified by touch so that consumers with visual disabilities can use them with peace of mind. Products for China & APAC markets have similar labeling.



Voice of the Consumer in our products and services

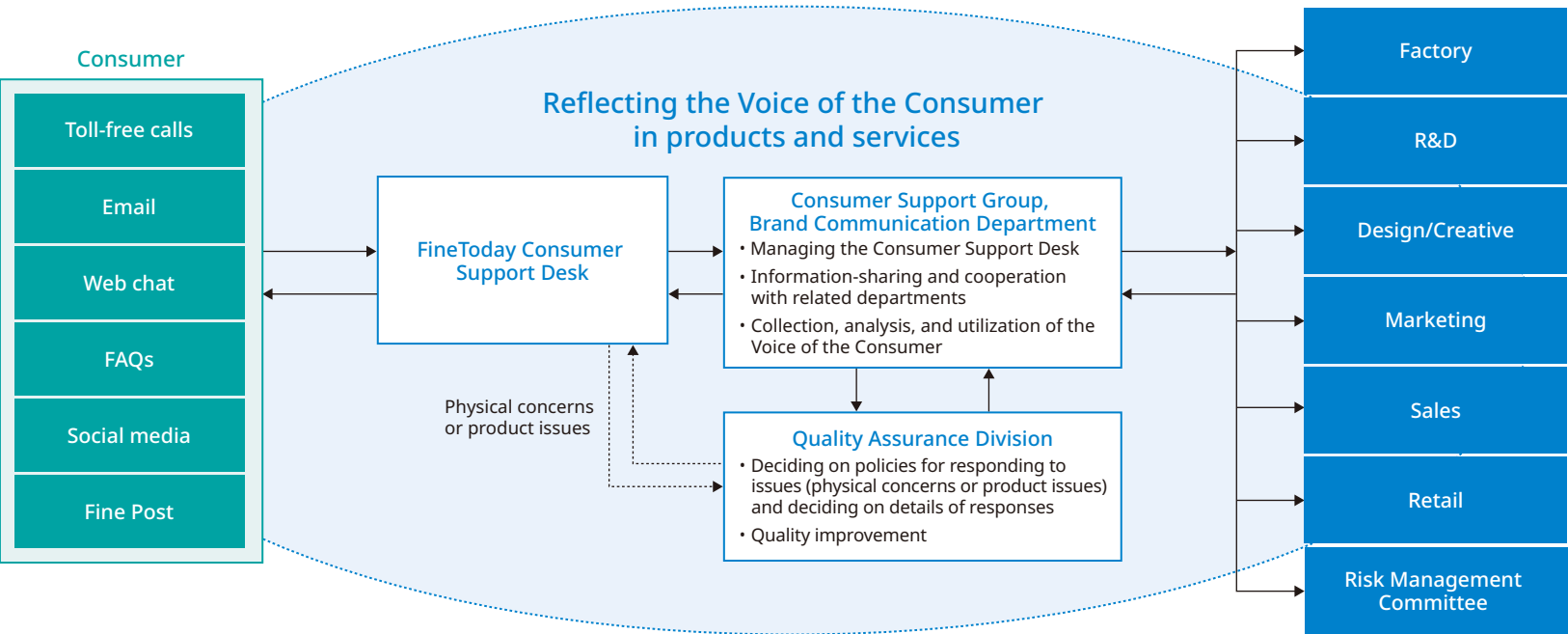
The FineToday Consumer Support Desk created in June 2023 responds to consumer questions and comments via toll-free calls, email, online chat, and social media in accordance with our mission of “Making Every Day a Fine Day by Listening and Responding to the Voice of the Consumer.” In March 2025, we added the new “Fine Post” contact channel that does not require a name or contact information so consumers will feel more free to send

comments and suggestions. The Voice of the Consumer (VOC) received through these contact points is shared with management and relevant sections on a daily basis to help us continue developing better products and improving our services.

We received fewer VOC inquiries in FY2024 than in the previous year. We believe the decrease is due to the expanded FAQ section on the Consumer Support page of the official FineToday website, which

has enabled more consumers to find answers on their own. As in the previous fiscal year, about 90% of the inquiries were questions about how to use or where to buy a product, while the other roughly 10% were categorized as “dissatisfaction” about product defects, lack of stock, or selection available, “requests” about making a product available again, or “compliments” about effectiveness of product.

— System to reflect the Voice of the Consumer in our products and services (as of April 2025)



Giving consumers information they need

We endeavor to promptly and diligently respond to consumer feedback and will continue seeking to provide an environment that makes it easy for consumers to contact us with questions and comments about our products.

Education and training on advertising and labeling

FineToday is committed to providing consumers with accurate and appropriate information and regularly conducts education and training sessions on advertising and labeling for employees in sales and marketing. Recent sessions include an in-house training session in October 2024 by the legal department on trademark considerations in company collaborations and a study session in February 2025 for labeling-related departments on the Act Against Unjustifiable Premiums and Misleading Representations.

- **Education and training plans for FY2024 and beyond (topics)**
 - Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices
 - Act against Unjustifiable Premiums and Misleading Representations
 - Voluntary codes of industry associations (guidelines on appropriate advertising of cosmetics and similar products), etc.

Respect for human rights

Basic policy

FineToday 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, FineToday Group has established the FineToday Group Human Rights Policy, based on the United Nations Guiding Principles on Business & Human Rights. It also has identified commitment to human rights as a Group material issue and strictly prohibits and calls for zero tolerance of various types of discrimination, mistreatment, and mental harassment under the FineToday Group Code of Conduct and Ethics (see p. 65).

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 life throughout the world and promote wellbeing by improving sanitation and bolstering physical and mental health. Consequently, 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 address and formulate corrective measures for priority human rights risks. The teams examine risk response strategies and ways to improve operations to prevent risk.

— FY2024 Human Rights Working Group training and discussion topics

Implementation date	Topic
March 2024	Human Rights Issues in the Workplace
May 2024	Sexual Harassment
September 2024	LGBTQ+ and SOGI
November 2024	Business & Human Rights

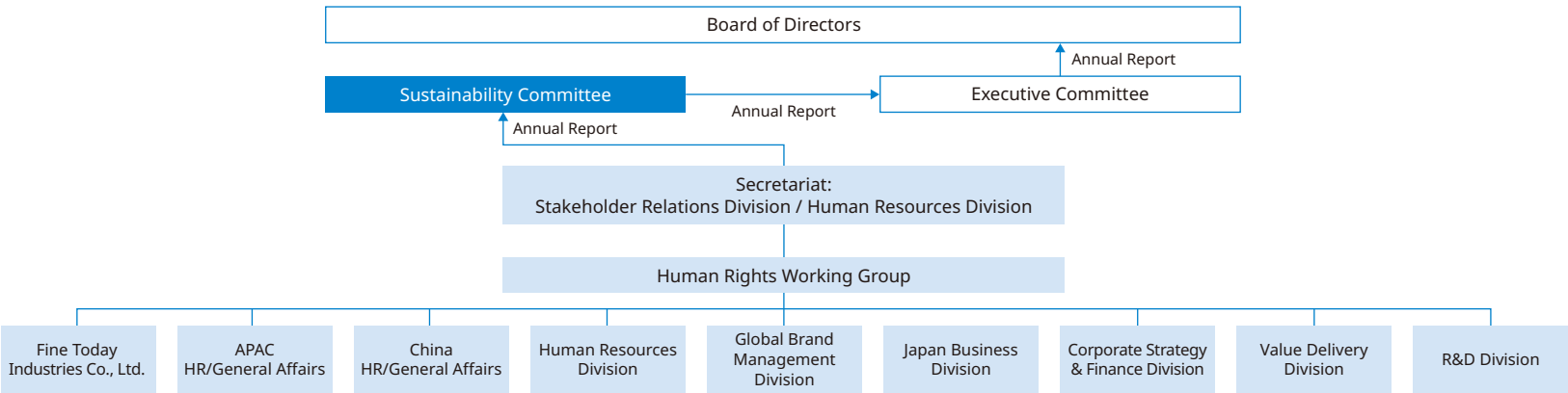
Human rights due diligence

FineToday Group is proceeding with human rights due diligence in the supply chain, in stages.

FineToday conducted a human rights survey of all employees in March 2023 and analyzed the findings to identify issues in the organization.

Specific response teams were established for priority human rights risks, with each team identifying key points to address and setting KPIs to measure their progress. Measures to address human rights issues in fiscal 2024 included verifying the wording of advertisements to ensure compliance with human rights principles.

— 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 Safety and Health - Insufficient provision of ingredient information to consumers about raw materials, etc. - Personal Data Breach - Discrimination based on nationality - Harassment - Long working hours - Human rights violations caused by 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 FY2024. FT Industries Vietnam has extended the training period to June 2025.

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. 65) strictly prohibits and calls for zero tolerance of discrimination by race, gender, age, nationality, religion, disability status, or other qualities 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 sections in charge of the hotlines respond to consultations and reports received with consideration to prevent any disadvantageous treatment of the whistleblowers.

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

– Priority human rights initiatives and KPIs

Initiative area	Initiative objective	KPI	FY2024	Associated divisions
Forced labor in the supply chain and human rights violations affecting local communities	- Review supplier management promotion plans, including EcoVadis audits of suppliers - Revise guidelines as necessary	Under consideration	– (Under consideration)	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 Human Resources Division
Long working hours	Compliance with statutory working hours	Violations: 0	0	Human Resources Division
Human rights violations through advertising expression	- Review the system and process for verifying advertising expressions - Consider training on status overseas for advertising expression risks	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)	

– 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	

Engagement with suppliers to promote sustainable and responsible procurement

Basic policy

To continue delivering products and services which make every day a fine day for consumers, packaging-materials, raw-materials, OEM, and ODM suppliers are essential partners. FineToday Group strives to strengthen the supply chain through dialogue and cooperation with suppliers and promotes procurement activities that are sustainable sourcing in every aspect, including compliance, human rights, and environmental protection.

To promote sustainable and responsible procurement with suppliers, FineToday Group has established the “FineToday Group Procurement Policy” and “FineToday Group Sustainable Raw Materials Procurement Guidelines.” In addition to these, 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, 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 embrace the diverse values of our suppliers and continuously create new ideas and innovations that have never been seen before.

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/>

Engagement with suppliers to promote sustainable and responsible procurement

Assessing compliance to the Supplier Code of Conduct

FineToday Group added a manufacturing function in April 2023 (see p. 7). To promote sustainable and responsible procurement throughout the supply chain, FineToday Group concludes Master Purchase Agreements with packaging-materials, raw-materials, OEM, and ODM suppliers that require compliance with the Supplier Code of Conduct. A regular process to assess and monitor compliance with the Supplier Code of Conduct is under consideration.

We plan to conduct it in several steps. Specifically, FineToday Group plans to request suppliers to undertake assessment by EcoVadis or similar third party assessment tools. The Procurement Department and the Human Rights Working Group (see p. 18) will review the results of assessment, and a plan-do-check-act (PDCA) cycle to encourage improvements is under consideration to respond to any issue found. The Group also is considering using third party audits to remedy issues.

FineToday conducted transactions with approximately 130 suppliers in FY2023 and 120 suppliers in FY2024. The sustainability assessment of suppliers conducted in FY2022 found no high-risk suppliers requiring corrective action.

— Overview of FY2024 supplier assessment

Results of the supplier assessment conducted by FineToday Co., Ltd. of suppliers engaged with the FineToday Group*.

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 CSR assessments	0%

* Packaging-materials, raw-materials, OEM, and ODM suppliers

Sustainable raw-materials procurement

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 participated in the Roundtable on Sustainable Palm Oil (RSPO), an international certification system that promotes the production and use of sustainable palm oil. We are currently acquiring certification for our supply chain with the aim of establishing a procurement system for certified palm oil in 2025.

Community collaboration

Basic policy

The FineToday Group Social Contribution Policy was established in March 2023 with the aims of making a positive impact on society and increasing corporate value through continual progress on activities centered on the four priority areas of beauty and enrichment, environment and nature, support for the next generation, and support for local residents.

The Material Issues, revised in December 2024, reflect our commitment to working with communities and state that pursuing mutual prosperity with local residents and other stakeholders is an important objective of the Company.

FineToday Group Corporate Citizenship Policy

We are committed to our Purpose—“to enrich the lives of everyone today and for generations to come, one fine day at a time”—and work to realize it through our activities.

In our corporate citizenship activities, we keep our Purpose in the forefront of our minds as we support communities with the aim of contributing to the realization of our Purpose as well as the Brand Purpose set forth by each brand.

Beauty and enrichment

Support for the next generation

Environment and nature

Support for local residents

Criteria for reviewing and deciding on activities

- We shall contribute to the realization of our Purpose or Brand Purpose through activities in key areas.
- Activities must enable employees to put our Values into practice.
- We shall maintain a perspective that balances social impact and corporate value.
- We shall collaborate with a wide range of stakeholders, including NPO/NGOs, and leverage their respective advantages.
- We shall make effective use of management resources, including the skills and expertise possessed by employees.

Promotion structure

FineToday Group adopted the Corporate Citizenship Policy and simultaneously launched a Social Contributions Working Group.

We also promote social contribution activities by providing opportunities for idea exchanges with overseas bases and are engaging in dialogue about future business plans. In addition, the volunteer social contribution activities conducted at overseas bases are shared at Global Conferences attended by all employees with the aim of deepening understanding and cooperation throughout the Group.

Website	Social Contribution Activities https://www.finetoday.com/en/sustainability/social/stakeholders/
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FineToday Group social contribution activities

The FineToday Group seeks to fulfill its Purpose “To enrich the lives of everyone today and for generations to come, one fine day at a time,” through activities centered on the four priority areas of Beauty and enrichment, Environment and nature, Support for the next generation, and Support for local residents.

Priority areas **Environment and nature**

Tree planting project with community organizations Fine Today Malaysia Sdn. Bhd.

Since 2023, Fine Today Malaysia has been participating in a tree-planting project with local environmental organizations to support climate action and a sustainable society. To date, the company has planted some 600 trees.

Company employees actively join in local events and activities to deepen ties with local communities, and the company supports communities by donating funds and contributing products. Participating in events like these raises the Group’s profile in the region. Fine Today Malaysia will continue to actively support local communities and take action to protect the environment. The company is aiming to plant its 1,000th tree in 2025.



Installation of solar panels FT Industries Vietnam Co., Ltd.

In 2024, FT Industries Vietnam installed the Group’s first solar power system at its Vietnam Factory. The system, which went into operation in August, can generate up to 2,744 kWp and will supply about 40% of the factory’s power needs with renewable energy, reducing annual CO₂ emissions by around 2,000 tons.

The installation is part of the Group effort to reduce greenhouse gas emissions and contribute to realizing a carbon-neutral society. Installing the system is also an effective preventive measure against rising electricity costs.

FT Industries Vietnam is working in line with the local government’s renewable energy policy to build a sustainable production system.



Priority areas

Support for the next generation

Gift Box Project to bring smiles to children

Fine Today Taiwan Inc.

Fine Today Taiwan partnered with local welfare organizations to conduct the Gift Box Project in December 2024. Around half of the company's employees participated in the project, which used employee donations to prepare shoebox-sized gifts containing stationery, toys, and company products for children from economically disadvantaged families. The project brought joy to the children and strengthened ties with the local community.

Fine Today Taiwan is committed to sustainability efforts to protect the environment and address social issues.



Priority areas

Support for local residents

Supporting women and families with the Fine Guardian Project

Shanghai FTS Cosmetics Co., Ltd.

Shanghai FTS Cosmetics partnered with local women's support groups to carry out the Fine Guardian Project from May to December 2024, providing support over 1,600 women and their families, including migrant workers and the elderly.

The company donated products, and some 43 employees volunteered at three events held at Shanghai local communities. Shanghai FTS Cosmetics is encouraging greater employee participation by planning events that staff located outside Shanghai can also join.



Message from the Managing Executive Officer, Human Resources & Organization

Creating a workplace fostering Aesthetic Intelligence and supporting “My Purpose”



Sanae Ishii
Managing Executive Officer,
Human Resources &
Organization
FineToday Co., Ltd.

FineToday has now entered its fourth year since taking over Shiseido’s personal care business in July 2021. We currently have roughly 2,300 employees at 20 sites in Japan and overseas creating daily beauty products enriching the daily lives of our customers.

We have a special mix of employees from Shiseido and mid-career hires with a diverse range of backgrounds. Every employee

brings their own individuality and experience, and each has their own personal goals and ambitions, which we call “My Purpose.”

We believe that aligning each employee’s My Purpose with the corporate Purpose enables us to create even greater social value. More employees are placing greater value on personal goals, such as spending more time with their children or pursuing personal interests. We are fostering a work environment that respects and supports each person’s goals and values so they can realize their full potential. In 2024, we launched the Booster Program allowing employees to pursue their career goals by applying and developing skills in departments and businesses outside their current roles. Our flexible work structure, including Personal Care Leave, helps employees manage their schedules to accommodate personal needs.

Another defining feature of our company is our emphasis on Aesthetic Intelligence. Our sense of beauty extends beyond appearance to internal and emotional values, such as honesty, integrity, and thoughtfulness—qualities that enrich people’s lives.

We earnestly seek to provide emotional and spiritual value by valuing truth, goodness, and beauty, and by engaging in ethical practices and cultivating harmonious beauty. Our distinct Aesthetic Intelligence, detailed in our global “Leadership Behavior” code of conduct, is currently used in executive evaluations, and we are considering extending it to employee assessments. We are instilling these values across our organization to continue enriching our corporate culture.

We are building an environment where diverse employees united by Aesthetic Intelligence and My Purpose drive the company’s sustainable growth, value creation, and fulfillment of our corporate Purpose.

Hiring, promotion, diversity, equity, and inclusion

Basic policy

To enrich the lives of everyone today and for generations to come, one fine day at a time, FineToday Group considers diversity, equity, and inclusion (DE&I) to be fundamental to all of its activities. The FineToday Group Code of Conduct and Ethics (see p. 65) strictly prohibits and calls for zero tolerance of various types of discrimination, mistreatment, and mental harassment based on considerations such as race, skin color, gender, age, language, wealth, nationality, country of origin, religion, ethnicity, social background, political views, disability, health status, and sexual orientation.

The Group currently operates facilities in Japan, China, and the Asia-Pacific region (APAC). The workforce is becoming increasingly diverse with close to 45% of employees working outside of Japan. FineToday actively hires new graduates and mid-career hires, believing that collaboration among diverse employees leads to creation of new value. Recognizing DE&I as an important component of sustained growth, the Group has identified it as one of its material issues.

Hiring

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 are placing primary emphasis on inclusion, specifically inclusion in the form of a diverse workforce. As part of these efforts, it strives to employ and empower people with disabilities. It hires people with strengths that differ by individual and creates opportunities for them to thrive based on their own specialties and job aptitudes.

In January 2022 it hired a qualified massage therapist who has a visual impairment, tasked with conceptual and systematic

preparations for opening an in-house massage center and operating the center after it opened.

Since August 2022, FineToday has employed two para-athletes active on the international stage. It actively creates opportunities for these athletes, who usually train for competitions on their own, to connect with other employees so that they can devote themselves to competition with a true feel for how their activities inspire employees.

Reemployment of retirees

Group companies in Japan are leveraging the talents of highly experienced senior employees by adopting programs to provide job opportunities to motivated employees who have retired at the mandatory retirement age of 60 years.

Employment of contracted employees with fixed periods and temporary employees

Group companies in Japan employ contracted employees with fixed terms and temporary employees as well as permanent, full-time employees. We conclude appropriate employment agreements with such employees and provide appropriate management and compensation in line with laws and regulations. We also offer the opportunity for contracted employees with fixed periods whose total contract terms exceed five years to switch to contracts with no fixed periods.

Hiring, promotion, diversity, equity, and inclusion

Evaluation and compensation

The FineToday Group Code of Conduct and Ethics (see p. 65) 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 management by objectives (performance) and competency (actions)
- 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 rules such as minimum wages and working hours designated under laws and regulations, 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.

FineToday Group also maintains diverse remuneration systems that reflect roles, duties, 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).

Consideration in job transfers

FineToday's labor agreement calls for negotiation and decision-making in good faith by the employer and the labor union when opening or relocation of business sites involves job transfers that could have a major impact on employees' lives.

Empowering diverse employees

FineToday Group's people are diverse in terms of age, nationality, and other factors. The Group strives to improve workplaces and enhance various support programs so that employees can leverage their individual strengths to demonstrate their abilities to the fullest.

The Group is currently promoting empowerment of female employees with the target of women holding 35% of management positions by 2030. In addition, we are committed to fostering an inclusive workplace where all employees—regardless of gender identity or sexual orientation—can bring their authentic selves to work. As part of this effort, we provide awareness programs and resources related to LGBTQ+ inclusion and belonging.

The FineToday employee referral program allows employees to recommend their friends and acquaintances for employment, lessens gaps between job expectations and actual working conditions, and promotes hiring and empowerment of diverse people. Under certain conditions, the referring employees can receive monetary rewards upon hiring of candidates they referred. Since they can know about the company culture, work styles, and job descriptions in advance, this program enables new referred employees to adjust to work smoothly by having accurate expectations for their jobs. To ensure fairness in hiring decisions, FineToday reviews applicants using the same standards and process employed for other mid-career hires.

Hiring, promotion, diversity, equity, and inclusion

— Major initiatives to empower employees <FineToday>

Training, seminars

- Video sharing of seminar on women’s health issues (period, menopause)
- In-house lecture meeting and roundtable discussion on International Women’s Day Programs

Programs

- Flextime program with no assigned core hours
- Work styles offering work from home and remote work options
- Encouraging male employees to take childcare leave
- Adoption of support programs to help improve women’s health (period, menopause)
- Stipulation in rules of employment that employees’ same-sex partners are eligible for the same benefits as spouses of different sexes

Employee skills development

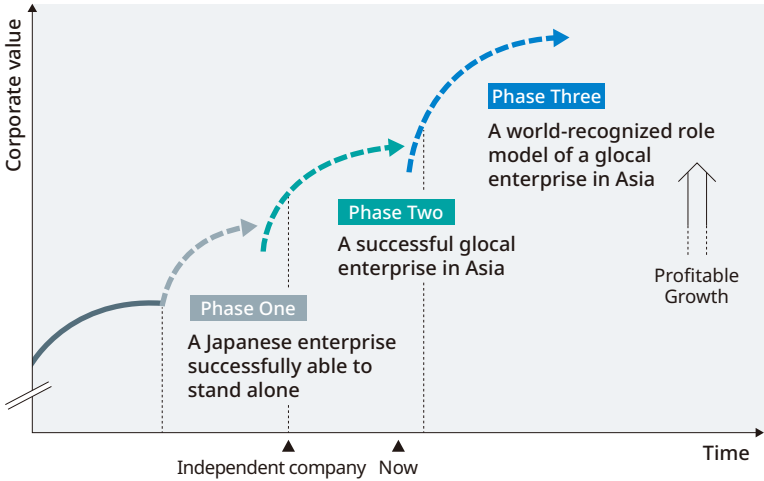
Basic policy

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.

The December 2024 revision to our issues of materiality added the category of “developing human resources in the workplace.” We are accordingly providing education and training to develop talent while also conducting regular employee 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.

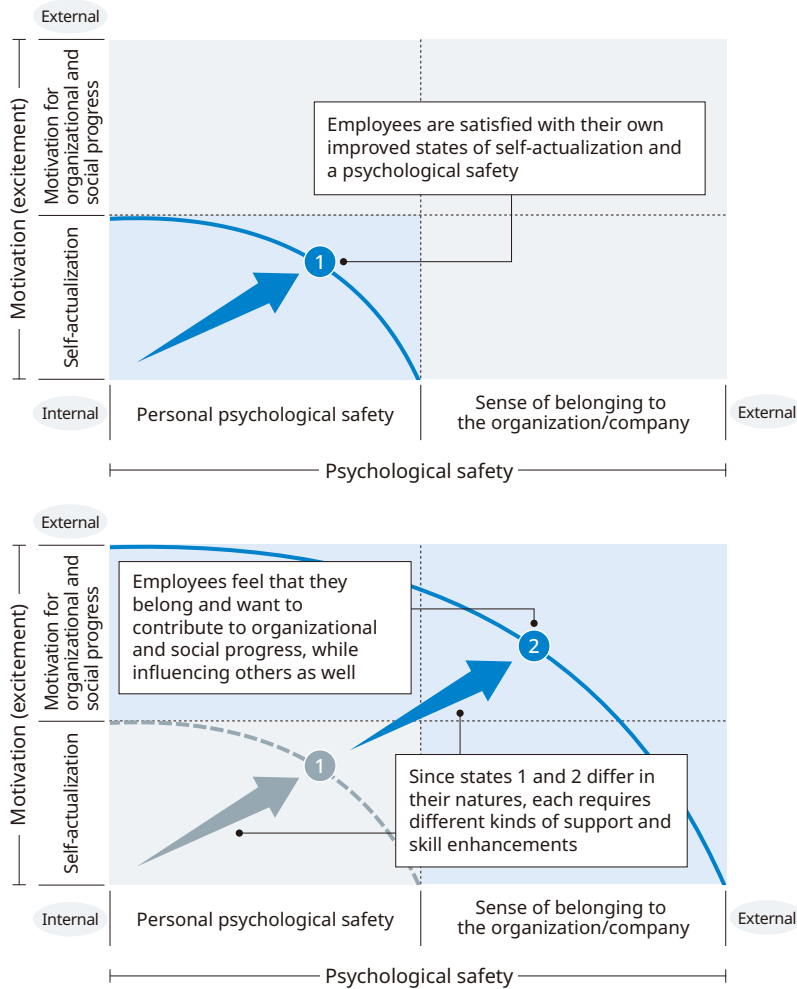
Through these initiatives, FineToday Group aims to realize an environment in which all employees can continue to have positive impacts on the organization and society conscious of their own Purposes for working, while taking on and striving to achieve the FineToday Purpose.

Three phases of human-resource measures



Phase One	Phase Two	Phase Three
"Wakuwaku (excitement) I"	"Wakuwaku (excitement) II"	"Wakuwaku (excitement) III"
To stand alone	A successful glocal enterprise in Asia	A world-recognized role model of a glocal enterprise in Asia
- Development and enhancement of basic HR systems - Safety and peace of mind: Improving motivation and psychological safety	- Growth opportunities - Rewarding workplaces and environments	- Participating in and contributing to the organization - Contributing to society - Realizing one's own Purpose

Illustration of improving motivation and psychological safety



Employee skills development

Programs to support skills development

In addition to individual programs designed to deepen understanding of the company's business, 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.

Business simulation programs

Our *ICHIGANize* business simulation program provides employees with a deeper understanding of the fundamental Values & Leadership Behavior shared by all of FineToday's businesses and group companies. Participants in the 2024 program for executives engaged in management simulations that provided deeper insight into the company's characteristics and the standard of value that FineToday upholds.

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.

— Education and training systems (FY2024) <FineToday>

Employee level	Compulsory for all employees		Employee position	Nomination and selection				Specialty
Executives	Onboarding orientation for mid-career employees	Compliance and governance training	"Lnavi" program for middle management Training for new executives	Career training (age 55 and above)	ICHIGANize business simulation program	IT literacy training	MLP coaching program	Department internal training
General employees			Year-two training Training for new graduates					

Employee skills development

Enhancement of engagement

The level of achievement and necessary environment of employees' motivation and psychological safety may vary widely. In addition to skills development for self-confidence and career formation, it also is vital to develop a culture of acceptance of diversity among colleagues.

The FineToday Group clearly states its approach in the Group's fundamental Values & Leadership Behavior. We are conducting workshops and building an organizational culture designed to instill in each individual with leadership behavior. FineToday, Shanghai FTS Cosmetics, Fine Today Industries, and FT Industries Vietnam also regularly monitor employee engagement through surveys and other methods.

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. Individual employees also strive to improve their organizations under the slogan "We Do."

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.

The objective of the FY2023 meeting was to generate new ideas and promote mutual understanding through topics that included corporate strategies and business results as well as best practices shared across countries and regions. The meeting also provided an opportunity for dialogue and for employees to ask management questions about any topic.

Highlight

"Cultureship" workshop creates an employee-led Group organizational culture

The FineToday Group celebrated the first anniversary of its founding in July 2022 by establishing our Purpose (reason for being) and our Values (ideals and principles). In FY2023 we defined the Leadership Behavior—the specific ways we expect employees to conduct themselves as we seek to embody these high-level concepts. We also held a "Cultureship" workshop for participants to give thought to the Group's organizational culture. Participants led discussions about how the company should change and what actions each of us could take to create our own unique organizational culture.



Promoting work-life balance

Basic policy

FineToday Group considers development of workplaces where employees can balance their careers with life events such as childbirth and the need to care for family members and can work with vitality in line with their own lifestyles to contribute not only to individual growth but to improving the performance of workplaces as well. Based on this perspective, the Group has identified the “improvement of employee well-being” as a material issue and offers various programs to support diverse employee work styles.

Programs to support diverse work styles

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, even outside of the office or the home.

FineToday has adopted a free-address office space at its head office, so that employees can choose the most comfortable places to work on each assignment, such as spaces where they can concentrate on the task at hand or casual spaces where they can generate ideas together. This helps to stimulate communication in

the organization and encourage collaboration across sections.

Encouraging employees to take annual paid leave

At the start of the year, 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.

Programs to support childcare and family care

FineToday Group offers longer leave than required by law for employees who need to care for children or other family members. It also publicizes 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 that is supporting of 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 check with their superiors on the process from pregnancy through returning to the workplace after childbirth. This helps to alleviate employee concerns about pregnancy, childbirth, and childcare and with sharing information with superiors to facilitate returning to work.

Promoting work-life balance

– 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.

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. The system is also intended to raise awareness of various 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).

Occupational health and safety

Basic policy

FineToday Group’s Purpose calls for it “To enrich the lives of everyone today and for generations to come, one fine day at a time.” Based on this concept, the FineToday Group Code of Conduct and Ethics (see p. 65) 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

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. It 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. It 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 and Safety Committee (FY2024) <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 industrial physicians (e.g., cautionary alerts for heat stroke and seasonal diseases, hay fever)
- Providing the Mental Health Promotion Plan
- Sharing information provided by the health insurance association
- Details concerning the change in the health insurance association
- Setting up the counselor contact desk
- Introducing a health checkup results management system

Occupational health and safety

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.

Ensuring occupational health and safety

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 of 80 hours of overtime work per month. It strives toward thorough management and more efficient work so that employees will not exceed this maximum. The HR section meets with the superiors of employees found to have exceeded this maximum, to identify the reason and study and implement practical improvements.

Since temporary workload increases and imbalances during peak periods could lead to overworking, 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.

Occupational health and safety

Support programs for women’s health issues

FineToday provides external services to support women's health issues. These services have contributed to improved 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 (FY2024)

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

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.



Labor-management relations

Labor-management negotiations

The preamble to FineToday Group’s labor-management agreement concluded 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.” Following this principle, we have established a forum for labor and management to engage in mutually respectful dialogue to address and resolve issues related to working conditions and other topics.

In addition, the Group recognizes the importance of international standards such as the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and also strives to build and maintain healthy labor-management relations at the international facilities with respect for the labor laws and regulations of each country and region.

The labor union has adopted a union-shop system, and as of the end of March 2025 all general employees (permanent, full-time employees other than those in managerial posts) were union members.

- **Main topics of labor-management negotiations (FY2024) <FineToday>**
 - Relationship between the employer and the labor union at FineToday
 - Future measures based on the findings of employee engagement surveys

Dialogue between employees and top management

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

About 60 opportunities for discussions took place during FY2023, including One-on-One Meetings for direct dialogue between the CEO and employees, get-together events with individual sections, and site visits. We continued the One-on-One Meetings in FY2024 and plan to hold departmental social gatherings and worksite visits in FY2025.

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.

Governance

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Corporate governance

Basic policy

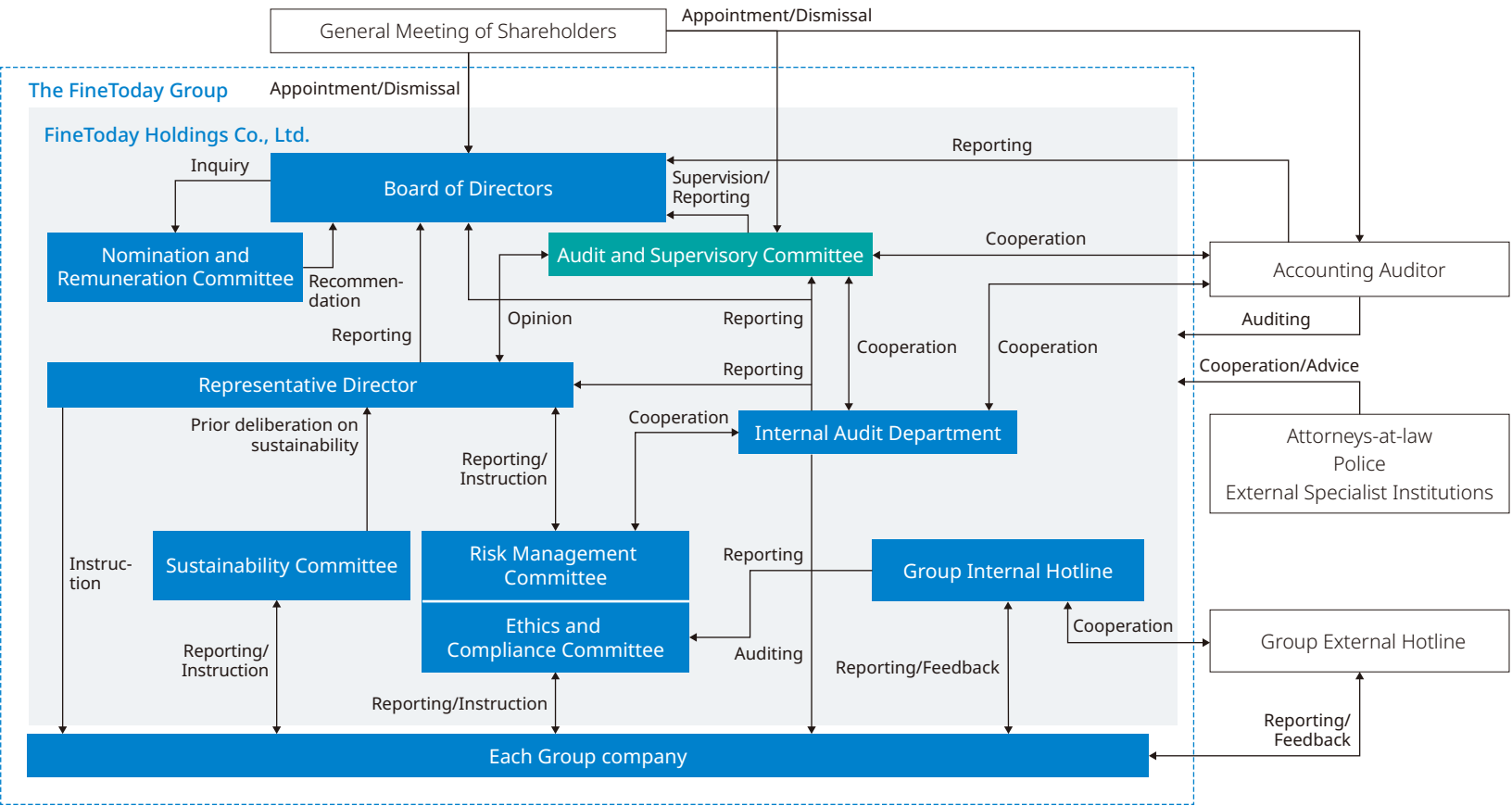
The FineToday Group has set the “promotion of transparent, fair, and trustworthy governance” as a core materiality. We will continue striving to maintain and improve the transparency, fairness, and speed of decision making while engaging in dialogue with all stakeholders, including customers, suppliers, employees, shareholders, local communities, and the planet, reflecting the results in further improvements to maximize corporate value over the medium to long term.

Corporate governance system

The FineToday Group’s goal is to be an independent company by building our own unique business model grounded in the personal care business succeeded from Shiseido Co., Ltd. We are accelerating efforts to establish a robust corporate governance system.

In April 2023, FineToday Holdings Co., Ltd. transitioned to a company with an Audit and Supervisory Committee from a company with a board of corporate auditors. This move aims to strengthen the Board of Directors’ core function of monitoring through management oversight, supervision, and assessment.

— The FineToday Group’s Corporate Governance Framework (as of June 30, 2025)



Corporate governance

Board of Directors

The Board of Directors of FineToday Holdings Co., Ltd, has six members (including two independent outside directors) as of March 2025: two executive directors, four non-executive directors who are members of the Audit and Supervisory Committee (including three outside directors).

The Board meets monthly in principle, deciding on management strategies and plans and making other important management decisions. It also receives reports on matters such as execution of the duties of directors, important business operations by Group companies, and compliance and risk management. It oversees Group management as a whole.

In addition to deliberating on important corporate management policies as needed, the Board also strives to enhance management oversight functions further through means such as advising executives.

Audit and Supervisory Committee

The Audit and Supervisory Committee of FineToday Holdings Co., Ltd. has four members as of December 2024. The committee includes two independent outside directors who satisfy the company's independence criteria.

The Audit and Supervisory Committee establishes audit policies, plans, etc. and audits the performance of the duties of directors and other executives. The committee cooperates with the accounting audit firm and the Internal Audit Department through means including exchange of opinions on annual audit plans and audit findings, while respecting each other’s auditing independence.

Risk management

Basic policy

As the business environment becomes increasingly complex and diverse, the FineToday Group is developing and enhancing its risk management system in line with our Purpose and management strategies. As part of this, in December 2024 we added “promote risk management” as one of our material issues.

The FineToday Group will strive to both minimize losses at critical situations arising from potential risks and secure assets and benefit of stakeholders through appropriate Groupwide management of various uncertainties that might be obstacles to increasing our corporate value. In this way, we will fulfill our social responsibilities and sustainably enhance our corporate value.

Anti-corruption

The FineToday Group Anti-Corruption Policy declared in July 2025 outlines our approach for our company and society to complying with laws and regulations and establishing high corporate ethics in all of our internal and external practices. The policy was formulated to clarify our stance on preventing corruption and to further foster the trust of customers, business partners, investors, employees, and other stakeholders.

Website

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

Risk management system

The FineToday Group considers the Risk Management Committee as an independent organization along with the Ethics and Compliance Committee and the Sustainability Committee (see p. 62). Matters of consideration or report of the Risk Management Committee will be reported as necessary to Representative Director and the Board of Directors of FineToday Holdings, and be shared with the Internal Audit Department as needed.

The Risk Management Committee shall be held four times a year to decide on policies for addressing and evaluating potential risks identified by each business division of the FineToday Group. It also promotes timely preventive measures. As part of these activities, the committee implements Groupwide responses to 18 risks identified as priority risks. Its secretariat plays a leading role in these efforts. Based on the two pillars of appropriate insurance and risk mitigation, it enhances various measures starting with those risks judged to present the most danger.

The committee responds to emergencies by setting up emergency task forces. It maintains a structure to enable swift responses through means including identifying in advance the main sections responsible for individual risks and the sections that will support their efforts, to simplify the approval process in an emergency situation.

— Priority risks considered to be especially at high risk

Among the 18 priority risks, the following three items identified to be high risk will be addressed as top priorities.

- Natural disasters
- Quality-assurance issues
- Reputation issues

— Three steps toward a more advanced risk-management structure

1. Establishing reporting lines to ascertain numbers of incidents and their financial impacts. Making assessments more precise based on quantitative indicators of risks.
2. Identifying opportunities for improving corporate value through enhancement of risk responses, based on megatrends, long-term risks identified in reports from international institutions and other sources, and the insights of outside experts. Enhancing the content of IR materials.
3. Linking the KPIs and budgets of business plans to nonfinancial indicators and risk indicators, and making progress on developing a dashboard function for integrated management.

Education and training related to risk management

The FineToday Group carries out education and training to enhance the risk management system. The risk assessment results will continue to be used for ongoing e-learning about important risks in FY2025.

Compliance

Basic policy

The FineToday Group considers ensuring compliance as one of our material issues. In addition to complying with the laws and regulations of each country and region with in-house rules, we have established the FineToday Group Code of Conduct and Ethics describing specific actions that executives and employees should take, to do business with even higher ethical values.

FineToday Group Code of Conduct and Ethics (extract)

The FineToday Group Code of Conduct and Ethics provides standards for all members of the FineToday Group to follow as they carry out their daily activities. The Group has established these specific conduct guidelines to ensure that its members are upholding higher ethical standards, while also complying with national and regional laws and regulations, as well as company rules.

All members of FineToday Group pursue shared and sustainable growth with all stakeholders.

With Consumers

- 1. We always take the consumer's viewpoint and strive to research, develop, manufacture, and deliver products and services that will provide safety, excellence and complete satisfaction.
- 2. We treat customers with sincerity whenever we interact with them, to increase their satisfaction and confidence in us.
- 3. We strive to improve the value of all FineToday Group brands.

With Business Partners

- 1. We select business partners and conduct transactions appropriately, while always engaging in fair, transparent, and free competition.
- 2. We never give or receive gifts or entertainment that could cast doubt our commitment to fairness.
- 3. We treat all business partners who share our goals with respect, and strive for mutual sustainable development.

With Employees

- 1. We respect the personality, individuality and diversity of everyone in our workplace, and strive to grow together with them.
- 2. We work diligently and maintain a separation between workplace and private activities.
- 3. We strive to create healthy and safe workplaces and enhance work-life quality for employees of the Group.

With Shareholders

- 1. We maximize use of the Group's assets, including funds and tangible and intangible assets, while striving to continuously improve corporate value.
- 2. We comply with rules related to corporate governance and internal control, and maintain proper accounting procedures.
- 3. We place emphasis on dialogue with shareholders and investors and strive to maintain their trust.

With Society and the Earth

- 1. We comply with all applicable laws and regulations in the jurisdictions in which we operate, while upholding high ethical standards and respect for human rights.
- 2. We aim to help create a sustainable world where people and the planet coexist in harmony. We also promote environmental measures in accordance with our own strict standards while taking biodiversity conservation into consideration.
- 3. We strive to maintain good communication with the wider society while working together with others to help solve social issues.

Compliance

Compliance system

FineToday Group’s Ethics and Compliance Committee serves as an independent organization along with the Risk Management Committee and the Sustainability Committee (see p. 62). As necessary, this committee reports on its proceedings and submits reports to FineToday Holdings’ Representative Director and CEO and Board of Directors, as well as sharing them with the Internal Audit Office.

The committee meets four times a year to study, plan, and propose important matters concerning ethics and compliance. It also advises and guides individual sections as appropriate.

The Group is strengthening its legal and regulatory compliance system with a main focus on enhancing compliance monitoring and control activities to prevent any ties or transactions with antisocial forces.

Compliance education and training

FineToday Group progressively enhances education and training systems to raise awareness among executives and employees and strengthen the compliance system continually.

Freelance Support Desk

FineToday Holdings, FineToday, and Fine Today Industries comply with the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators and make every effort to ensure freelance contract terms are clear and that compensation is provided in an appropriate manner. The Group also provides a support desk for freelance service providers to ensure transactions continue to be conducted fairly and securely.

Employee helplines

FineToday Group has established hotlines where global employees can report on legal or regulatory violations, harassment, or other cases they have observed that could prove detrimental to society’s trust in the Group.

The Whistleblowing Office handles reports and consultations while taking steps to ensure the reporting individual incurs no disadvantageous treatment. It checks on the facts of the case with related parties as needed and discipline the perpetrators of any confirmed violations in accordance with the rules of employment. Any matters that could impact management are reported promptly to management by the individual sections concerned. Serious compliance concerns are reported to management through the Ethics and Compliance Committee, in order to prevent their reoccurrence.

The rules that govern the operation of each hotline clearly describe fair investigation and resolution flows, prohibitions against disadvantageous treatment of whistleblowers, and confidentiality of reports and consultations. Employees are made thoroughly aware of related rules and how consultations are accepted, through e-learning and the intranet.

— Hotline

	Group Internal Hotline	Audit and Supervisory Committee Contact
Eligible users	Group employees	Group employees
Anonymous consultation	Y	Y
Consultation method	Email, in writing	Email
Liaison	Whistleblowing Office (Human Resources Department, FineToday Holdings)	Audit and Supervisory Committee Chair

	Group External Hotline
Eligible users	Group employees
Anonymous consultation	Y
Consultation method	Email
Liaison	Outside law office

Information security

Basic policy

The FineToday Group Code of Conduct and Ethics (see p. 65) calls for managing confidential information and personal information appropriate and preventing its misuse. This is intended to prevent cases such as loss or leakage of such information. Based on this code, the Group strives to protect and properly manage the important information assets it holds, through establishment of related rules and regulations, including the FineToday Group Information Security Policy, and sharing with employees of all business sites information on the importance of and our responsibility for information management.

— Information security rules and regulations

- Information Security Policy
- Information System Management Regulations
- Information System Use Regulations
- Rules on bring your own device (BYOD) policies, external storage, information devices, antivirus measures, and software
- Confidential Information Management Regulations
- Regulations on Handling of Information Assets
- The FineToday Group Global Personal Information Protection Policies
- Privacy Policy
- Personal Information Protection Regulations
- Regulations on Handling of Specific Personal Information
- Social Media Policy

— Subjects of the FineToday Group Information Security Policy

1. Purpose
2. Definitions
3. Information security promotion structure
4. Outsourcee assessment
5. Education, inspection, auditing
6. Practical procedures
7. Duties of employees and others

Information security system

FineToday Group has appointed the Group Chief Information Security Officer (CISO) holding comprehensive responsibility for handling of information assets and information systems throughout the Group. In this way, the Group strives to maintain and continuously strengthen its robust information security system.

Each Group company appoints a person responsible for managing the handling of information assets and information systems inside the company. It also maintains and thoroughly puts into practice rules and regulations on control of confidential information, protection of personal information, information system administration, and information security measures, as well as carrying out activities such as security measures, education, and drills. The CISO oversees these activities and provides additional

instructions as needed.

Furthermore, periodic meetings on information security are held to continually improve the information security system of the Group as a whole.

Handling of personal information

The FineToday Group recognizes its corporate responsibility to handle personal information safely and securely, and has established The FineToday Group Global Personal Information Protection Policies for all Group companies. Each Group company maintains a privacy policy based on the laws and regulations of their specific country and region and carry out measures to protect personal information.

The implementation plans of Group companies and promotional campaigns set individual policies and rules for handling personal information in accordance with the policies and the applicable laws and regulations.

Website

The FineToday Group Global Personal Information Protection Policies
<https://www.finetoday.com/en/privacy/>

Information security

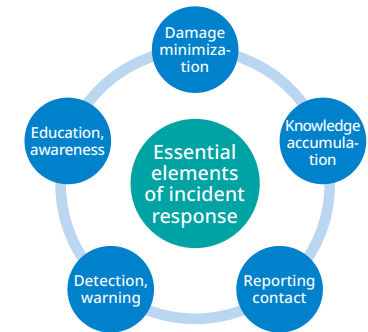
Responding to information security incidents

FineToday Group adopts an advanced zero-trust security model to enhance its measures to counter information security incidents. For example, it configures access controls to prevent unauthorized access to confidential information through business systems. It also has established the Security Operation Center (SOC) to monitor for external threats and detect and report cyberattacks 24 hours/day, 365 days/year. Group internal hotlines also accept reports concerning information security.

In FY2023, FineToday Group organized a Computer Security Incident Response Team (CSIRT) that specializes in responding to information security incidents. The CSIRT members come from FineToday's IT, general affairs, and corporate communications sections. The Group recognizes the importance of acting quickly in response to any incidents and supplements its security systems and structures with ongoing specialized education and drills for employees. The FineToday Chief Information Officer (CIO), who is responsible for Group cybersecurity, will respond to any serious incidents through an emergency response structure. To improve response capabilities even more, plans call for conducting drills that involve related business sections as well.

— Roles of the CSIRT

- Improving response capabilities through regular drills and training of team members
- Taking leadership in responding to information security incidents and minimizing their damage (internal and external cooperation)
- Serving as a single contact point for internal and external reporting



Information security education and training

FineToday Group provides education and training for executives and employees to prevent information security incidents and enhance its systems for managing them. FineToday conducts two cyberthreat response drills for targeted email attacks annually.

Cybersecurity assessments

FineToday regularly conducts self-assessments in accordance with its security guidelines. The Company also checks the status of external evaluations of public domains and takes steps to mitigate risks at an early stage. Various assessments are conducted to counter the constantly changing cybersecurity risks and the findings are used to formulate measures to further enhance cybersecurity.

ESG data

Reporting Coverage Abbreviations FT Group: FineToday Group FTHD: FineToday Holdings FT: FineToday FTC: Shanghai FTS Cosmetics FTI: Fine Today Industries FTIV: FT Industries Vietnam

— **Company information** Reporting coverage: FT Group

		Unit	FY2022	FY2023	FY2024
Consolidated Net Revenue		Billion yen	Over ¥100 billion	Over ¥100 billion	Over ¥100 billion
Percentage of revenue from overseas		%	Over 50%	Over 60%	Over 50%
Facilities		Facility	19	20	20
	Japan	Facility	9	9	9
	China and APAC	Facility	10	11	11

— **Environmental**

Energy Reporting coverage: FT Group

		Unit	FY2021	FY2022	FY2023	FY2024
Total energy consumption		GJ	143,854	145,548	140,423	153,846
	Renewable energy consumption	GJ	12,672	28,509	26,260	27,927
Private power generation		kWh	20,059	20,043	22,288	881,992
	Percentage of electricity derived from renewable energy	%	100	100	100	100

GHG (Scope 1, Scope 2) Reporting coverage: FT Group

	Unit	FY2021	FY2022	FY2023	FY2024
GHG Scope 1*	t-CO ₂ e	6,764	2,328	1,198	1,253
GHG Scope 2 (location-based)*	t-CO ₂ e	7,634	12,194	13,604	14,263
GHG Scope 2 (market-based)*	t-CO ₂ e	2,150	2,023	388	1,167

★FY2024 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization

GHG (Scope 3) Reporting coverage: FT Group

	Unit	FY2021	FY2022	FY2023	FY2024	Main target examples
GHG (Scope 3)	t-CO ₂ e	359,912	280,432	298,346	383,134	
1. Purchased goods and services*	t-CO ₂ e	193,802	225,515	235,475	320,586	Product purchasing, raw material purchasing, disposal inventory, SG&A expenses
2. Capital goods	t-CO ₂ e	3,379	1,085	4,944	7,245	Buildings, machinery, equipment, software
3. Fuel and energy activities not included in Scope 1 and 2	t-CO ₂ e	2,622	2,630	2,533	2,618	Gasoline, diesel oil, municipal gas, LPG, electricity
4. Transportation and distribution (upstream)	t-CO ₂ e	26,901	27,465	19,162	21,461	Products for sale, raw materials purchased
5. Waste from business operations	t-CO ₂ e	13,752	3,128	5,926	2,338	Discarded product inventory, disposal POSM
6. Business trips	t-CO ₂ e	314	315	350	330	—
7. Employee commutes	t-CO ₂ e	1,078	1,081	1,225	1,153	—
8. Leased assets (upstream)	t-CO ₂ e	—	—	—	—	—
9. Transportation and distribution (downstream)	t-CO ₂ e	—	—	9,378	8,451	Products for sale, raw materials purchased
10. Processing of sold products	t-CO ₂ e	—	—	—	—	—
11. Use of sold products	t-CO ₂ e	—	—	—	—	—
12. Disposal of sold products	t-CO ₂ e	118,064	19,196	19,354	18,953	Plastic, paper, cardboard, metal, glass, etc.
13. Leased assets (downstream)	t-CO ₂ e	—	—	—	—	—
14. Franchises	t-CO ₂ e	—	—	—	—	—
15. Investments	t-CO ₂ e	—	—	—	—	—
Other (optional)	t-CO ₂ e	—	—	—	—	—

ESG data

Palm oil

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024
Palm oil procurement volume	ton	FT Group	—	—	—	Under assessment

Water

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024
Total water withdrawal*	m³	FTI, FTIV	309,630	305,022	282,905	290,243
Surface water	m³	FTI, FTIV	0	0	0	0
Groundwater	m³	FTI, FTIV	0	0	0	0
Seawater	m³	FTI, FTIV	0	0	0	0
Water sources provided by third parties (tap water, industrial water)	m³	FTI, FTIV	309,630	305,022	282,905	290,243
Reclaimed water shared from outside the party	m³	FTI, FTIV	0	0	0	0
Total drain water	m³	FTI, FTIV	260,849	246,629	227,260	236,702
Rivers and lakes	m³	FTI, FTIV	0	0	0	0
Seawater	m³	FTI, FTIV	0	0	0	0
Sewage	m³	FTI, FTIV	260,849	246,629	227,260	236,702
Supplied to third parties	m³	FTI, FTIV	0	0	0	0

★FY2024 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization

*1 Fiscal year of application based on the Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging, not the fiscal year in which the containers were discharged. *2 Index calculated assigning a value of 100 to actual waste volume in FY2022. *3 Asbestos used as thermal-insulation materials in thermostat-oven processing. *4 Plastic materials account for over 50% of the total container weight, excluding the contents.

Waste

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024
Waste emissions*	ton	FTI, FTIV	—	1,763	2,731	2,374
Waste disposal volume (landfill)	ton	FTI, FTIV	—	0	0	0
Container and packaging waste sent out for recycling (glass)*1	kg	FT (Japan only)	4,532	4,260	3,974	3,514
Container and packaging waste sent out for recycling (paper containers)*1	kg	FT (Japan only)	110,390	102,189	140,323	165,977
Container and packaging waste sent out for recycling (plastic containers and packaging)*1	kg	FT (Japan only)	3,486,029	3,021,669	3,018,479	3,033,711
Volume of waste from promotional materials*2	Index	FT (Japan only)	100	23	23	9
Volume of waste recycled and reused	ton	FTI, FTIV	—	1,763	2,731	2,374
Volume not recycled*3	ton	FTI, FTIV	—	0.002	0	0
Recycling rate	%	FTI, FTIV	—	99% or above	100	100

Pollutants

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024
NOx emissions	ton	FTI	—	24.15	17.8	10.0
SOx emissions	ton	FTI	—	0	0	0
Volume of transferred substances subject to the PRTR Act	ton	FTI, FTIV	—	23.24	20.37	36.66

Containers and packaging primarily made of plastic

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024
Plastic primary container gross weight	ton	FT Group	—	—	—	8,721
Percentage of plastic container and packaging*4 using 4R (reduce, reuse, recycle, renew) materials	%	FT Group	—	—	—	96

ESG data

— Social

Number of employees*1

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Number of employees*	No. of people	FT Group	Approx. 1,900	2,544	2,326
	Male*	FT Group	—	964	896
	Female*	FT Group	—	1,580	1,430
Percentage of women employees	%	FT Group	—	62.1	61.5

Diversity, equity, and inclusion (DE&I)

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Percentage of women on the Board of Directors	%	FTHD	—	—	16.7
Percentage of women in management positions*1*	%	FT Group	—	—	30.7
Percentage of employees taking parental leave (female)	%	FTHD, FT (Japan only)	100	100	100
Pay equity ratio (average women's wage as a percentage of men's wage)	%	FT (Japan only)	—	73.8	73.2
Percentage of employees taking annual paid leave	%	FTHD, FT (Japan only)	65.6	66.9	64.6
Employment rate of persons with disabilities*2*	%	FT (Japan only), FTI	—	—	3.45
	%	FT (Japan only)	1.17	2.13	2.27
	%	FTI	3.97	4.19	4.28
Users of the retiree reemployment program	No. of people	FTHD, FT (Japan only)	11	12	14

*FY2024 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization

Occupational health and safety

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Number of Health Committee meetings	No. of meetings	FTHD, FT (Japan only)	—	12	12
Number of Health and Safety Committee meetings	No. of meetings	FTI	—	12	12
Regular health checkup participation rate	%	FTHD, FT (Japan only)	—	—	100
Number of work-related fatalities*	Direct employees	No. of people	FTHD, FT (Japan only), FTI	—	—
	Indirect employees (temporary employees)	No. of people	FTHD, FT (Japan only), FTI	—	—
Number of days lost due to work-related injury, death, or illness	No. of days	FTHD, FT (Japan only)	—	—	0
	No. of days	FTI	—	—	342
Number of work-related accidents*	case	FTHD, FT (Japan only), FTI*3	0	13	12
Frequency rate	—	FT (Japan only)	0	1.17	0.00
	—	FTI	—	—	0.76
Labor accident intensity rate*	—	FT (Japan only), FTI	—	—	0.15
	—	FT (Japan only)	0	0.058	0.00
	—	FTI	—	—	0.26
Occupational accident rate of 1,000 employees per year	—	FT (Japan only)	0	2.304	0.00
	—	FTI	—	—	1.32
Occupational-illness frequency rate (OIFR)*	—	FT (Japan only), FTI	—	—	0.00
	—	FT (Japan only)	0	0	0.00
	—	FTI	—	—	0.00

*1 FY2022 figures are as of April 2023. FY2023 and FY2024 figures are as of December 31. Executives and temporary employees are not included.

*2 As of June 1 each year. *3 FY2022 figures do not include FTI.

ESG data

Hiring and turnover

		Unit	Reporting coverage	FY2024
Number of new graduates hired		No. of people	FTHD, FT (Japan only)	9
	Male	No. of people	FTHD, FT (Japan only)	4
	Female	No. of people	FTHD, FT (Japan only)	5
Number of mid-career hired		No. of people	FTHD, FT (Japan only)	30
Percentage of mid-career hires among regular hires	Male	%	FTHD, FT (Japan only)	43
	Female	%	FTHD, FT (Japan only)	57
Age distribution of mid-career hires	20s	%	FTHD, FT (Japan only)	6.7
	30s	%	FTHD, FT (Japan only)	26.7
	40s	%	FTHD, FT (Japan only)	36.7
	50s	%	FTHD, FT (Japan only)	26.7
	Over 60	%	FTHD, FT (Japan only)	3.3
Retention rate of new graduates*1		%	FTHD, FT (Japan only)	100
Turnover rate		%	FTHD, FT (Japan only)	9.1
	Personal reasons	%	FTHD, FT (Japan only)	9.1
	Excluding retirees	%	FTHD, FT (Japan only)	9.1

Human capital development and training

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Percentage of employees receiving regularly scheduled performance and career development reviews*2	%	FTHD, FT (Japan only), FTI	100	100	100
Average education and training hours per employee	hours	FTHD, FT (Japan only)	21.15	18.71	16.67
Average education and training costs per employee	yen	FTHD, FT (Japan only)	44,621	61,021	44,295
Human Rights Training*3 attendance rate	%	FT Group	99	98	100
Labor Management Training attendance rate	%	FTHD, FT (Japan only), FTI	99	99	100
Information Security Training*3 attendance rate	%	FT Group	99	100	100
Ethics and Compliance Training*3 attendance rate	%	FT Group	99	100	100

Employee engagement

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Employee engagement survey implementation status*4	Yes/No	FTHD, FT (Japan only), FTC, FTI, FTIV	—	Yes	Yes

*1 New graduates who joined the company in April 2022 (percentage of new graduates who joined in April 2022 and remain employed as of April 2025).
*2 Employees subject to individual annual performance reviews (excluding employees with under 80 work days per year due to leave of absence or other reason).
*3 Implemented by FTIV by June 2025. *4 Implemented by FTI and FTIV starting FY2024.

ESG data

Human rights

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Incidents concerning forced labor, child labor, or human trafficking	Incidents	FT Group	0	0	0

Freedom of association

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Percentage of corporations with labor unions	%	FTHD, FT (Japan only), FTI	—	—	100
Percentage of employees in labor unions	Percentage including contract employees	%	FTHD, FT (Japan only)	—	49.4
	Percentage excluding contract employees	%	FTHD, FT (Japan only)	—	53.6
Employees subject to the labor agreement	No. of people	FTHD, FT (Japan only)	224	243	217

Supplier audit

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Percentage of suppliers*1 that signed the Supplier Code of Conduct	%	FT Group	100	100	100
Percentage of suppliers*1 whose contracts contain provisions on the environment, labor, or human rights	%	FT Group	100	100	100
Percentage of suppliers*1 that underwent CSR assessments	%	FT Group	100	0	0

Marketing and advertising violations / product recalls

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Number of violations of marketing communication regulations and voluntary standards	Incidents	FT Group	0	1*2	0
Number of recalled product lines	Incidents	FT Group	0	4*3	0

Donations and sponsorships

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Donation amount	Thousands of yen	FT Group	—	—	16,600
Sponsorship funds / membership fees	Thousands of yen	FT (Japan only), FTI	—	—	24,400
Product donations	Equivalent to thousands of yen (estimated selling price)	FT Group	—	—	10,100
Other (gifts, etc.)	Value of thousands of yen	FT Group	—	—	200

*1 Packaging materials, raw materials, OEM and ODM suppliers only. *2 Fine Today Taiwan Inc. received one notification of misleading advertising from the relevant authorities. Appropriate countermeasures were completed in February 2024. *3 All of the recalled products were sold by Fine Today Taiwan Inc., and all necessary response measures, including reporting to relevant organizations and product recalls, have been completed.

ESG data

— Governance

Board of Directors (FTHD)

	Unit	Reporting coverage	FY2024
Directors*	No. of people	FTHD	6
Male	No. of people	FTHD	5
Independent outside directors	No. of people	FTHD	1
Female	No. of people	FTHD	1
Independent outside directors	No. of people	FTHD	1
Executive directors*	No. of people	FTHD	2
Non-executive directors*	No. of people	FTHD	4
Internal	No. of people	FTHD	1
Outside	No. of people	FTHD	3
Number of Board meetings	No. of meetings	FTHD	17
Percentage of Board meeting attendance	%	FTHD	100
Independent directors	%	FTHD	100
Number of directors with a Board attendance rate of 75% or less	No. of people	FTHD	0

Board of Directors (FT)

	Unit	Reporting coverage	FY2024
Directors*	No. of people	FT	3
Male	No. of people	FT	3
Independent outside directors	No. of people	FT	0
Female	No. of people	FT	0
Independent outside directors	No. of people	FT	0
Executive directors*	No. of people	FT	2
Non-executive directors*	No. of people	FT	1
Internal	No. of people	FT	1
Outside	No. of people	FT	0
Number of Board meetings	No. of meetings	FT	12
Percentage of Board meeting attendance	%	FT	100
Number of directors with a Board attendance rate of 75% or less	No. of people	FT	0

* As of March 31, 2025

ESG data

Audit and Supervisory Committee

	Unit	Reporting coverage	FY2024
Directors/Audit and Supervisory Committee members*	No. of people	FTHD	4
Male	No. of people	FTHD	3
Independent outside directors/Audit and Supervisory Committee members	No. of people	FTHD	1
Female	No. of people	FTHD	1
Independent outside directors/Audit and Supervisory Committee members	No. of people	FTHD	1
Number of Audit and Supervisory Committee meetings	No. of meetings	FTHD	12
Percentage of Audit and Supervisory Committee meeting attendance	%	FTHD	100
Independent Audit and Supervisory Committee members	%	FTHD	100
Number of Audit and Supervisory Committee members with an attendance rate of 75% or less	No. of people	FTHD	0

Nomination and Remuneration Committee

	Unit	Reporting coverage	FY2024
Number of Nomination and Remuneration Committee members*	No. of people	FTHD	3
Male	No. of people	FTHD	2
Independent outside members	No. of people	FTHD	1
Female	No. of people	FTHD	1
Independent outside members	No. of people	FTHD	1
Number of Nomination and Remuneration Committee meetings	No. of meetings	FTHD	9
Percentage of Nomination and Remuneration Committee meeting attendance	%	FTHD	100

* As of December 31, 2024

Compliance

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Consultations to the Compliance Hotline (whistleblowing)	Incidents	FT Group	0	3	6
Confirmed acts of corruption	Incidents	FT Group	0	0	0
Confirmed serious compliance concerns	Incidents	FT Group	0	0	0

Information and cyber security

	Unit	Reporting coverage	FY2022	FY2023	FY2024
Total number of cybersecurity incidents, including intrusions	Incidents	FT Group	0	0	0
Total number of violations of information security related to leaks of customer personal information	Incidents	FT Group	0	0	0
Total number of customers affected by intrusions on company data	Incidents	FT Group	0	0	0
Total amounts of fines/penalties paid in connection with information security violations or other cybersecurity incidents	yen	FT Group	0	0	0



Independent Assurance Report

Mr. Tetsuo Komori
Representative Director, CEO
FineToday Holdings Co., Ltd.

We, SOCOTEC Certification Japan (hereafter "SOCOTEC"), have performed a limited assurance engagement, in response to the entrustment from FineToday Holdings Co., Ltd. (hereafter the "Company") in order to provide an opinion as to whether the subject matter information ("GHG Emissions, Energy Consumption, Water Consumption, Waste Generation Calculation Report (FY 2024)" and "FY2024 Social Data Calculation Report" (period: 1 January 2024 to 31 December 2024)) of the Company meets the criteria in all material respects.

1 Subject Matter Information and Criteria

The subject matter information for our assurance is a "report on GHG emissions, environmental and social data (shown in the Appendix)" covering the operations and activities at the Company and its consolidated companies in Japan and overseas (nine domestic locations and 11 overseas locations) described in the "GHG Emissions, Energy Consumption, Water Consumption, Waste Generation Calculation Report (FY 2024)" and the "FY2024 Social Data Calculation Report" (period: 1 January 2024 to 31 December 2024).

The criteria for preparing subject matter information is the "GHG Emissions Calculation Procedures (ver. 1.0)" and the "Social Data Calculation Procedures (ver. 1.0)".

2 Management Responsibility

The "GHG Emissions, Energy Consumption, Water Consumption, Waste Generation Calculation Report (FY 2024)" and the "FY2024 Social Data Calculation Report" (period: 1 January 2024 to 31 December 2024) was prepared by the management of the Company, who is responsible for the integrity of the assertions, statements and claims made therein (including the assertions over which we have been engaged to provide limited assurance), the collection, quantification and presentation of all data and information in the report, and applied criteria, analysis and publication.

The management of the Company is responsible for maintaining adequate records and internal controls that are designed to support the reporting process and ensure that the "GHG Emissions, Energy Consumption, Water Consumption, Waste Generation Calculation Report (FY 2024)" and the "FY2024 Social Data Calculation Report" (period: 1 January 2024 to 31 December 2024) is free from material misstatement whether intentional or negligent.

3 Assurance Practitioner's Responsibility

The responsibility of SOCOTEC is to express a limited assurance conclusion as to whether the subject matter information has been prepared in compliance with the criteria in all material respects.

We have performed limited assurance engagement in accordance with the verification procedures stipulated by SOCOTEC and "JIS Q 14064-3:2023 (ISO 14064-3:2019) Specification with guidance for the verification and validation of greenhouse gas statements" and the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" of International Auditing and Assurance Standards Board (IAASB).

The procedures performed in the limited assurance engagement are limited in their type, timing and scope as compared to the procedures performed in the reasonable assurance engagement. As a result, our limited assurance engagement does not provide as high assurance as reasonable assurance engagement.

Our procedures performed depend on the assurance professional practitioner's judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. Our conclusion was not designed to provide assurance on internal controls.

We believe that we have obtained the evidence to provide a basis for our limited assurance conclusions.



4 Assurance Procedures

The procedures that SOCOTEC has performed are based on professional judgement and include, but are not limited to:

- Evaluation of policies and procedures created by the Company in relation to subject matter information
- Inquiries to the Company personnel to understand the above policies and procedures
- Verification that the target project meets eligibility requirements
- Matching with the basis data by trial calculation and recalculation
- Obtaining and collating material for important assumptions and other data
- Sites visited to confirm the calculation structure and procedures, data collection and implementation status of record control:

Head Office / Fine Today Industries Co., Ltd.

5 Statement of Our Independence, Quality Management and Competence

SOCOTEC has introduced and maintained a comprehensive management system that conforms to the accreditation requirements of "ISO 17021 Conformity assessment - Requirements for bodies providing audit and certification of management systems". In addition, we have also established a management system according to "ISO 14065:2020 General principles and requirements for bodies validating and verifying environmental information". These meet the requirements of International Standard on Quality Management 1 by the International Auditing and Assurance Standards Board and Code of Ethics for Professional Accountants by International Ethics Standards Board for Accountants. We maintain a comprehensive quality management system that includes ethical rules, professional standards and documented policies and procedures for compliance with applicable laws and regulations.

The SOCOTEC Group is a comprehensive third-party organisation in testing, inspection and certification operations, and provides management system certification and training services related to quality, environment, labour and information security in countries around the world. Engaged in performance data and sustainability report assurance of environmental and social information, SOCOTEC affirms that it is independent of the organisation that has ordered the assurance engagement, its affiliated companies and stakeholders, and that there is no possibility of impairing impartiality or conflict of interest.

We assure that the team engaged in the assurance is selected based on knowledge and experience in the relevant industry, as well as the competence requirements for this assurance engagement.

6 Use of Report

Our responsibility in performing our limited assurance activities is to the management of the Company only in accordance with the terms for this engagement as agreed with the Company. We do not therefore assume any responsibility for any other purpose or to any other person or organisation.

7 Our Conclusion

On the basis of our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the subject matter information is not, in all material respects, prepared and reported in accordance with the stated criteria.

SOCOTEC Certification Japan

Seigo Futaba

Managing Director

3 September 2025



SOCOTEC

Appendix to Independent Assurance Report

GHG Emissions, Environmental and Social Data

Table 1 GHG Emissions Data

Item			Quantity	Unit
Scope 1			1,253	t-CO2e
Scope 2: Location-based			14,263	t-CO2e
Scope 2: Market-based			1,167	t-CO2e
Scope 3	Category 1	Purchased goods and services	320,586	t-CO2e

Table 2 Total water withdrawal Data

Item		Quantity	Unit
Total water withdrawal ^{*1}		290,243	m ³

*1 Target: FTI and FTIV

Table 3 Waste Emissions Data

Item		Quantity	Unit
Waste emissions ^{*1*2}		2,374	t

*1 Target: FTI and FTIV

*2 Target: Recycle

Table 4 Social Data

Item		Quantity	Unit
Number of employees ^{*3 *4}	Male	896	person
	Female	1,430	person
	Total	2,326	person
Female manager ratio ^{*3 *4}		30.7	%
Employment rate of persons with disabilities ^{*5}	FT (Japan alone), FTI	3.45	%
	FT (Japan alone)	2.27	%
	FTI	4.28	%
Number of deaths from work-related accidents ^{*6}	FTHD, FT (Japan alone), FTI	0	person
	FTHD, FT (Japan alone)	0	person
	FTI	0	person
Number of work-related accidents ^{*6}	FTHD, FT (Japan alone), FTI	12	case
Labor accident intensity rate ^{*6}	FT (Japan alone), FTI	0.15	-
	FT (Japan alone)	0.00	-
	FTI	0.26	-
Occupational illness incidence (OIFR) ^{*6}	FT (Japan alone), FTI	0.00	-
	FT (Japan alone)	0.00	-
	FTI	0.00	-

*3 Target: FineToday Group

*4 As of 31 December 2024

*5 As of 1 June 2024

*6 1 January 2024 to 31 December 2024

GRI Content Index

This index describes the relationship between the content of the Report and Global Reporting Initiative (GRI) Standards.

— Group basic data

Indicator		Where to find it in the Report
1. The organization and its reporting practices		
2-1	Organizational details	Organization / Company profile (p. 07)
2-2	Entities included in the organization's sustainability reporting	Editorial policy (p. 02) Organization / Company profile (p. 07)
2-3	Reporting period, frequency and contact point	Editorial policy (p. 02) FineToday website consumer support page (Japanese only)
2-4	Restatements of information	N/A
2-5	External assurance	—
2. Activities and workers		
2-6	Activities, value chain and other business relationships	Organization / Company profile (p. 07) At a glance (p. 09) Stakeholder engagement (p. 19) Assessing compliance to the Supplier Code of Conduct (p. 44)
2-7	Employees	At a glance (p. 09) ESG data: Number of employees, Diversity, equity, and inclusion (DE&I) (p. 71), Hiring and turnover (p. 72)
2-8	Workers who are not employees	—
3. Governance		
2-9	Governance structure and composition	Sustainability management (p. 18) Corporate governance (pp. 62, 63) Risk management (p. 64) Compliance (pp. 65, 66)
2-10	Nomination and selection of the highest governance body	—

Indicator		Where to find it in the Report
2-11	Chair of the highest governance body	Sustainability management (p. 18) Corporate governance (pp. 62, 63) Risk management (p. 64) Compliance (pp. 65, 66)
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability management (p. 18) Risk management (p. 64) Compliance (pp. 65, 66)
2-13	Delegation of responsibility for managing impacts	Sustainability management (p. 18) Risk management (p. 64) Compliance (pp. 65, 66)
2-14	Role of the highest governance body in sustainability reporting	Sustainability management (p. 18) Corporate governance (pp. 62, 63) Risk management (p. 64) Compliance (pp. 65, 66)
2-15	Conflicts of interest	Anti-corruption (p. 64)
2-16	Communication of critical concerns	Sustainability management (p. 18) Corporate governance (pp. 62, 63) Risk management (p. 64) Compliance (pp. 65, 66)
2-17	Collective knowledge of the highest governance body	—
2-18	Evaluation of the performance of the highest governance body	—
2-19	Remuneration policies	—
2-20	Process to determine remuneration	—
2-21	Annual total compensation ratio	—

GRI Content Index

Indicator		Where to find it in the Report
4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Message from the CEO (pp. 03–05) Message from the Managing Executive Officer, Human Resources & Organization (p. 48)
2-23	Policy commitments	Purpose/Values (p. 06) Participation in external initiatives / external evaluation (p. 11) Material Issues (Fine Today & Tomorrow) (p. 12) FineToday Group Basic Environmental Policy (p. 21) Human Rights Policy (p. 40) Procurement Policy (p. 43) Corporate Citizenship Policy (p. 45) Occupational Health and Safety Policy (p. 57) Code of Conduct and Ethics (p. 65)
2-24	Embedding policy commitments	Progress and objectives for Material Issues (Fine Today & Tomorrow) (pp. 14–17) Sustainability management (p. 18) Our responses to climate change (pp. 22–24) Action towards a sound material-cycle society (circularity) (p. 25) Our responses to nature and biodiversity issues (pp. 26–30) Fine Today Industries environmental initiatives (pp. 31, 32) Quality assurance (p. 34) R&D (pp. 35, 36) Giving consumers information they need (pp. 37–39) Respect for human rights (pp. 40–42) Engagement with suppliers to promote sustainable and responsible procurement (pp. 43, 44) Community collaboration (p. 45) FineToday Group social contribution activities (pp. 46, 47) Hiring, promotion, diversity, equity, and inclusion (pp. 49-51) Employee skills development (pp. 52-54) Promoting work-life balance (pp. 55, 56) Occupational health and safety (pp. 57-59) Labor-management relations (p. 60)

Indicator		Where to find it in the Report
2-24	Embedding policy commitments	Corporate governance (pp. 62, 63) Risk management (p. 64) Compliance (pp. 65, 66) Information security (pp. 67, 68)
2-25	Processes to remediate negative impacts	Participation in external initiatives / external evaluation (p. 11) Material Issues (Fine Today & Tomorrow) (p. 12) FineToday Group Basic Environmental Policy (p. 21) Responding to quality issues and product incidents (p. 34) Voice of the Consumer in our products and services (p. 38) Human rights due diligence (p. 41) Human rights initiatives, Helplines (p. 42) Assessing compliance to the Supplier Code of Conduct (p. 44) Occupational health and safety (p. 59) Labor-management relations (p. 60) Corporate governance (pp. 62, 63) Employee helplines (p. 66)
2-26	Mechanisms for seeking advice and raising concerns	Responding to quality issues and product incidents (p. 34) Voice of the Consumers in our products and services (p. 38) Human rights initiatives, Helplines (p. 42) Assessing compliance to the Supplier Code of Conduct (p. 44) Labor-management relations (p. 60) Corporate governance (pp. 62, 63) Employee helplines, Freelance Support Desk (p. 66)
2-27	Compliance with laws and regulations	N/A
2-28	Membership associations	—
5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	Stakeholder engagement (p. 19)
2-30	Collective bargaining agreements	Labor-management relations (p. 60)

GRI Content Index

— Material Topics 2021

Indicator	Where to find it in the Report
3-1 Process to determine material topics	Material Issues (Fine Today & Tomorrow) (p. 12)
3-2 List of material topics	Material Issues (Fine Today & Tomorrow) (p. 12)
3-3 Management of material topics	Material Issues (Fine Today & Tomorrow) (p. 12) Progress and objectives for Material Issues (Fine Today & Tomorrow) (pp. 14–17) Sustainability management (p. 18)

— Biodiversity 2024

Indicator	Where to find it in the Report
101-1 Policies to halt and reverse biodiversity loss	Material Issues (Fine Today & Tomorrow) (p. 12) FineToday Group Basic Environmental Policy (p. 21) Basic policy (p. 26)
101-2 Management of biodiversity impacts	Our responses to climate change (pp. 22–24) Environmental initiatives at the Vietnam Factory (p. 22) Action towards a sound material-cycle society (circularity) (p. 25) Our responses to nature and biodiversity issues (pp. 26–30)
101-3 Access and benefit-sharing	—
101-4 Identification of biodiversity impacts	Climate-related risks and opportunities (p. 23) Our responses to nature and biodiversity issues (pp. 27–29)
101-5 Locations with biodiversity impacts	—
101-6 Direct drivers of biodiversity loss	ESG data: Water, Waste, Pollutants (p. 70)
101-7 Changes to the state of biodiversity	—
101-8 Ecosystem services	—

— Economic

Indicator	Where to find it in the Report
201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	At a glance (p. 09) ESG data (pp. 69-75)
201-2 Financial implications and other risks and opportunities due to climate change	Climate-related risks and opportunities (p. 23)
201-3 Defined benefit plan obligations and other retirement plans	—
201-4 Financial assistance received from government	—
202: Market Presence 2016	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	—
202-2 Proportion of senior management hired from the local community	—
203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	Community collaboration (p. 45) FineToday Group social contribution activities (pp. 46, 47)
203-2 Significant indirect economic impacts	—
204: Procurement Practices 2016	
204-1 Proportion of spending on local suppliers	—
205: Anti-corruption 2016	
205-1 Operations assessed for risks related to corruption	ESG data: Compliance (p. 75)
205-2 Communication and training about anti-corruption policies and procedures	Assessing compliance to the Supplier Code of Conduct (p. 44) Anti-corruption (p. 64) Compliance (pp. 65, 66) ESG data: Human capital development and training (p. 72) Compliance (p. 75)
205-3 Confirmed incidents of corruption and actions taken	N/A
206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A

GRI Content Index

Indicator	Where to find it in the Report
207: Tax 2019	
207-1 Approach to tax	—
207-2 Tax governance, control, and risk management	—
207-3 Stakeholder engagement and management of concerns related to tax	—
207-4 Country-by-country reporting	—

— Environmental

Indicator	Where to find it in the Report
301: Materials 2016	
301-1 Materials used by weight or volume	ESG data: Containers and packaging primarily made of plastic (p. 70)
301-2 Recycled input materials used	—
301-3 Reclaimed products and their packaging materials	ESG data: Waste (p. 70)
302: Energy 2016	
302-1 Energy consumption within the organization	—
302-2 Energy consumption outside of the organization	—
302-3 Energy intensity	—
302-4 Reduction of energy consumption	—
302-5 Reductions in energy requirements of products and services	—

Indicator	Where to find it in the Report
303: Water and Effluents 2018	
303-1 Interactions with water as a shared resource	Environmental initiatives at the Vietnam Factory (p. 22) Prevention of air and water pollution (p. 32) ESG data: Water (p. 70)
303-2 Management of water dischargerelated impacts	Prevention of air and water pollution (p. 32)
303-3 Water withdrawal	ESG data: Water (p. 70)
303-4 Water discharge	ESG data: Water (p. 70)
303-5 Water consumption	ESG data: Water (p. 70)
305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	ESG data: GHG (Scope 1, Scope 2) (p. 69)
305-2 Energy indirect (Scope 2) GHG emissions	ESG data: GHG (Scope 1, Scope 2) (p. 69)
305-3 Other indirect (Scope 3) GHG emissions	ESG data: GHG (Scope 3) (p. 69)
305-4 GHG emissions intensity	—
305-5 Reduction of GHG emissions	—
305-6 Emissions of ozone-depleting substances (ODS)	—
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Prevention of air and water pollution (p. 32) ESG data: Pollutants (p. 70)

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Indicator	Where to find it in the Report
306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	Container and packaging initiatives, Initiatives for promotional materials, Promoting resource recycling in logistics (p. 25)
306-2 Management of significant waste-related impacts	Container and packaging initiatives, Initiatives for promotional materials (p. 25) Waste reduction, Horizontal recycling of release paper (p. 32)
306-3 Waste generated	ESG data: Waste (p. 70)
306-4 Waste diverted from disposal	ESG data: Waste (p. 70)
306-5 Waste directed to disposal	ESG data: Waste (p. 70)
308: Supplier Environmental Assessment 2016	
308-1 New suppliers that were screened using environmental criteria	—
308-2 Negative environmental impacts in the supply chain and actions taken	Environmental initiatives at the Vietnam Factory (p. 22) Promoting resource recycling in logistics (p. 25) Our responses to nature and biodiversity issues (pp. 26–30) FineToday Group Supplier Code of Conduct (p. 43) Assessing compliance to the Supplier Code of Conduct, Overview of FY2024 supplier assessment (p. 44) ESG data: Environmental (pp. 69, 70)

— Social

Indicator	Where to find it in the Report
401: Employment 2016	
401-1 New employee hires and employee turnover	ESG data: Hiring and turnover (p. 72)
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	—
401-3 Parental leave	ESG data: Percentage of employees taking parental leave (female) (p. 71)

Indicator	Where to find it in the Report
402: Labor/Management Relations 2016	
402-1 Minimum notice periods regarding operational changes	—
403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	Occupational Health and Safety Policy, Promoting occupational health and safety (p. 57)
403-2 Hazard identification, risk assessment, and incident investigation	Promoting occupational health and safety (p. 57)
403-3 Occupational health services	Promoting occupational health and safety (p. 57)
403-4 Worker participation, consultation, and communication on occupational health and safety	Promoting occupational health and safety (p. 57)
403-5 Worker training on occupational health and safety	Education and training on occupational health and safety (p. 58)
403-6 Promotion of worker health	Education and training on occupational health and safety, Ensuring occupational health and safety (p. 58)
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Assessing compliance to the Supplier Code of Conduct (p. 44)
403-8 Workers covered by an occupational health and safety management system	Promoting occupational health and safety (p. 57)
403-9 Work-related injuries	N/A
403-10 Work-related ill health	ESG data: Occupational-illness frequency rate (OIFR) (p. 71)
404: Training and Education 2016	
404-1 Average hours of training per year per employee	ESG data: Human capital development and training (p. 72)
404-2 Programs for upgrading employee skills and transition assistance programs	Programs to support skills development (p. 53)
404-3 Percentage of employees receiving regular performance and career development reviews	ESG data: Percentage of employees receiving regularly scheduled performance and career development reviews (p. 72)
405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	At a glance (p. 09) ESG data: Number of employees, Diversity, equity, and inclusion (DE&I) (p. 71) ESG data: Hiring and turnover (p. 72)
405-2 Ratio of basic salary and remuneration of women to men	ESG data: Pay equity ratio (p. 71)

GRI Content Index

Indicator	Where to find it in the Report
406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	ESG data: Human rights (p. 73) ESG data: Compliance (p. 75)
407: Freedom of Association and Collective Bargaining 2016	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	—
408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	N/A
409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	N/A
410: Security Practices 2016	
410-1 Security personnel trained in human rights policies or procedures	—
411: Rights of Indigenous Peoples 2016	
411-1 Incidents of violations involving rights of indigenous peoples	—
412: Human Rights Assessment 2016	
412-1 Operations that have been subject to human rights reviews or impact assessments	Human rights due diligence (p. 41) Human rights initiatives (p. 42) Overview of FY2024 supplier assessment (p. 44) ESG data: Company information (p. 69) ESG data: Human Rights Training attendance rate (p. 72) ESG data: Human rights, Supplier audit (p. 73)
412-2 Employee training on human rights policies or procedures	Human rights initiatives (p. 42) Overview of FY2024 supplier assessment (p. 44) ESG data: Company information (p. 69) ESG data: Human Rights Training attendance rate (p. 72) ESG data: Human rights, Supplier audit (p. 73)
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	—

Indicator	Where to find it in the Report
413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and development programs	FineToday Group social contribution activities (pp. 46, 47)
413-2 Operations with significant actual and potential negative impacts on local communities	—
414: Supplier Social Assessment 2016	
414-1 New suppliers that were screened using social criteria	—
414-2 Negative social impacts in the supply chain and actions taken	Overview of FY2024 supplier assessment (p. 44) ESG dat: Human rights, Supplier audit (p. 73)
415: Public Policy 2016	
415-1 Political contributions	—
416: Customer Health and Safety 2016	
416-1 Assessment of the health and safety impacts of product and service categories	—
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	—
417: Marketing and Labeling 2016	
417-1 Requirements for product and service information and labeling	Container and packaging initiatives (p. 25) Information on websites, Package initiatives (p. 37)
417-2 Incidents of non-compliance concerning product and service information and labeling	—
417-3 Incidents of non-compliance concerning marketing communications	ESG data: Marketing and advertising violations / product recalls (p. 73)
418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A

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