

FineToday Group

Sustainability Report 2026

finetoday

Contents

02	Corporate Profile
02	Contents / Editorial policy
03	Purpose/Values
04	Message from the CEO
07	Organization / Company profile
08	At a glance
09	Brands
10	Research & Development
11	Manufacturing
12	FineToday Group Sustainability
12	Material Issues (Fine Today & Tomorrow)
13	Materiality identification process
14	Progress and objectives for Material Issues
18	Sustainability management
19	Stakeholder engagement
20	Participation in external initiatives / external evaluation
21	Prosperity
	Innovation to beautify and enrich everyday life
22	Provide unique value through joyful brand experiences
23	Innovate to create diverse value
	Improvement of community well-being
25	Contribute and donate to local communities

27	People
	Respect for human rights, and promotion of DE&I in the value chain
28	Respect human rights, and ensure responsible value chain management
28	Respect for human rights
31	Collaboration with suppliers
33	Contribute to improving self-esteem and realizing a society where people can live in their own way through our products and services
34	A Message from the Executive Officer, General Manager, Human Resources Division
36	Eliminate inequality based on gender, physical characteristics, nationality, etc. in the workplace
36	An inclusive culture that harnesses diversity
38	Empowering diverse employees
	Improvement of employee well-being
41	Ensure occupational health and safety, and promote decent work environments
41	Occupational health and safety
44	Enhancement of engagement
45	Labor-management relations
46	Develop human resources in the workplace
48	Planet
49	FineToday Group Basic Environmental Policy

	Our responses to climate change
51	Reduce greenhouse gas (GHG) emissions
	Conservation of the natural environment and biodiversity, and realization of a circular society
53	Our responses to nature and biodiversity issues
55	Sustainable raw-materials procurement
56	Sustainable containers and packaging
57	Conserve water resources in our production activities
58	Principles of Governance
	Promotion of transparent, fair, and trustworthy governance
59	Strengthening governance, ensuring compliance, and promoting risk management
59	Corporate governance
61	Risk management
63	Compliance
65	Address information security and cyber security
67	Promote activities to ensure product reliability
67	Quality assurance
68	Giving consumers information they need
	Creation of a corporate culture that realizes our purpose
71	Provide each and every employee with opportunities to work toward our purpose
72	Data

Editorial Policy

Business administration and promotion of environmental, social, and governance sustainability initiatives serve as the integral twin axles of the 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 Prosperity, People, Planet, and Principles of Governance each report on individual activities related to sustainability initiatives as comprehensively and specifically as possible for each of our material issues ("Fine Today & Tomorrow"). Stakeholder dialogue is essential to business growth and raising the bar on sustainability initiatives. The FineToday Group will continue its proactive approach to disclosure in the future.

Published	August 2026
Period covered by this Report	FY2025 (January 1–December 31, 2025) * 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)

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

1
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.

2
Aesthetics
Rooted in Us

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.

3
Frontier Spirit

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.

Marking our fifth anniversary: Looking 100 years ahead with dual-focused management rooted in Aesthetic Intelligence

A milestone year

The FineToday Group marked its fifth anniversary in July 2026, five years after becoming independent from the personal care business of Shiseido Co., Ltd. in July 2021. We owe this milestone to the warm support of all our stakeholders, and I would like to express my heartfelt gratitude.

After becoming independent, the Group rapidly established an integrated management structure by setting up its management divisions, building its own IT infrastructure, acquiring manufacturing sites, and opening an R&D facility, creating a seamless structure across technology development, manufacturing, marketing, and sales.

We advanced our development as a company specializing in personal care by strengthening our legacy brands, such as Fino and TSUBAKI, by launching new brands such as +tmr (Plus Tomorrow). At the same time, we have advanced environmental and social sustainability initiatives.

Through our management approach with a dual focus on business operations and sustainability, we are steadily progressing toward fulfilling our Purpose: “To enrich the lives of everyone today and for generations to come, one fine day at a time.”

We welcomed Bain Capital Private Equity, LP as a new shareholder in June 2026. We will harness the firm’s expertise in accelerating

corporate growth and enhancing value worldwide, including in the consumer products sector, as we continue to pursue the sustainability of both the planet and our business.

As we mark our fifth anniversary, we are renewing our commitment to fulfilling our Purpose. We are dedicated to continuing working with all Group employees to build a company that earns the respect of generations 100 years from now.

Management with a dual focus on business operations and sustainability

The FineToday Group’s management with a dual focus on business operations and sustainability integrates the pursuit of environmental and social sustainability with profitable growth. We link these two priorities to earn the trust and understanding of all stakeholders, share moments of inspiration, and fulfill our Purpose. We are activating this cycle to create economic value and social value.

A key highlight in 2025 was our progress toward procuring sustainable palm oil. We obtained RSPO Supply Chain Certification for our head office and two manufacturing sites in Kuki, Saitama Prefecture, and in Vietnam. We joined Kobe Plastic Next: Joining Forces to Recycle Refill Packs, a collaborative initiative of governments,



Tetsuo Komori

Representative Director,
President and CEO
FineToday Holdings
Co., Ltd.

businesses, and citizens seeking to establish a practical system for recycling refill pouches. This participation is a step forward in our material issue of promoting sustainable containers and packaging. After joining the initiative, EcoVadis* awarded us a Gold Medal for the third consecutive year, placing us among the top 5% of companies assessed. We will continue to vigorously advance management with a dual focus on enhancing both ESG performance and business sustainability.

* One of the world's largest sustainability assessment organizations, with more than 170,000 companies assessed across 180 countries (as of July 2026).

Aesthetic Intelligence at the foundation of dual-focus management

Aesthetic Intelligence is the value underpinning our management with a dual focus on business operations and sustainability. Passed down through our organization since our time as part of Shiseido, Aesthetic Intelligence reflects our heritage as a company that has long offered products applied directly on the skin. The concept of Aesthetic Intelligence extends beyond external beauty to encompass internal and emotional value, as well as honesty, integrity, and

thoughtfulness, all of which contribute to the full richness of mind, body, behavior, and society.

Aesthetic Intelligence shapes every aspect of our value chain, from business strategy development to day-to-day operations. The concept guides not only our development of high-quality products but also pricing that reflects emotional value as well as marketing communications and the development of environmentally conscious packaging.

We believe products that are used every day are more than consumable goods; we believe they give consumers the power to take positive steps that express their true selves. Our values rooted in Aesthetic Intelligence elevate daily necessities into “refined beauty essentials” and turn everyday routines into joyful experiences. We believe that helping people experience positive days in which they can be true to themselves creates a positive cycle that expands over time and helps build a beautiful and flourishing society for future generations.



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

Basic Concept of Purpose-Driven Management



Becoming an organization sharing our Aesthetic Intelligence and proactively taking on challenges

Aesthetic Intelligence is also an important foundation for developing our human resources and for creating corporate value.

The FineToday Group brings together diverse talent from various backgrounds across age groups and industries. The Group operates in 11 countries and regions across Asia, and foreign nationals account for more than half of our employees. This diversity gives us a major advantage in conducting business that respects and responds to the culture and needs of each country and region.

We maximize our strength in diversity by fostering a corporate culture of deep mutual understanding of differences in which all employees share Aesthetic Intelligence as a common global value. We regularly hold Cultureship workshops at all Group sites tailored to levels from senior management to employees to instill Aesthetic Intelligence into daily decisions and actions at all organizational

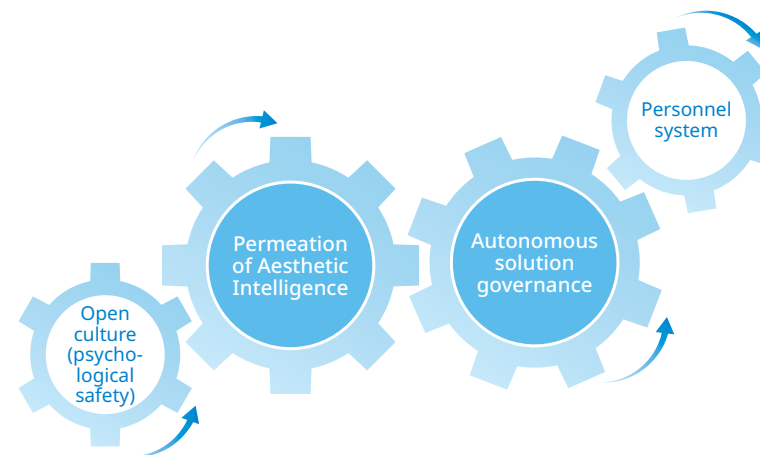


A Cultureship workshop for executives

level. We believe these sustained efforts give our Group a competitive advantage for delivering unique value to society that competitors cannot easily replicate.

In addition to Aesthetic Intelligence, our human resource development also strongly emphasizes the concept of “autonomous solution governance.”

I often tell employees that no one will be penalized for pointing out problems. A strong sense of psychological safety empowers employees to identify and solve issues through middle-up and bottom-up approaches rather than relying on top-down direction. We call this management approach “autonomous solution governance,” and I believe it is a hallmark of companies with outstanding organizations and strong business performance. Aesthetic Intelligence and autonomous solution governance



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

function like interlocking gears. Their interaction helps employees naturally accept different perspectives and steadily advances DE&I. I believe it also helps us develop people with a broad range of expertise.

Creating long-term value through a virtuous cycle of society, business, and our people

I believe that applying Aesthetic Intelligence across every aspect of our value chain, from developing products to developing our people, gives us a unique source for creating value. “Refined beauty essentials” that embody Aesthetic Intelligence turn everyday routines into joyful experiences and invite positive change to people’s daily lives. I believe the positive changes our products inspire will accumulate over time and help us earn society’s trust and understanding, strengthen employee engagement and creativity, and drive sustained growth in corporate value.

The FineToday Group will continue applying a virtuous cycle among society, business, and our people to create value and solidify our position as a company of choice for stakeholders.

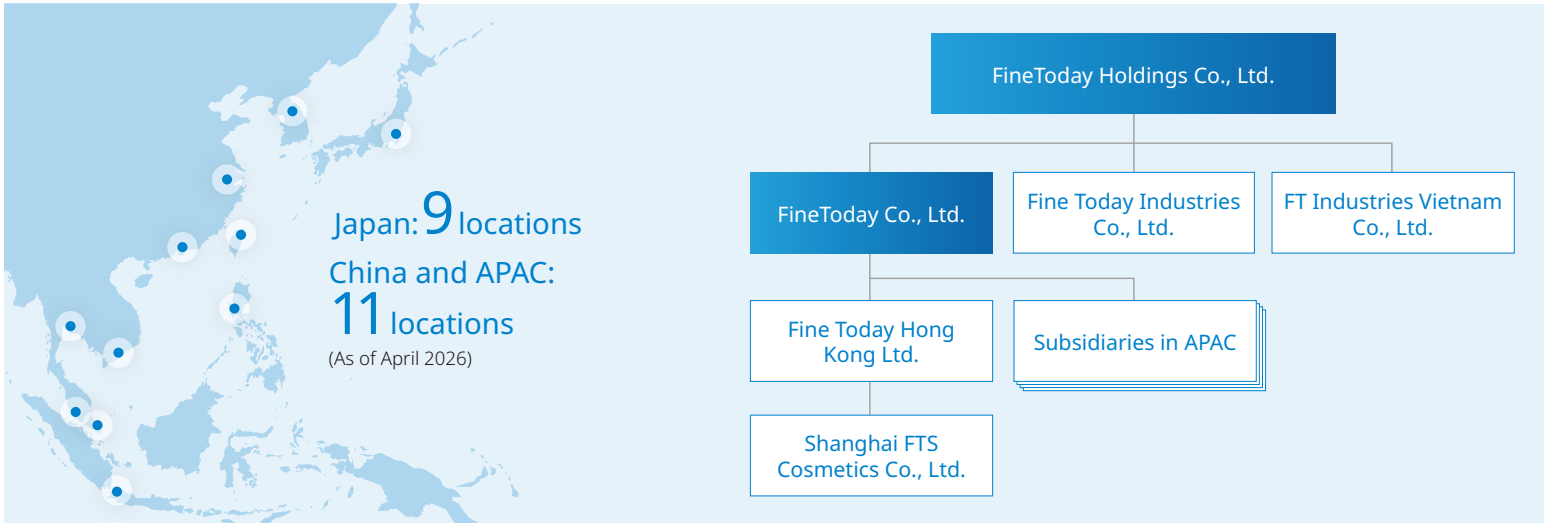
Tetsuo Komori

Representative Director, President and CEO
FineToday Holdings Co., Ltd.

The 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 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, President and CEO

Business Areas

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

Date of Business Launch

January 1, 2023

Providing refined beauty essentials to beautify and enrich people's lives as a glocal company in Asia

The 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 sales
More than
JPY **110** billion (FY2025)



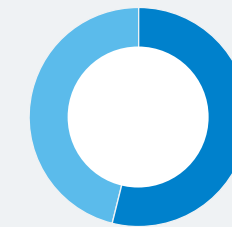
Percentage of
revenue from overseas
Approx. **60** % (FY2025)



Adjusted consolidated
operating profit margin*1
15.2 % (FY2025)

Percentage of
women employees

Japan **50** % China **70** % APAC **70** % (As of December 31, 2025)



Percentage of
employees overseas*2
Approx. **54** %
(FY2025)



Group employees

Approx. **2,300**
(As of December 31, 2025)



*1 Adjusted consolidated operating profit: To reflect our actual earning power, financial figures are adjusted to exclude one-time expenses related to our independence from Shiseido Co., Ltd., IPO-related costs, and foreign exchange gains/losses. *2 Employees outside Japan

Building strong, diverse brands that last

The FineToday Group's product offerings go beyond everyday items and embody refined beauty essentials that make each day more beautiful and fulfilling for the user. Our long-loved brands bring joyful experiences to people's daily lives around the world.



R&D drives value creation that inspires and delights

The FineToday Group provides refined beauty essentials designed to enrich and add beauty to people’s daily lives.

We develop products and services tailored to each market across our 11 countries and regions in Asia to meet both expressed and latent consumer needs shaped by local cultures and lifestyles.

Our R&D Division drives these efforts by advancing both brand value development and fundamental technologies. Our brand value development places equal emphasis on delivering outstanding quality and on creating the emotional value that consumers experience when using our brands.

Our research on fundamental technologies leverages open innovation to incorporate cutting-edge technologies and expertise from external partners. This approach strengthens the functional advantages of our products while driving innovations that create new customer value.

Research and development center

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

Production system delivering high-quality products and value

The FineToday Group manufactures its products at two manufacturing sites: Fine Today Industries in Japan and FT Industries Vietnam. The Group pursues business growth through an integrated structure spanning technology development, production, and sales, supported by a supply chain optimized to deliver high-quality products. We also reduce environmental impact, provide safe and comfortable workplaces, and advance other initiatives that support our sustainability goals.

Manufacturing and development sites

Fine Today Industries Co., Ltd.



Fine Today Industries Co., Ltd. (FTI), which is responsible for the 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 plays a central role in the FineToday Group's integrated operations 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 • ISO 45001 • RSPO Supply Chain Certification

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 40% (39.6%) of its power needs in FY2025.

Location of Head Office	Lot 231-233-235-237, Amata Road, Long Binh (Amata) Industrial Park, 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 • RSPO Supply Chain Certification

Eight Material Issues that the 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.



People

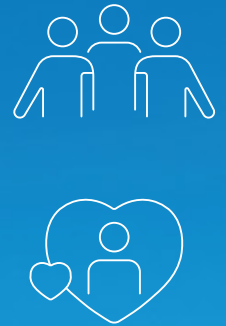
To respect all people and deepen our relationships.

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 pursues a physically, mentally, and socially fulfilling professional career.



Planet

To halve our environmental impact throughout our value chain.

Our responses 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.



Prosperity

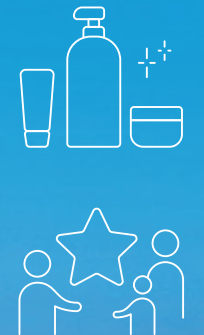
To provide a wonderful day to as many people as possible.

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 refined beauty essentials

To improve the effectiveness of its Purpose-driven management and contribute to achieving the SDGs, the FineToday Group redefined its 8 Material Issues and updated 16 initiatives in 2024 to better reflect international sustainability standards and guidance. We 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

Prosperity

Material Issues	Commitments	Initiatives	KPIs	Target value (Achievement year)	FY2025 results	FY2026 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 joyful 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*	More than one new value in FY2025	Two	• Expand the men's hair care category by capturing growing demand	
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 targets (FY2025)	Approx. ¥62.0 million	• Continue social contribution activities centered on local issues at each site	

* Including the creation of new brands and overseas rollout of existing products

People

Material Issues	Commitments	Initiatives	KPIs	Target value (Achievement year)	FY2025 results	FY2026 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 (FY2025)	100%	• Review human rights KPIs and monitoring methods for advertising content	  
	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 (FY2025)	Reviewed operating methods	• 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	Percentage of engagement survey responses that were positive for acknowledgement of comments and opinions	90% (FY2030)	79.9%*3	• Conduct evaluation training and 180-degree feedback for executives	 
			Percentage of women in management positions	35% (FY2030)	35.7%	• Implement the Fine Tomorrow Program (medium- to long-term development program)	
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)	69.0%*3	• Conduct training and global communication to foster aesthetic intelligence management and culture	 
			Number of serious occupational accidents	0 ongoing cases (FY2025)	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)	66.1%*3	• Conduct evaluator training	  
			Percentage of employees who hold to our Values & Leadership Behavior (behavioral level)	95% (FY2030)	55.3%	• Introduce behavioral assessments based on Leadership Behavior • Implement “Cultureship”	

*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 FineToday Holdings and FineToday employees

Planet

Material Issues	Commitments	Initiatives	KPIs	Target value (Achievement year)	FY2025 results	FY2026 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)	47%	- Conduct surveys with key suppliers to reduce Scope 3 emissions - Explore renewable energy procurement for offices	 
			Scope 3 emissions reduction rate (compared to 2021)	25% (FY2030)	Scope 3 emissions increased by 2% 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.	Conserve biodiversity	Sustainable palm oil procurement	100% (FY2030)	Published a TNFD report	- Maintain RSPO SC certification - Increase the percentage of RSPO-certified palm oil in line with the procurement roadmap	  
		Sustainably procure raw materials (mainly palm oil)			RSPO-certified palm oil percentage: 19%		
		Sustainable containers and packaging (mainly plastic)	Percentage of sustainable containers and packaging	100% (FY2030)	96%	Revise the container and packaging guidelines	   
			Reduction rate of petroleum-derived virgin plastic used in primary containers (Per unit compared to 2022)	25% or higher (FY2030)	2%	- Advance the development of Group-wide plastic reduction policies and plans - Promote refills at overseas sites	
		Conserve water resources in our production activities	Reduction rate of water intensity (compared to 2021): FTI	10% (FY2030)	8%	- Track total Group water usage - Formulate a plan to reduce manufacturing sites water consumption	    
			Reduction rate of water intensity (compared to 2021): FTIV	10% (FY2030)	31%		

Principles of Governance

Material Issues	Commitments	Initiatives	KPIs	Target value (Achievement year)	FY2025 results	FY2026 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 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.	Strengthening governance, ensuring compliance, and promoting risk management	Number of serious compliance violations*1	0 ongoing cases (FY2025)	0	- Conduct compliance education and training - Develop a compliance program	  
		Address information security and cyber security	Ongoing information security training and cybersecurity drills	No numerical targets (FY2025)	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	0 ongoing cases (FY2025)	0	- Strengthen quality control processes during new product development - Strengthen the management system for halal products in Indonesia	 
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)	83.6%*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

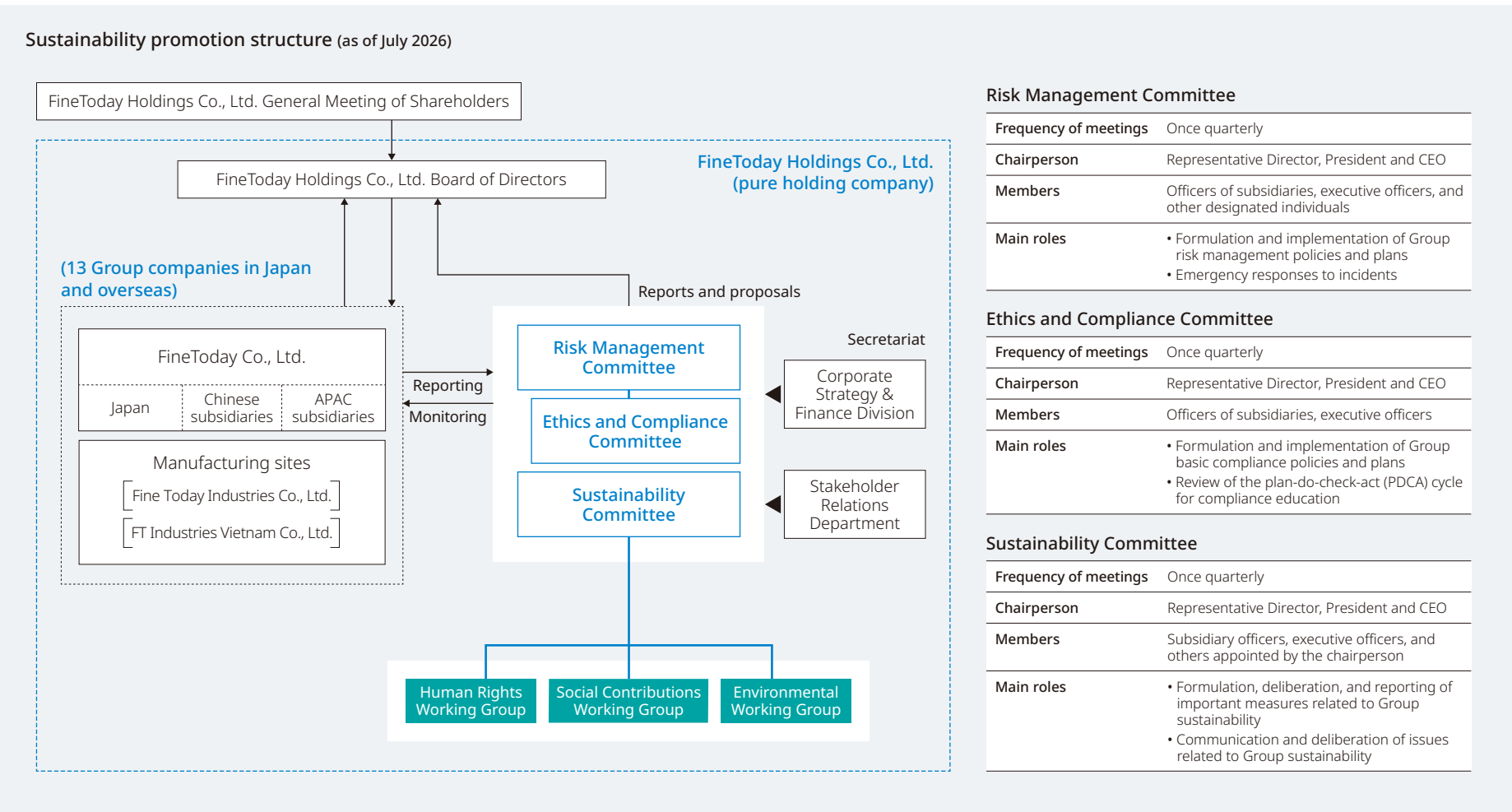
Developing a sustainability promotion structure in which top management plays a central role

The FineToday Group Risk Management Committee, Ethics and Compliance Committee, and Sustainability Committee, overseen by the FineToday Holdings Representative Director, President 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.

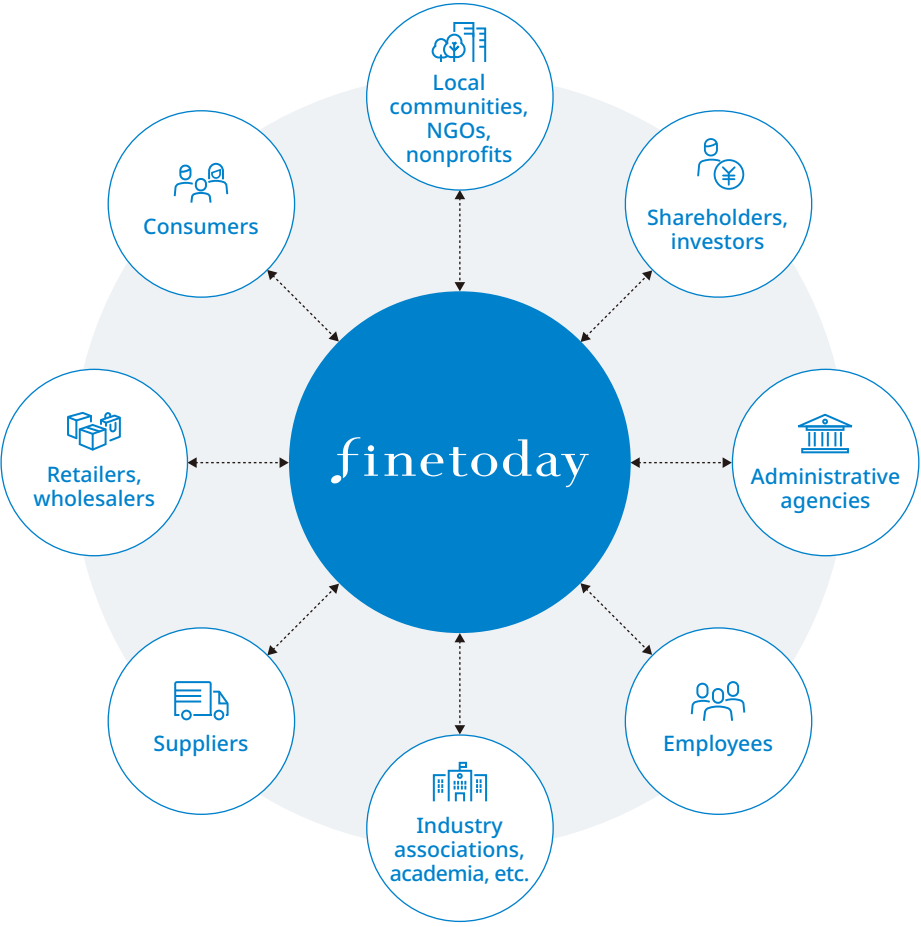
The FineToday Group also has adopted a system that reflects sustainability indicators in decisions on remuneration for executives and division general managers.*

* 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	The FineToday Group is expanding its range of consumer 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	The 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*	The 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.	The 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 external experts



Local communities, NGOs, nonprofits	As a good corporate citizen, the 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, the 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	The 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

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 the 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



GX Future Consortium

Joined the TCFD Consortium (now GX Future Consortium) 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 November 2025, the FineToday Group was awarded a Gold Medal by EcoVadis, placing it within the top 5% of companies evaluated. EcoVadis is one of the world’s largest sustainability assessment organizations, assessing more than 170,000 companies in 180 countries.
FineToday Group



Cultural Diversity Index

In October 2025, 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





Prosperity

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

Material Issue	 Innovation to beautify and enrich everyday life	
Initiatives	Provide unique value through joyful brand experiences	22
	Innovate to create diverse value	23
Material Issue	 Improvement of community well-being	
Initiatives	Contribute and donate to local communities	25



Provide unique value through joyful brand experiences

Basic policy

The FineToday Group is committed to developing brands that go beyond everyday essentials and become integral to consumer daily lives by delivering joyful brand experiences that lift spirits and foster a bright, positive outlook. Our brands are built on the quality of our products. Product quality encompasses safety and functionality, and because our products are used every day and come into direct contact with the skin, we pursue both to the highest standards, grounded in scientific and technological knowledge.

We believe in enhancing our products’ emotional value of inspiring comfort, confidence, and positive changes in feelings that enrich everyday life. This emotional value fosters trust and affinity for our brands and ultimately delivers unique value.

This belief underlies the Group’s commitment to creating opportunities for consumers to experience the value of our products firsthand. We actively carry out promotional activities tailored to the diverse cultures and lifestyles in each country and region where our products and brands are available. These activities are expanding the opportunities for consumers to experience the appeal of our products.

The FineToday Group will continue creating diverse consumer touchpoints, building on the foundation of trust in our brand quality and offering joyful brand experiences that continue to

enhance our brand value.

Increasing consumer touchpoints

Expanding into new regions

We will continue building the structure to ensure a stable supply of Group products in promising markets where demand has already been confirmed, such as North America. As the structures take form, we will begin strategic marketing investments tailored to the specific characteristics and consumer needs of each country and region to increase brand awareness and steadily build the local businesses. These efforts will drive sales and profit growth into the medium and long term and provide a broadening foundation for the sustainable expansion of our business.

Official sponsorship of a high school soccer club

In April 2025, FineToday entered into an official sponsorship agreement with the boys’ and girls’ soccer teams of Toin Gakuen High School in Yokohama, Kanagawa Prefecture.

Under the agreement, the players’ uniforms feature the FineToday and Sea Breeze body care brand logos. This sponsorship supports young athletes as they pursue their ambitions, while strengthening our ties with local communities



through sport and creating more opportunities for people to experience our brands.

Total coordination course for university students

FineToday collaborated with Aoyama Trading Co., Ltd. to present the Total Skin and Fashion Coordination Seminar for university students in February 2026. Offering the seminar reflects our commitment to helping people discover strengths they may not yet recognize and move forward with confidence while remaining true to themselves.

Students were introduced to business attire and skin care and makeup for a variety of business settings through practical demonstrations featuring FineToday’s UNO men’s beauty care brand and Aoyama Trading’s Suit Square business attire. The seminar conveyed the message that personal grooming prepares people to engage with society with confidence. Practical experiences like this increase our consumer touchpoints and create more opportunities for people to discover the appeal of our brands and products.





Innovate to create diverse value

Basic policy

The FineToday Group is committed to innovation grounded in scientific and technological expertise to continue providing products and services that meet diverse consumer needs. We seek to deliver moving experiences through products that consumers find irresistible, addressing both known consumer needs and latent needs that consumers themselves may not yet recognize. We also continually invest in strengthening our technological capabilities and R&D framework to maintain our solid foundation for developing products and services that enrich people's lives.

The R&D Division engages in two primary research functions: Brand Value Development and Basic and Fundamental Research. Brand Value Development focuses on improving product quality, enhancing the emotional value experienced when using our products, and developing products that customers continue to choose. Basic and Fundamental Research aims at developing breakthrough innovation through open innovation by strategically incorporating innovative technologies from external partners while challenging ourselves to create new value from our own unique perspective.

The FineToday Group operates across 11 countries and regions in Asia, where we focus on meeting needs rooted in local cultures and lifestyles. Building on the technological foundation developed in

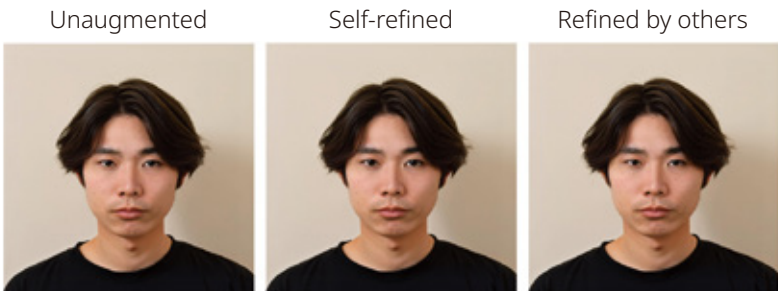
Japan, we pursue glocal innovation by integrating external expertise and closely aligning research, production, and sales to maximize value. This integrated approach enables us to deliver new and inspiring experiences to a broader range of consumers.

Creating value with Japan-based R&D

A new method for evaluating facial impressions

Men are increasingly embracing beauty and grooming products to achieve authentic self-expression. However, many remain wary of major changes and find it difficult to articulate their ideal facial appearance.

We developed artificial intelligence (AI) and augmented reality (AR) technologies that enable users to virtually adjust the appearance of their facial features and evaluate the resulting facial impressions. The technology enables users to visualize what they perceive as attractive, how they envision their ideal appearance, and the differences between how they perceive themselves and how others perceive them. We are applying this unique technology and the insights it delivers to develop products and services that reflect diverse values and perspectives.



AI-generated image highlighting specific features

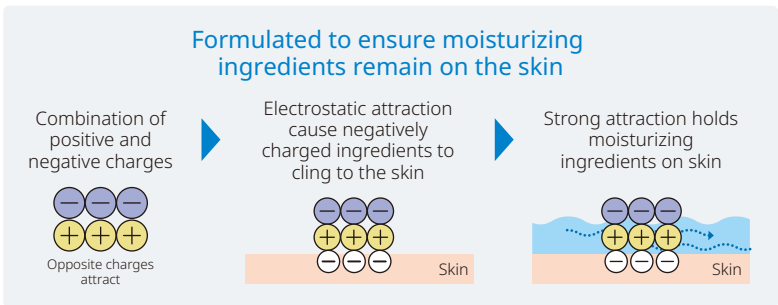
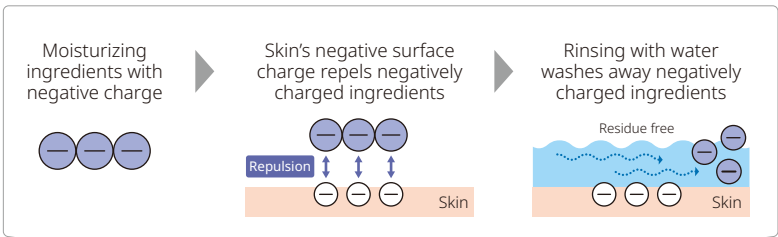
Complex technology

Cleansing is a daily skin care routine, yet moisturizing ingredients in facial cleansers are easily rinsed away, limiting their effectiveness. Skin is also stressed by changes in humidity as people move between outdoor environments and air-conditioned indoor spaces.

We used our proprietary Complex Technology, a blend of carefully formulated ingredients that creates a synergistic effect unattainable with any single ingredient, to develop a facial cleanser that leaves skin moisturized even after rinsing. This technology also produces a rich lather for a more comfortable cleansing experience and enhanced emotional value from product use.



— SENKA with Complex Technology



⊖ Negative charge ⊕ Positive charge

Delivering value to global markets

KUYURA: product planning for local needs

We partnered with a local manufacturer to respond to the growing preference for natural products in China and meet consumer needs with greater flexibility. This collaboration enabled us to bring the woody-scented KUYURA body care soap from concept to launch within a short period. Once also available in Japan, KUYURA is now marketed exclusively in China as *Kě Yōurán*, where it became a hit product.



TSUBAKI Premium EX Hair Fall: hair fall care

We developed TSUBAKI Premium EX Hair Fall to address the growing concern over hair breakage in East Asia, Southeast Asia, and China. The formulation was designed to provide hair and scalp care while reflecting regional water quality and lifestyles. The product offers a region-specific hair care solution combined with TSUBAKI’s signature lustrous hair value.





Contribute and donate to local communities

Basic policy

FineToday Group has identified “improvement of community well-being” as one of its material issues and collaborates with local

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.

Priority areas

- 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 priority 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.

entities as a way of enhancing our corporate value.

The Corporate Citizenship Policy established in 2023 sets priority areas of Beauty and enrichment, Environment and nature, Support for the next generation, and Support for local residents. We conduct ongoing activities in each of these four areas to create social impact and enhance corporate value.

Promotion structure

The Social Contributions Working Group (WG) actively promotes activities to carry out our Corporate Citizenship Policy.

The Company also promotes social contribution activities by creating opportunities for dialogue with overseas bases and discussing future directions for these activities. 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/>

Corporate Citizenship Policy in action

Priority area

Beauty and enrichment

Building a circle of support through Fino hair donations

We launched the HAIR TOUCH YOU – Within Reach program in 2022 centered on the Fino hair care brand to support the desire of everyone involved with medical wigs to “be themselves.” In partnership with the NPO National Welfare Beauty and Barber Training Association (known as Fukuribi), we established the Fino Wig Bank to collect hair donations of any hair type with the sole rule that it must be at least 31 cm long. Hair that cannot be used to

make full wigs is instead repurposed into partial wigs that can be worn with hats. We believe that awareness is the first step toward inspiring small acts of kindness. Guided by this belief, we undertake a variety of initiatives to raise awareness, including workshops on medical wigs for elementary school children and their parents.

Since 2024, we have also supported the Pink Ribbon campaign promoted by the certified NPO J.POSH to raise awareness of the importance of early breast cancer detection. We donate a portion of the proceeds from limited-edition pink Fino products to Fukuribi, while hair donated to the Fino Wig Bank through the campaign is used to produce and donate medical wigs. We support Pink Ribbon activities in Japan, Singapore, Malaysia, the Philippines, and Taiwan, expanding the circle of support for medical wigs across Asia through donations and awareness initiatives.



1. Hair donation kit
2. Medical wig made of donated hair
3. Personalized medical wig



The Philippines Taiwan Singapore Malaysia

Priority area Environment and nature

Tree planting project with local environmental organizations

Fine Today Malaysia Sdn. Bhd. has partnered with a local environmental organization since 2023 to carry out a mangrove restoration project. The project restores coastal ecosystems in Selangor, addresses climate change, contributes to a more sustainable society, and strengthens the resilience of local communities.

On World Rivers Day in September 2025, Fine Today Malaysia partnered with a local organization to carry out the Tree For Us program. Employees were active members of a group that planted approximately 700 mangrove saplings and participated in environmental education activities. The company continues to work with local organizations to protect the environment and contribute to local communities.



Priority area Support for the next generation

Sports and personal care equipment donations to schools

Shanghai FTS Cosmetics Co., Ltd. carries out the Fine Life Project, a sports-based community initiative that promotes the healthy development of the next generation. Through a partnership with the Shenzhen One Foundation in 2025, seven employee volunteers delivered donated sports equipment valued at RMB 100,000 (approximately ¥2 million) and 1,000 personal care kits to seven rural schools in China's Henan and Gansu provinces.

These initiatives conveyed the importance of physical activity and personal care to more than 4,400 students and faculty members. The company continues to engage with local communities to support the healthy physical and emotional development of children.



Priority area Support for local residents

Relief donations for wildfire-affected areas

Fine Today Korea Co., Ltd. donated emergency relief supplies to the Community Chest of Korea in April 2025 to support communities in North Gyeongsang Province affected by devastating wildfires. The donation included 3,000 essential personal care items, including shampoo and body wash, valued at approximately KRW 40 million (approximately ¥4.4 million). Yeongdeok Welfare Foundation distributed the supplies to residents severely affected by the wildfires, including those who lost their homes.





People

To respect all people and deepen our relationships.

Material Issue	 Respect for human rights, and promotion of DE&I in the value chain	
Initiatives	Respect human rights, and ensure responsible value chain management	28
	Respect for human rights	28
	Collaboration with suppliers	31
	Contribute to improving self-esteem and realizing a society where people can live in their own way through our products and services	33
	A Message from the Executive Officer, General Manager, Human Resources Division	34
	Eliminate inequality based on gender, physical characteristics, nationality, etc. in the workplace	36
	An inclusive culture that harnesses diversity	36
	Empowering diverse employees	38
Material Issue	 Improvement of employee well-being	
Initiatives	Ensure occupational health and safety, and promote decent work environments	41
	Occupational health and safety	41
	Enhancement of engagement	44
	Labor-management relations	45
	Develop human resources in the workplace	46



Initiative

Respect human rights, and ensure responsible value chain management

■ Respect for human rights

Basic policy

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

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

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

FineToday Group Human Rights Policy (Preamble)

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

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

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

Website

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

— Respect for human rights

Human rights management system

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

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

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

— FY2025 Human Rights Working Group training and discussion topics

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

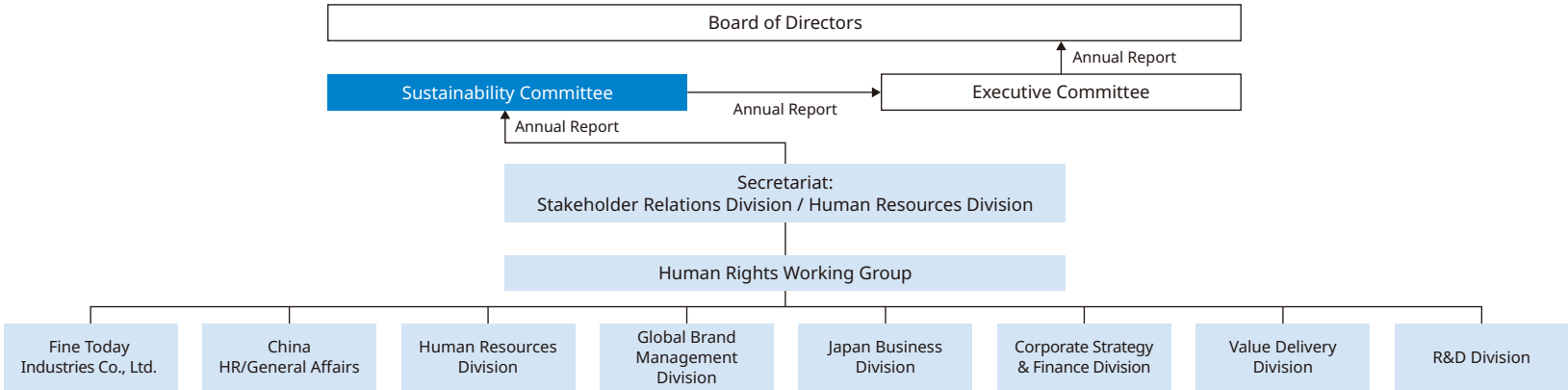
Human rights due diligence

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

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

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

— Human rights management structure



— Human rights heat map

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

— Respect for human rights

Human rights initiatives

Human rights education and training

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

— Priority human rights initiatives and KPIs of 2025

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

Prevention of human rights violations in the supply chain

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

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

Helplines

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

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

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

— Harassment whistleblowing hotlines

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



Initiative

Respect human rights, and ensure responsible value chain management

■ Collaboration with suppliers

Basic policy

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

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

FineToday Group Procurement Policy

Procurement Vision

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

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

Basic Policy

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

FineToday Group Supplier Code of Conduct

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

Website

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

— Collaboration with suppliers

Supplier management

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

FineToday conducted transactions with approximately 120 suppliers in FY2025.

— Supplier assessments

Approach

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

Methodology

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

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

— Supplier management status

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

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

Sustainable raw-materials procurement

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

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



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

Basic policy

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

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

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

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

Promotion structure

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

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

Highlight

Supporting men’s evolving self-care routines

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

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





A Message from the Executive Officer

Strengthening an organizational culture rooted in Aesthetic Intelligence

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

Basic concepts and positioning of Aesthetic Intelligence

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

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

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

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

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

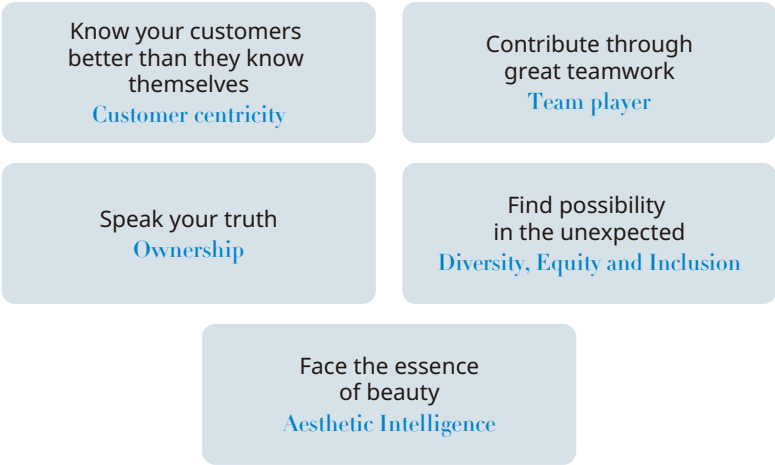
Creating new value with Aesthetic Intelligence and Leadership Behavior

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

generate new ideas and create greater value together.

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

— Leadership Behavior



New evaluation system to foster a culture of autonomous growth

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

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

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

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

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

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

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

Future outlook

We will further accelerate the integration of Aesthetic Intelligence

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

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

countries and regions.

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

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





Initiative

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

■ An inclusive culture that harnesses diversity

Basic policy

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

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

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

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

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

A diverse workforce

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

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

Multinational recruitment

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

Employment of people with disabilities

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

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

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

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

Referral recruitment

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

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

Evaluation and compensation

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

Approach to evaluations and compensation

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

Remuneration levels and systems

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

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

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



Initiative

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

Empowering diverse employees

Basic policy

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

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

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

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

Programs to support diverse work styles

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

Support for work styles unbound by time and place

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

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

Encouraging employees to take annual paid leave

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

Overview of main programs <FineToday>

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

— Empowering diverse employees

Programs to support childcare and family care

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

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

Support for returning to the workplace after childcare leave

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

— Overview of main programs <FineToday>

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

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

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

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

— Empowering diverse employees

Other programs

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

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

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

— Overview of main programs <FineToday>

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



Initiative

Ensure occupational health and safety, and promote decent work environments

Occupational health and safety

Basic policy

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

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

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

Occupational Health and Safety Policy

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

It will carry out the following measures toward this end.

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

Promoting occupational health and safety

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

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

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

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

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

Education and training on occupational health and safety

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

Occupational health and safety

Ensuring occupational health and safety

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

Keeping down long working hours

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

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

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

Health checkups

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

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

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

Stress checks

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

Support programs for women's health issues

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

Details of support programs for health issues

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

Health campaigns, etc.

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

Main initiatives (FY2025)

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

Occupational health and safety

External mental health and wellbeing consultation desk

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

All consultations are confidential, and information is shared

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

Topics covered by the external mental health consultation desk

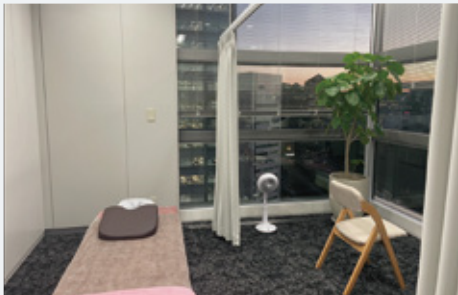
- Workplace issues: Stress or anxiety related to work
- Family and personal life: Challenges balancing work with childcare or family care
- Personal concerns: Any recent issues causing distress

Highlight

In-house massage center for employees

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

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



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



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

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

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

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

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



Initiative

Ensure occupational health and safety, and promote decent work environments

■ Enhancement of engagement

Basic policy

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

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

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

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

Engagement surveys

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

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



Initiative

Ensure occupational health and safety, and promote decent work environments

■ Labor-management relations

Labor-management negotiations

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

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

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

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

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

Dialogue between top management and employees

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

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

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

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

Global meetings

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

regions and stimulate communication and cooperation among Group companies.



Develop human resources in the workplace

Basic policy

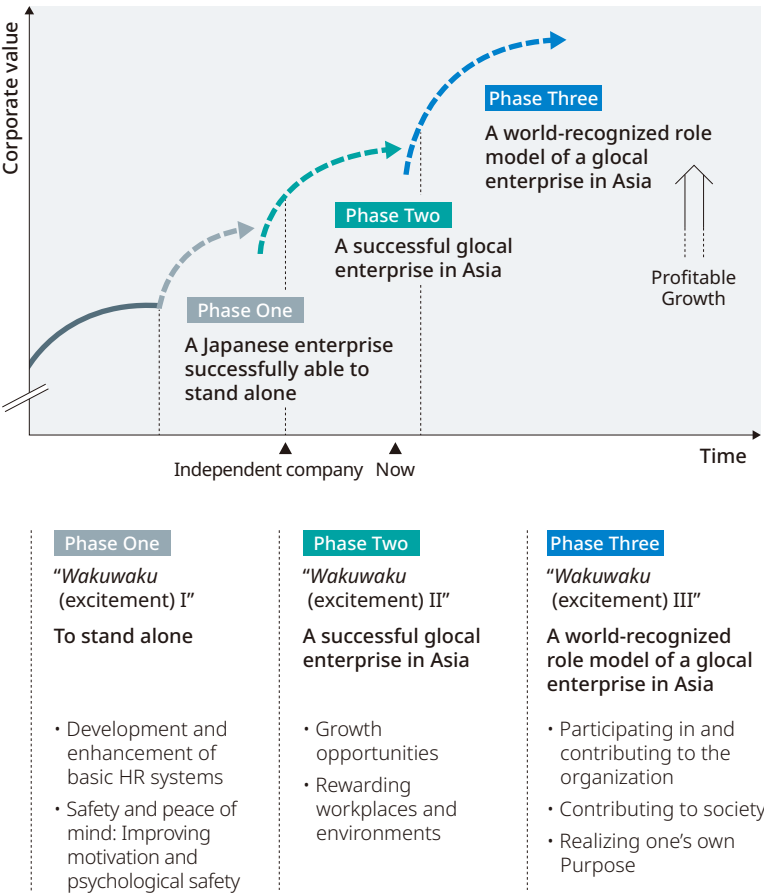
The FineToday Group aims to provide an environment in which all people across national and regional boundaries, regardless of race, gender, age, or nationality, can thrive while thinking and acting on their own.

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

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

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

Three phases of human-resource measures



Behavioral evaluation based on Leadership Behavior

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

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

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

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

Programs to support skills development

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

Cultureship

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

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

Onboarding support

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

Booster Program

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

— Education and training systems (FY2025) <FineToday>

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



Planet

To halve our environmental impact throughout our value chain.

	FineToday Group Basic Environmental Policy	49
Material Issue	 Our responses to climate change	
Initiatives	Reduce greenhouse gas (GHG) emissions	51
Material Issue	 Conservation of the natural environment and biodiversity, and realization of a circular society	
Initiatives	Our responses to nature and biodiversity issues	53
	Sustainable raw-materials procurement	55
	Sustainable containers and packaging	56
	Conserve water resources in our production activities	57

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.

Environmental initiatives at manufacturing sites

Continuous environmental improvement based on ISO 14001

The FineToday Group manufacturing sites have all obtained ISO 14001 certification, and we use the ISO framework to continuously improve our environmental management. The Group integrates environmental considerations into its operating processes, starting from the actions of each employee working on the ground, to reduce environmental impact and risks, as well as improve the sustainability of our business.

In 1997, the Kuki Factory, then operated by Shiseido, became the first factory in the Japanese cosmetics industry to obtain ISO 14001 certification. Fine Today Industries has continued to strengthen the factory's environmental management system and will mark the 30th anniversary of receiving certification in 2027.

FT Industries Vietnam has also obtained ISO 14001 certification, and all of our sites in Japan and overseas incorporate environmentally responsible practices into their operations.

Production departments with the greatest environmental impact regularly conduct internal and external audits based on ISO 14001 and verify compliance with environmental laws and regulations. Integrating these activities into daily operations helps prevent environmental risks and maintain stable production.

Environmental awareness education and training for employees

The FineToday Group provides ongoing environmental education and training at its manufacturing sites in Japan and overseas to ensure that employees understand and put its Basic Environmental Policy into practice. Every employee plays a role in advancing sustainable business practices by putting that commitment into action.

Fine Today Industries provides structured environmental education and training for all employees, including new hires, to ensure that environmental management is put into practice throughout its operations. This training reinforces the Company's philosophy and Basic Environmental Policy while covering a broad range of topics directly related to day-to-day operations, including environmental management, climate action, waste separation, energy conservation, paperless practices, the prevention of raw material and chemical spills, and reduced vehicle idling.

FT Industries Vietnam educates all its employees on the Group's approach to SDGs and ESG as part of our Group-wide commitment to environmental responsibility.

— Highlight

Offering more environmentally friendly choices for beautiful, enriching everyday life

The FineToday Group's commitment to enriching people's lives includes supporting the health of people and the environment. We recognize that many containers for shampoo, facial cleansers, and other everyday products make extensive use of plastic, which contributes to marine plastic pollution, CO₂ emissions, and other global environmental issues.

As a manufacturer of everyday consumer products, we consider it our responsibility to use our business to address these issues. We have established two medium- to long-term goals: making all packaging sustainable and reducing the use of virgin petroleum-based plastic in primary packaging. Cross-functional teams are implementing a wide range of initiatives to achieve these goals.

We believe that by seriously addressing these issues ourselves in our everyday activities sends the message to consumers that choosing environmentally friendly products is not the exception, but a natural part of everyday life. We are working with our stakeholders to build a circular economy where plastic is not a waste product but a valuable resource to recover and reuse so all people can enjoy beautiful and flourishing lives today and 100 years from now.



Yoko Nagao
Group Manager
Environment Group,
Stakeholder Relations Division
FineToday Co., Ltd.



Reduce greenhouse gas (GHG) emissions

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. 20) in December 2023. Since the consortium reorganized as the GX Future Consortium in April 2026, the Company has continued to advance its climate change initiatives through the new framework.



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 FY2030 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.

Measures are under way to achieve the Fine Today & Tomorrow 2030 objectives, including ongoing monitoring of Scope 1, 2, and 3

GHG emissions (see p. 72) and 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

Greenhouse gas emissions reduction roadmap

By FY2030, we target reducing Scope 1 and 2 emissions by 42% by improving energy efficiency and progressively introducing and procuring renewable energy across our factories and offices. We aim to reduce Scope 3 emissions by 25% by collaborating with suppliers and reducing emissions across our products and logistics.

Greenhouse gas emissions reduction roadmap

Category	Facility	FY2021–FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2030 target
Scope 1 and 2 Fuel combustion and electricity use at our Company sites	Factories	 Energy efficiency Upgrade equipment, implement EMS, improve operations							
		 Renewable energy Purchase renewable electricity, purchase renewable energy certificates							
		 On-site power generation Install solar power systems							
	Offices								
		 Japan Purchase renewable energy							
		 Overseas Purchase renewable energy							
Scope 3 Product container disposal Purchased products and services Transport, delivery									
		 Engage suppliers in reduction initiatives							
		 Implement reductions in materials, logistics, and packaging materials							
		 Calculate the carbon footprints of key products							

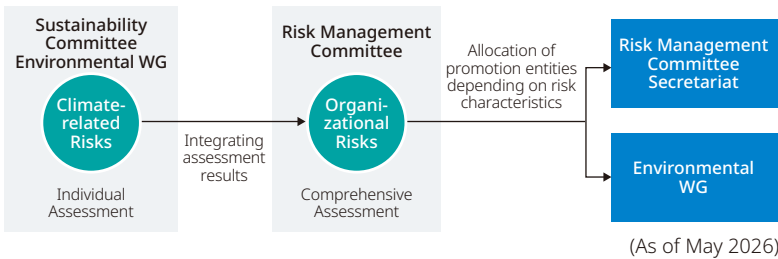
Climate-related risk management

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 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



Initiatives to reduce greenhouse gas emissions at manufacturing sites

Fine Today Industries Co., Ltd.

Fine Today Industries (FTI) replaced its gas turbine cogeneration

system with two gas-engine units in 2012. Under normal operating conditions, the system generates 1,700 kWh of electricity, supplying 41% of the factory's total electricity consumption of 4,100 kWh. FTI also recovers waste heat generated during power production and reuses it to produce hot water and steam for manufacturing operations. This combined heat and power system is more energy efficient than supplying electricity and heat separately. In addition to reducing greenhouse gas emissions, this recovery system also strengthens business continuity by providing a reliable power source during planned power interruptions and prolonged outages caused by natural disasters or other events.

FTI introduced an energy management system (EMS) for electricity in 2022 and significantly expanded the number of monitoring points at major electricity-consuming facilities. Real-time visualization of electricity consumption improves our ability to reduce greenhouse gas emissions by enabling accurate monitoring and management of energy use at all facilities.

— Capital investment and measures to reduce CO₂

2022	- Converted all electricity used to hydroelectric power (target power: 9,799 MW) - Used carbon-offset credits (J-Credits) (purchase of CO₂ emissions credits) - Upgraded the electrical substation for factory building no. 5 to ultra-high-efficiency transformers - Upgraded 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	- Upgraded the air supply system to the biological treatment tank in the wastewater treatment building from a roots blower to a turbo blower - Installed LED lighting in the energy building, pump building, exterior locations, and sections of factory building no. 5
2025	Installed ultra-high-efficiency transformers in warehouse electrical substations

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

FT Industries Vietnam Co., Ltd.

FT Industries Vietnam (FTIV) is reducing greenhouse gas emissions to do its part in a carbon-neutral society. The company installed the Group's first solar power system in 2024, which began operating in August of the same year. With a maximum generating capacity of 2,744 kWp, the rooftop renewable energy system supplied almost 40% of the factory's electricity needs in FY2025 (the actual amount was 39.6%). The system reduces the factory's reliance on grid electricity, limits exposure to rising electricity costs, and reduced electricity-related CO₂ emissions by approximately 40%.

FTIV has also installed inverter-controlled blower fans in the boiler room and pumps for its process chillers. Energy efficiency is further improved by recovering waste heat through a heat exchanger installed in the boiler flue and using it to preheat boiler feedwater.

FTIV is expanding the use of renewable energy and improving energy efficiency in its production processes in line with government energy policies to build a more sustainable manufacturing operation.





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 FY2030 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

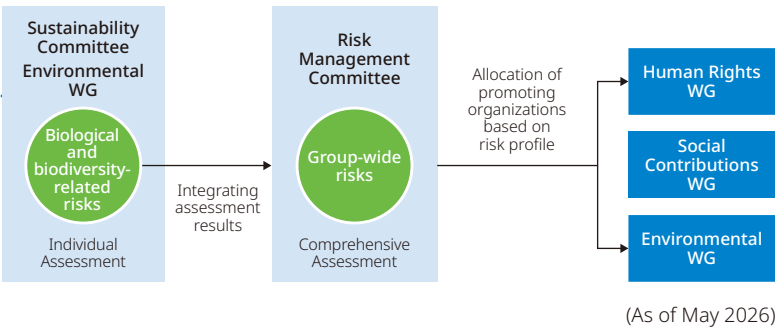
TNFD Report
https://www.finetoday.com/en/uploadimages/FineToday_TNFD-Report_2025_EN.pdf

Management of risks and opportunities

FineToday has identified the “integration of risks and opportunities” as a material issue, and manages Group-wide intangible factors that could hinder the improvement of corporate value, including those related to natural capital, under the oversight of the Risk Management Committee, which meets four times a year. This approach reflects the increasingly complex business environment in which the Group operates.

The Sustainability Committee assesses and identifies risks and impacts related to natural capital and implements the necessary management measures. The Risk Management Committee integrates this assessment and management process into the organization's overall risk management process. The Sustainability Committee reports identified risks to the Risk Management Committee Secretariat, which manages them as organization-wide risks.

– Risk Management Committee oversees natural capital risk response



Waste reduction, chemical management, and environmental pollution prevention

In addition to efforts to reduce waste generated in manufacturing processes and the employee dining hall, the FineToday Group properly controls harmful chemical substances used in its operations. It also conducts environmental surveys in accordance with laws and regulations to prevent soil, air, and water pollution. The Group also works to prevent noise pollution and protect the natural environment surrounding its factories.

Waste reduction

The FineToday Group manages waste in accordance with environmental procedures. The Recycling Center is equipped with on-site shredders and compactors that reduce waste volume and recover recyclable materials. Fine Today Industries (FTI) uses drum washers to clean polymer drums and composite packaging, previously disposed of as waste, so they can be recycled as valuable resources. Food waste from the employee dining hall is reduced through biotreatment in food-waste disposal equipment.



Control of hazardous wastes

The FineToday Group entrusts the disposal of used batteries and other hazardous waste to licensed industrial waste contractors.

Management of chemical substances

The FineToday Group complies with applicable laws and regulations in each country and region and regularly reports environmental information to the relevant government authorities. Pursuant to the Act on the Assessment of Releases of Specified Chemical Substances in the Environment and the Promotion of Management Improvement (PRTR Act), FTI reports the names and quantities handled of specified chemical substances produced or used to the Atmospheric Environment Department of the Saitama Prefecture Environment Bureau in June of each year. FT Industries Vietnam Co., Ltd. (FTIV) annually reports its environmental performance to the Dong Nai Department of Agriculture and Environment in accordance with Vietnam’s environmental laws and regulations.

Prevention of soil pollution

The FineToday Group recycles waste generated through its business activities or entrusts its treatment to licensed waste contractors. All waste is processed using these methods, and none of the Group’s waste is sent to landfill, which helps prevent soil contamination.

FTI also conducts soil surveys as needed to confirm compliance with environmental standards. The company replaces drainage and underground piping inside buildings and throughout the factory site as needed to help prevent soil contamination. FTI has upgraded production wastewater and sewage piping in multiple buildings over the past five years.

Prevention of noise pollution

The FineToday Group measures noise levels annually to monitor noise generated by its business activities. FTI further reduces noise

by requiring drivers of delivery and employee vehicles to avoid leaving their vehicles idling while on company premises.

— Highlight

Horizontal recycling of release paper

FTI implements extensive measures to use resources efficiently and to reduce waste. One initiative is working with companies to recycle used release paper from promotional point-of-purchase (POP) labels (stickers) into a reusable resource.

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 strengthened our resource recycling initiative by

adopting the Japan-Earth Conscious Labeling Association’s (J-ECOL) circular-use model to shift from recycling release paper into RPF to horizontal recycling that converts release paper back into 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 cores.

These efforts reduced waste by 8 tons in FY2024 and successfully achieved our target to reduce it by 20 tons in FY2025. The FineToday Group is continuing to eliminate POP labels to lessen its environmental impact.

— Circular model for release paper recycling

POP labels

HADASUI

Website

Case Study of Japan-Earth Conscious Labeling Association (J-ECOL)
<https://www.j-ecol.or.jp/blog> (Japanese only)



Initiatives

Sustainable raw-materials procurement

Basic policy

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

In April 2022, FineToday participated in the Roundtable on Sustainable Palm Oil (RSPO), an international certification system that promotes the production and use of sustainable palm oil. The Group obtained RSPO Supply Chain Certification in 2025 to support its procurement of RSPO-certified palm oil and aims for 100% of the palm oil it sources to be RSPO-certified by FY2030.

- RSPO Supply Chain Certification

CERTIFICATE CU-RSPO SCC-907635											
Based on an audit according to the requirements stated in the RSPO Supply Chain Certification Systems, version February 2020 and a signed contract, Control Union (Malaysia) Sdn Bhd herewith certifies that the facility(s) listed below are found to be in compliance with the RSPO Supply Chain Certification Standard, version February 2020. This guarantees that the criteria for processing RSPO certified palm oil products through one or more of the supply chain models as stated in the RSPO Supply Chain Certification Systems have been met.											
Name certified company Full address certified company RSPO number (if applicable) Other sites certified RSPO registered parent company (if applicable) RSPO member number parent company	Fine Today Co., Ltd. 18F, Shinagawa Grand Central Tower, 2-18-3 Konan, Minato-ku, Tokyo, Japan 4-1424-22-000-00 ☒ yes ☐ no										
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Certificate Start date</td> <td>17-07-2025</td> </tr> <tr> <td>Certificate Expiration Date</td> <td>16-07-2030</td> </tr> <tr> <td>Date of first RSPO certification</td> <td>17-07-2025</td> </tr> <tr> <td>Certificate number</td> <td>CU-RSPO SCC-907635</td> </tr> <tr> <td>Supply chain model</td> <td> ☐ Identity Preserved (IP) ☐ Segregated (SG) ☒ Mass Balance (MB) </td> </tr> </table>		Certificate Start date	17-07-2025	Certificate Expiration Date	16-07-2030	Date of first RSPO certification	17-07-2025	Certificate number	CU-RSPO SCC-907635	Supply chain model	☐ Identity Preserved (IP) ☐ Segregated (SG) ☒ Mass Balance (MB)
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Certificate number	CU-RSPO SCC-907635										
Supply chain model	☐ Identity Preserved (IP) ☐ Segregated (SG) ☒ Mass Balance (MB)										
Authorized signatory name Ms. N.A. Shafina Binti Whayah Certifier Date of issue: 17-07-2025 On behalf of the Managing Director Authorized signature Issued By Control Union (Malaysia) Sdn Bhd Port Tech Tower Level 17, Unit No : S-7, Jalan Teras 5, KLU's Bandar Baru Klang, 41110 Klang Selangor Darul Ehsan Malaysia 0060-3-30004132 certifications@controlunion.com											
Control Union (Netherlands) Ltd Bhd is accredited by Assurance Services International for certification against voluntary sustainability standards for scope of RSPO Supply Chain Certification as per ISO 18001 (2015:2015). This certificate attesting the accuracy remains the property of Control Union (Malaysia) Ltd Bhd and can be withdrawn in case of non-compliance as mentioned in the license contract, or in case changes or deviations of the above-mentioned data occur. The licensee is obliged to inform Control Union (Netherlands) Ltd Bhd immediately of any changes in the above mentioned data. Only an original and signed certificate is valid.											
asi ASSURANCE SERVICES INTERNATIONAL Certificate version: CERTRSPO-RSPO 302-06-2022 9/2022-06-10-10											

Annex 1 to Certificate – RSPO SCC

Certificate No.:CU-RSPO SCC-907635

CU Code:	Name of facility:	Location address:	Scope
ICS	FineToday Co., Ltd.	18F, Shinjogawa Grand Central Tower, 2-16-3 Konan, Minato-ku, Tokyo, Japan	Overall administration of the RSPO management system, development of common procedures manual, planning and implementing trainings and internal audits, supplier validity checks, RSPO trademark
FFU-01	Fine Today Industries Co., Ltd.	5 Kiyoku-cho, Kuki-shi, Saitama, Japan	Purchasing, receiving, and using certified raw materials
FFU-02	FT Industries Vietnam Co., Ltd.	Lot 213 213-215-217, Amata Road, Amata Industrial Park, Long Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam	Purchasing, receiving, and using certified raw materials

Authorized signatory name
Ms. R.A. Shafraz Binti Whyahli

Certifier
Date of issue: 17-03-2025
On behalf of the Managing Director

Authorized signature

Issued by
Control Union (Malaysia) Sdn Bhd
Port Tech Tower Level 17, Unit No: 1-7,
Jalan Tana 8, #17/2 Bandar Bara Klang,
41150 Klang
Selangor Darul Ehsan
Malaysia
0060-3-30004132
certification@portunion.com

Control Union (Malaysia) Sdn Bhd is accredited by Assurance Services International for certification against voluntary sustainability standards for scope of RSPO Supply Chain Certification on IS 15:2014 (001-002:008). This certificate including the annex remains the property of Control Union (Malaysia) Sdn Bhd and will be withdrawn in case of non-compliance as mentioned in the license contract, or in case changes or deviations of the above mentioned data occur. The licensee is obliged to refer to Control Union (Malaysia) Sdn Bhd immediately of any changes in the above mentioned data. Only an original and signed certificate is valid.

CONTROL UNION

Certificate number: CU/RSPO/SCC-RSPO-907635-01-2025

asi

assurance
services
international

RSPO

RISQ 5.0 2019-2021



Sustainable containers and packaging

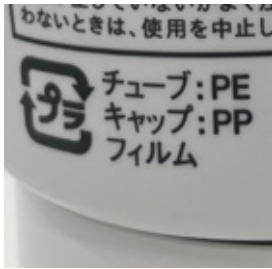
Basic policy

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 FY2030, 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.



Promoting resource recycling in logistics

FineToday is working with three companies from different industries on a pallet circular-use initiative for rented pallets used for trade between Japan and China. The initiative reduces the use of single-use pallets, makes more effective use of logistics materials through repeated reuse, and improves logistics efficiency by eliminating pallet transfers.

This cross-industry collaboration promotes resource circularity in logistics and helps build a circular economy.

Making sustainable packaging the standard with a growing lineup of easy-to-choose, easy-to-use refill products

Shanghai FTS Cosmetics Co., Ltd. (FTC) is reducing plastic use by expanding its lineup of refill products. Sales of refill products increased significantly in FY2025, reducing plastic use across all brands by 155 tons.

These results reflect an integrated approach for product development, sales, and consumer communication. The number of refill products increased from 12 in FY2024 to 22 in FY2025, nearly doubling the number of refill products we offer.

The Chinese market is still dominated by single-use products. FTC is making refill products more readily available by presenting refill products for existing brand customers on our online shop and offering in-store promotions that pair regular and refill products. Our efforts in China to make refill products more familiar and accessible to consumers include media outreach and industry seminars to raise awareness of the environmental and convenience benefits of refill products. These efforts have earned 10 ESG-related awards from major media and industry organizations.

We plan to further increase the share of refill product sales in FY2026 with the addition of eight new locally developed refill products. We are also promoting stakeholder understanding and collaborating with industry partners to raise awareness, such as working with NGOs that support university students to increase awareness among Generation Z. Through these efforts, we aim to reduce plastic use by a cumulative 2,000 tons by FY2030.

We believe refill products must offer more than environmental benefits. If they are to become a mainstream choice for consumers, they must also be easy to use and easy to choose. We will continue expanding our refill product lineup as part of our commitment to more sustainable packaging.



Min Jie
Vice President
Sustainability Department
Shanghai FTS Cosmetics
Co., Ltd.



Initiatives

Conserve water resources in our production activities

Basic policy

The FineToday Group conducts sustainable water management in its manufacturing operations to conserve water resources as part of its material issue of “Conservation of the natural environment and biodiversity, and realization of a circular society.”

The Group monitors and manages water use throughout its operations, from water intake to wastewater discharge, to reduce consumption, improve efficiency, and lessen its impact on the local water environment. We also strictly manage manufacturing wastewater to minimize its impact on water quality. Wastewater is treated with the activated sludge process at on-site treatment facilities and discharged to the public sewer system only after meeting all applicable regulatory standards.

These initiatives ensure full legal compliance while balancing responsible water stewardship with sustainable business practices.

Water conservation at manufacturing sites

Fine Today Industries Co., Ltd.

Fine Today Industries’ manufacturing processes use specific treatment technologies for organic substances and other contaminants in its manufacturing wastewater. Treated wastewater is discharged only after meeting all regulatory standards and any additional local requirements.

FT Industries Vietnam Co., Ltd.

FT Industries Vietnam improved the water management systems used in its manufacturing operations to conserve water resources and alleviate water stress. The improvements reduced water consumption by approximately 9,058 m³ in FY2025.

The company will continue integrating water conservation into its manufacturing operations while safeguarding the local water environment.



Principles of Governance

To become a presence trusted by all of our stakeholders.

Material Issue		Promotion of transparent, fair, and trustworthy governance	
Initiatives		Strengthening governance, ensuring compliance, and promoting risk management	59
		Corporate governance	59
		Risk management	61
		Compliance	63
		Address information security and cyber security	65
		Promote activities to ensure product reliability	67
		Quality assurance	67
		Giving consumers information they need	68
Material Issue		Creation of a corporate culture that realizes our purpose	
Initiatives		Provide each and every employee with opportunities to work toward our purpose	71



Strengthening governance, ensuring compliance, and promoting risk management

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.

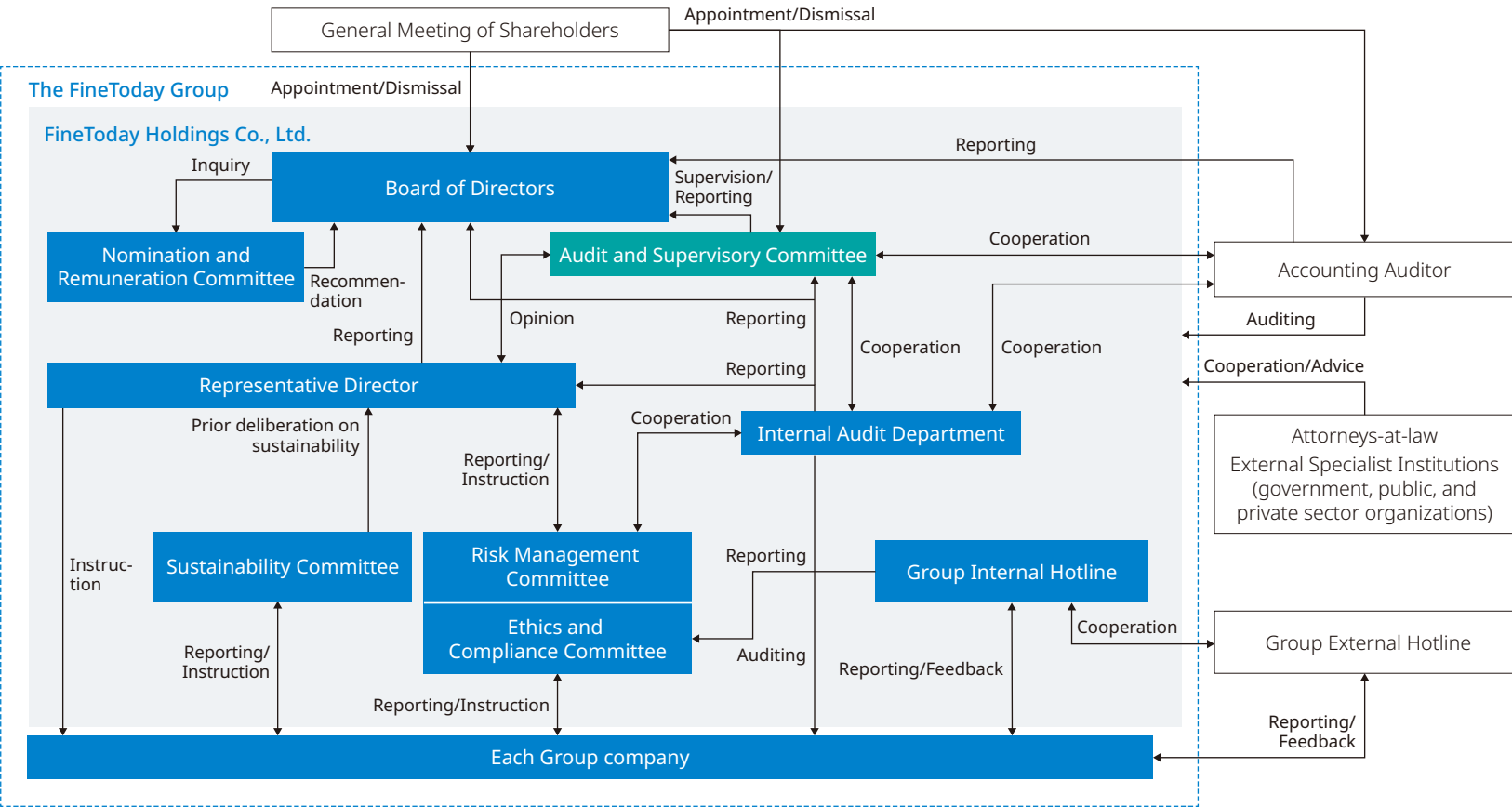
Corporate governance system

The FineToday Group has established a solid management foundation as an independent company with a unique business model centered on personal care. We continue to strengthen and refine the corporate governance framework that supports

this foundation.

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 April 30, 2026)



■ Corporate Governance

Board of Directors

The Board of Directors of FineToday Holdings Co., Ltd. has six members (including two independent outside directors) as of December 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 2025. 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 results, while respecting each other's auditing independence.



Initiative

Strengthening governance, ensuring compliance, and promoting risk management

■ 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 issue initiatives.

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, adopted in July 2025, ensures compliance with all laws and regulations, and the upholding of high standards of corporate ethics. The policy clarifies for consumers, business partners, investors, employees, and other stakeholders our commitment to corruption prevention.

Additionally, all Group companies in Japan and overseas promote awareness of the policy and implement measures to prevent bribery, illicit gains, and other forms of corruption from occurring in our business activities around the world.

Website

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

Risk management system

The FineToday Group has established the Risk Management Committee, which oversees the Ethics and Compliance Committee. Together with the Sustainability Committee, it serves as one of the Group’s company-wide committees. As necessary, this committee reports on its proceedings and submits reports to FineToday Holdings’ Representative Director, President and CEO and Board of Directors, as well as sharing them with the Internal Audit Office.

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 22 risks identified as priority risks. Its secretariat plays a leading role in these efforts.

We address risks by prioritizing those assessed as most likely to materialize and focusing on risk transfer and mitigation measures.

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 22 priority risks, the following 2 items identified to be high risk will be addressed as top priorities.
 - Natural disasters
 - Geopolitical 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 external experts. These efforts also support more meaningful and informed engagement with investors by enhancing the quality of information disclosed in investor dialogue.
 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.

■ Risk management

Business continuity plan

In recent years, the range of risks that could affect business continuity has broadened, such as large-scale natural disasters, infectious diseases, man-made disasters, and accidents.

The FineToday Group Emergency Disaster Response Manual outlines initial response procedures in the event of a disaster, steps to ensure employee safety, and the initial response systems for all business locations. In FY2026, we plan to conduct manual-based training for the Crisis Management Team (CMT) to ensure our initial-response effectiveness.

Preparation of the business continuity plan (BCP) includes conducting business impact analyses and identifying critical business operations and resources, focusing primarily on our domestic operations.

These initiatives are part of our efforts to systematically enhance the Group business continuity framework and strengthen the foundation for business continuity.

Education and training related to risk management

The FineToday Group enhances its risk management framework through education, training, and related initiatives. In FY2025, the Group introduced e-learning and other measures to broaden and deepen understanding of risk management.



Initiative

Strengthening governance, ensuring compliance, and promoting risk management

■ 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.

Compliance system

The FineToday Group has established an Ethics and Compliance Committee under the Risk Management Committee. Like the Sustainability Committee, it serves as a committee responsible for promoting ethics and compliance across the Group. As necessary, this committee reports on its proceedings and submits reports to FineToday Holdings’ Representative Director, President and CEO and Board of Directors, as well as sharing them with the Internal Audit Office.

The committee meets four times a year to check, 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

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

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 the 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 on 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

Employee helplines

The 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 and disciplines 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)	Chair of the Audit and Supervisory Committee

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

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.



Initiative

Address information security and cyber security

Basic policy

The FineToday Group has identified the “Promotion of transparent, fair, and trustworthy governance” as a core materiality and is committed to strengthening information and cybersecurity. The FineToday Group Code of Conduct and Ethics (see p. 63) calls for managing confidential information and personal information appropriately 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

The 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 carries 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/>

Responding to information security incidents

The 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, the 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. In the event of a serious incident, an emergency response structure is established under the direction of the CISO. 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



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.

Information security education and training

The 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.



Initiative

Promote activities to ensure product reliability

■ Quality assurance

Basic policy

The FineToday Group is committed to advancing product reliability assurance in support of its material issue of “Promotion of transparent, fair, and trustworthy governance.” This commitment is reinforced by the FineToday Group Quality Assurance Principle, which defines the principles and responsibilities for quality assurance at every stage from product planning and design to mass production, distribution, logistics, and after-sales services.

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.



Quality audits

The FineToday Group conducts regular quality audits at all production sites and contract manufacturers to ensure that we deliver safe products to our customers and to verify compliance with applicable laws and regulations in each country and region, GMP standards, and the Group’s internal requirements.

In FY2025, to further enhance quality assurance, we expanded our audit program to include raw material suppliers. Our quality audit program ensures that the products we provide to customers worldwide consistently meet Group quality standards.

Product safety education and training

The FineToday Group shares information from customer 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.



Initiative

Promote activities to ensure product reliability

■ Giving consumers information they need

Basic policy

The FineToday Group has set “Promotion of transparent, fair, and trustworthy governance” as a material issue, and promotes activities to ensure product reliability. In accordance with FineToday’s Purpose and Values, and with the FineToday Group Code of Conduct and Ethics (see p. 63), 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.

Voice of the Consumer in our products and services

The FineToday Consumer Support Desk was initiated in June 2023 to respond 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

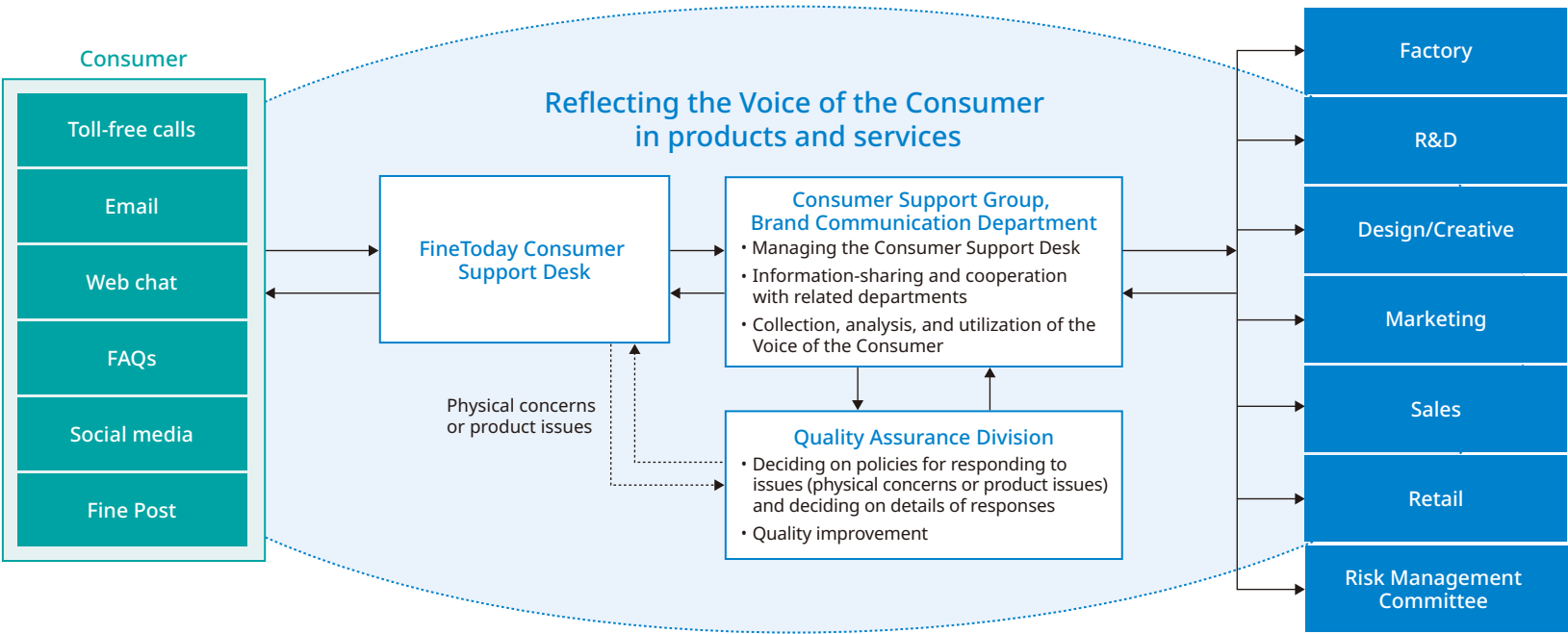
continue developing better products and improving our services.

We received fewer VOC inquiries in FY2025 than in the previous year. We believe the decrease in inquiries in both FY2024 and FY2025 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 complaints, requests, or praise.

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

— System to reflect the Voice of the Consumer in our products and services (as of April 2026)



■ Giving consumers information they need

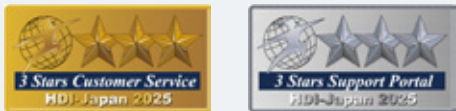
— PICK UP

Awarded the highest double Three Stars rating in the HDI Benchmarking

In 2025, FineToday underwent its first HDI Benchmark assessment conducted by HDI, the world's largest membership association for the support services industry. Just two and a half years after launching its Consumer Support Desk in June 2023, FineToday attained the highest Three Stars rating for the first time in both the consumer service and support portal categories. HDI assigns ratings on a four-tier scale ranging from Zero Stars to Three Stars based on international standards for evaluating the quality and performance of companies' consumer services from the consumer's perspective.

The Consumer Support Desk was commended for its courteous and positive demeanor, welcoming atmosphere that encourages inquiries, and ability to effectively guide conversations while accurately addressing concerns. The Company's support portal was recognized for its user-friendly search functionality, well-organized content facilitating quick information access, and the Fine Post contact channel for collecting consumer comments and suggestions. The portal was also recognized for its sincere consumer-centric mindset and the strong sense of trust it creates with consumers.

We will continue responding promptly and sincerely to the Voice of the Consumer (VOC) and fostering an environment where consumers feel comfortable asking questions and contacting us for advice.



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.

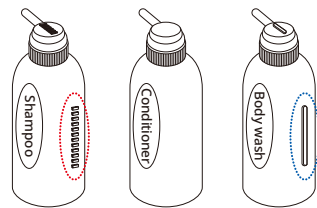
Labeling in the languages of the countries and regions where products are sold

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.

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.



Examples of labeling that can be identified by touch
Shampoo and conditioner can be differentiated by protuberances on the containers and pump areas, while shampoo and body soap can be differentiated by the shapes of protuberances.

Advertising initiatives

The 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)
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■ Giving consumers information they need

Information on websites

The 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.

The new page entitled Our Commitment to Consumer Support added in December 2024 contains the Mission, Vision, and Values of the Consumer Support Desk, a description of our consumer feedback process, and examples of our responses to consumer feedback.

Websites	Our Brands https://www.finetoday.com/en/brands/
	Our Commitment to Consumer Support https://www.finetoday.com/jp/sustainability/customer/ (Japanese only)

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. In July 2025, the Pharmaceutical Affairs Department led an in-house training session covering general legal regulations pertaining to the beauty and health industries, and basic considerations based on guidelines regarding the Pharmaceuticals and Medical Devices Act and cosmetic advertising.

■ Education and training plans for FY2025 and beyond (topics)

- Beauty and health industry laws and regulations (centered on the Pharmaceuticals and Medical Devices Act)
- Act against Unjustifiable Premiums and Misleading Representations
- Voluntary codes of industry associations (guidelines on appropriate advertising of cosmetics and similar products), etc.



Initiative

Provide each and every employee with opportunities to work toward our purpose

Basic 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.” The Group has identified the “Creation of a corporate culture that realizes our purpose” as one of our eight material issues. We will continue to foster a corporate culture that contributes to creating a sustainable society through management that combines our business operations with the promotion of ESG measures.

We provide all employees with opportunities to reflect on our Purpose, consider how to embody it in their daily work, and translate those reflections into action. Through these initiatives, we are embedding a corporate culture rooted in our Purpose.

Opportunities to engage the Purpose

Founding anniversary event

All Group employees in Japan, China, and the APAC region, together with specially invited external experts, participated online in our July 2025 founding anniversary event, which focused on Aesthetic Intelligence, the core value essential to embodying our Purpose in our daily activities. The event provided employees with an opportunity to reflect on Aesthetic Intelligence from multiple perspectives while also looking back on the Group’s four-year journey since our founding. The CEO, executives responsible for the Human Resources and Sustainability, and external experts each shared their perspectives. The event encouraged employees to consider how their personal values and daily actions align with our Purpose and fostered dialogue to support a deeper understanding and implementation of our Purpose.

The Fine Today & Tomorrow Award 2026, held in July, recognized initiatives and employees that exemplify our Purpose. By highlighting and celebrating day-to-day practices across the Group, the awards deepen understanding of our Purpose and reinforce behaviors that align with it.



The employee-led “Cultureship” workshop

The FineToday Group established its Purpose and Values in July 2022. In FY2023, we defined Leadership Behavior, outlining the specific ways we expect employees to embody these principles. We launched a series of workshops on Cultureship, where employees lead discussions on the changes the Group should make and the actions individuals can take to help build a culture that is unique to the FineToday Group.



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	FY2025
Consolidated Net Revenue		Billion yen	Over ¥100 billion	Over ¥100 billion	Over ¥100 billion	Over ¥110 billion
Percentage of revenue from overseas		%	Over 50%	Roughly 60%	Over 50%	Approx. 60%
Facilities		Facility	19	20	20	20
	Japan	Facility	9	9	9	9
	China and APAC	Facility	10	11	11	11

Other sales regions: As of December 2025, sales are conducted through distributors and other business partners in Brunei, Cambodia, Mongolia, Brazil, and the United States.

— **Environmental**

Energy Reporting coverage: FT Group

		Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Total energy consumption		GJ	143,854	145,548	140,423	153,846	130,530
	Renewable energy consumption	GJ	12,672	28,509	26,260	27,927	33,937
Private power generation		kWh	20,059	20,043	22,288	881,992	2,617,529
	Percentage of electricity derived from renewable energy	%	100	100	100	100	100

GHG Reporting coverage: FT Group

	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
GHG Scope 1*	t-CO ₂ e	6,764	2,328	1,198	1,253	1,347
GHG Scope 2 (location-based)*	t-CO ₂ e	7,634	12,194	13,604	14,263	13,347
GHG Scope 2 (market-based)*	t-CO ₂ e	2,150	2,023	388	1,167	3,302

★ FY2024 and FY2025 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization

ESG data

Reporting coverage: FT Group

	Unit	FY2021	FY2022	FY2023	FY2024	FY2025	Notes
GHG (Scope 3)	t-CO ₂ e	359,912	280,432	298,346	383,134	346,749	
1. Purchased goods and services★	t-CO ₂ e	193,802	225,515	235,475	320,586	283,280	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	7,600	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	2,489	Gasoline, diesel oil, municipal gas, LPG, electricity
4. Transportation and distribution (upstream)	t-CO ₂ e	26,901	27,465	19,162	21,461	22,375	Products for sale, raw materials purchased
5. Waste from business operations	t-CO ₂ e	13,752	3,128	5,926	2,338	4,134	Discarded product inventory, disposal POSM
6. Business trips	t-CO ₂ e	314	315	350	330	335	—
7. Employee commutes	t-CO ₂ e	1,078	1,081	1,225	1,153	1,172	—
8. Leased assets (upstream)	t-CO ₂ e	—	—	—	—	—	
9. Transportation and distribution (downstream)	t-CO ₂ e	—	—	9,378	8,451	5,261	Products for sale, raw materials purchased
10. Processing of sold products	t-CO ₂ e	—	—	—	—	—	
11. Use of sold products	t-CO ₂ e	—	—	—	—	—	Not calculated, as emissions occur during the indirect use phase.
12. Disposal of sold products	t-CO ₂ e	118,064	19,196	19,354	18,953	20,102	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	—	—	—	—	—	

★ FY2024 and FY2025 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization
Note: Categories 8, 10, 13–15 are not applicable.

ESG data

Palm oil

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024	FY2025
Palm oil procurement volume	ton	FT Group	—	—	—	—	13,099
Percentage of RSPO-certified palm oil	%	FT Group	—	—	—	—	19

Plastic

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024	FY2025
Plastic primary container gross weight	ton	FT Group	—	—	—	8,721	9,146
Percentage of plastic container and packaging*1 using 4R (reduce, reuse, recycle, renew) materials	%	FT Group	—	—	—	96	96

*1 Plastic materials account for over 50% of the total container weight, excluding the contents.

Water

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024	FY2025
Total water withdrawal*	m³	FTI, FTIV	309,630	305,022	282,905	290,243	305,346
Surface water	m³	FTI, FTIV	0	0	0	0	0
Groundwater	m³	FTI, FTIV	0	0	0	0	0
Seawater	m³	FTI, FTIV	0	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	305,346
Reclaimed water shared from outside the party	m³	FTI, FTIV	0	0	0	0	0
Total drain water	m³	FTI, FTIV	260,849	246,629	227,260	236,702	256,474
Rivers and lakes	m³	FTI, FTIV	0	0	0	0	0
Seawater	m³	FTI, FTIV	0	0	0	0	0
Sewage	m³	FTI, FTIV	260,849	246,629	227,260	236,702	256,474
Supplied to third parties	m³	FTI, FTIV	0	0	0	0	0

★ FY2024 and FY2025 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization

ESG data

Waste

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024	FY2025
Waste emissions★	ton	FTI, FTIV	—	1,763	2,731	2,374	1,708
Hazardous waste generated	ton	FTI, FTIV	—	—	—	21	12
Non-hazardous waste generated	ton	FTI, FTIV	—	—	—	2,352	1,696
Waste disposal volume (landfill)	ton	FTI, FTIV	—	0	0	0	0
Container and packaging waste sent out for recycling (glass)*2	kg	FT (Japan only)	4,532	4,260	3,974	3,514	0
Container and packaging waste sent out for recycling (paper containers)*2	kg	FT (Japan only)	110,390	102,189	140,323	165,977	228,641
Container and packaging waste sent out for recycling (plastic containers and packaging)*2	kg	FT (Japan only)	3,486,029	3,021,669	3,018,479	3,033,711	3,220,379
Volume of waste from promotional materials*3	Index	FT (Japan only)	100	23	23	9	7
Volume of waste recycled and reused	ton	FTI, FTIV	—	1,763	2,731	2,374	1,708
Volume not recycled	ton	FTI, FTIV	—	0.002	0	0	0
Recycling rate	%	FTI, FTIV	—	99% or above	100	100	100

★ FY2024 and FY2025 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization

*2 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.

*3 Index calculated assigning a value of 100 to actual waste volume in FY2021.

*4 FTI only for FY2022, FY2023, and FY2024

Pollutants

	Unit	Reporting coverage	FY2021	FY2022	FY2023	FY2024	FY2025
NOx emissions*4	ton	FTI, FTIV	—	24.15	17.8	10.0	8.8
SOx emissions*4	mg/Nm³	FTI, FTIV	—	0	0	0	2.62
Volume of transferred substances subject to the PRTR Act	ton	FTI, FTIV	—	23.24	20.37	36.66	30.66

ESG data

Social

Number of employees*1

	Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Number of employees*	No. of people	FT Group	Approx. 1,900	2,544	2,326	2,279
Male*	No. of people	FT Group	—	964	896	881
Female*	No. of people	FT Group	—	1,580	1,430	1,398
Percentage of women employees	%	FT Group	—	62.1	61.5	61.3

★ FY2024 and FY2025 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization
*1 FY2022 figures are as of April 2023. FY2023, FY2024, and FY2025 figures are as of December 31. Executives and temporary employees are not included.
*2 As of June 1 each year

Diversity, equity, and inclusion (DE&I)

	Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Percentage of women on the Board of Directors	%	FTHD	—	—	16.7	16.7
Percentage of women in management positions*1★	%	FT Group	—	—	30.7	35.7
Number of employees taking parental leave	No. of people	FT Group	—	—	—	49
Percentage of employees taking parental leave (female)	%	FTHD, FT (Japan only)	100	100	100	100
Pay equity ratio (average women's wage as a percentage of men's wage)	%	FT (Japan only)	—	73.8	73.2	67.1
Percentage of employees taking annual paid leave	%	FTHD, FT (Japan only)	65.6	66.9	64.6	67.9
Employment rate of persons with disabilities*2★	%	FT (Japan only), FTI	—	—	3.45	3.55
	%	FT (Japan only)	1.17	2.13	2.27	2.76
	%	FTI	3.97	4.19	4.28	4.11
Users of the retiree reemployment program	No. of people	FTHD, FT (Japan only), FTI	11	29	34	31

ESG data

Occupational health and safety

		Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Number of Health Committee meetings		No. of meetings	FTHD, FT (Japan only)	—	12	12	12
Number of Health and Safety Committee meetings		No. of meetings	FTI	—	12	12	12
Regular health checkup participation rate		%	FTHD, FT (Japan only)	—	—	100	100
Number of work-related fatalities★	Direct employees	No. of people	FTHD, FT (Japan only)	—	—	0	0
	Direct employees	No. of people	FTI	—	—	0	0
	Indirect employees (temporary employees)	No. of people	FTHD, FT (Japan only)	—	—	0	0
	Indirect employees (temporary employees)	No. of people	FTI	—	—	0	0
Number of days lost due to work-related injury, death, or illness		No. of days	FTHD, FT (Japan only)	—	—	0	0
		No. of days	FTI	—	—	342	53
Number of work-related accidents★		case	FTHD, FT (Japan only), FTI*3	0	13	12	11
		case	FTHD, FT (Japan only)	—	—	—	1
		case	FTI	—	—	—	10
Frequency rate		—	FTHD, FT (Japan only)	0	1.17	0.00	0.00
		—	FTI	—	—	0.76	3.04
Labor accident intensity rate★		—	FT (Japan only), FTI	—	—	0.15	0.02
		—	FT (Japan only)	0	0.058	0.00	0.00
		—	FTI	—	—	0.26	0.04
Occupational accident rate of 1,000 employees per year		—	FTHD, FT (Japan only)	0	2.304	0.00	0.00
		—	FTI	—	—	1.32	3.87
Occupational-illness frequency rate (OIFR)★		—	FT (Japan only), FTI	—	—	0.00	0.00
		—	FT (Japan only)	0	0	0.00	0.00
		—	FTI	—	—	0.00	0.00

★ FY2024 and FY2025 figures received limited assurance from SOCOTEC Certification Japan, an independent third-party organization
*3 FY2022 figures do not include FTI.

ESG data

Hiring and turnover

		Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Number of new graduates hired		No. of people	FTHD, FT (Japan only)	—	—	9	10
	Male	No. of people	FTHD, FT (Japan only)	—	—	4	5
	Female	No. of people	FTHD, FT (Japan only)	—	—	5	5
Number of mid-career hired		No. of people	FTHD, FT (Japan only)	—	—	30	30
Percentage of mid-career hires among regular hires	Male	%	FTHD, FT (Japan only)	—	—	43	64
	Female	%	FTHD, FT (Japan only)	—	—	57	80
Age distribution of mid-career hires	20s	%	FTHD, FT (Japan only)	—	—	7	17
	30s	%	FTHD, FT (Japan only)	—	—	27	50
	40s	%	FTHD, FT (Japan only)	—	—	37	30
	50s	%	FTHD, FT (Japan only)	—	—	27	3
	Over 60	%	FTHD, FT (Japan only)	—	—	3	0
Turnover rate		%	FTHD, FT (Japan only)	—	—	9.1	10.2
	Personal reasons	%	FTHD, FT (Japan only)	—	—	9.1	8.4
	Excluding retirees	%	FTHD, FT (Japan only)	—	—	9.1	8.4

		Unit	Reporting coverage	FY2025
Retention rate of new graduates after three years		%	FTHD, FT (Japan only)	83
	Number of new graduate hires in April 2023	No. of people	FTHD, FT (Japan only)	12
	Number of employees retained as of April 2026	No. of people	FTHD, FT (Japan only)	10

ESG data

Human capital development and training

	Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Percentage of employees receiving regularly scheduled performance and career development reviews*4	%	FT Group	100	100	100	100
Average education and training hours per employee	hours	FTHD, FT (Japan only)	21.15	18.71	16.67	17.67
Average education and training costs per employee	Yen	FTHD, FT (Japan only)	44,621	61,021	44,295	24,030
Environmental Training attendance rate	%	FT Group	—	—	—	100
Human Rights Training attendance rate	%	FT Group	99	98	100	100
Labor Management Training attendance rate	%	FT Group	99	99	100	100
Information Security Training attendance rate	%	FT Group	99	100	100	100
Ethics and Compliance Training attendance rate	%	FT Group	99	100	100	100

*4 Employees subject to individual annual performance reviews (excluding employees with under 80 work days per year due to leave of absence or other reason).
*5 Implemented by FTI and FTIV starting FY2024.

Employee engagement

	Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Employee engagement survey implementation status*5	Yes/No	FTHD, FT (Japan only), FTI, FTIV, FTC	—	Yes	Yes	Yes

Human rights

	Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Incidents concerning forced labor, child labor, or human trafficking	Incidents	FT Group	0	0	0	0

ESG data

Freedom of association

		Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Percentage of corporations with labor unions		%	FTHD, FT (Japan only), FTI	—	—	100	100
Percentage of employees in labor unions	Percentage including contract employees	%	FTHD, FT (Japan only)	—	—	49.4	49.2
	Percentage excluding contract employees	%	FTHD, FT (Japan only)	—	—	53.6	53.8
Employees subject to the labor agreement		No. of people	FTHD, FT (Japan only)	224	243	217	214

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

*7 Fine Today Taiwan Inc. received one notification of misleading advertising from the relevant authorities. Appropriate countermeasures were completed in February 2024.

*8 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.

Supplier audit

	Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Percentage of suppliers*6 that signed the Supplier Code of Conduct	%	FT Group	100	100	100	100
Percentage of suppliers*6 whose contracts contain provisions on the environment, labor, or human rights	%	FT Group	100	100	100	100
Percentage of suppliers*6 who have undergone sustainability assessments	%	FT Group	100	0	0	0
Percentage of suppliers*6 who have undergone on-site sustainability audits	%	FT Group	0	0	0	0
Percentage of audited or assessed suppliers*6 that were subject to corrective actions	%	FT Group	0	0	0	0

Marketing and advertising violations / product recalls

	Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Number of violations of marketing communication regulations and voluntary standards	Incidents	FT Group	0	1*7	0	0
Number of recalled product lines	Incidents	FT Group	0	4*8	0	0

ESG data

Donations and sponsorships

	Unit	Reporting coverage	FY2022	FY2023	FY2024	FY2025
Donation amount	Thousands of yen	FT Group	—	—	16,600	15,700
Sponsorship funds / membership fees	Thousands of yen	FT Group*9	—	—	24,400	28,100
Product donations	Equivalent to thousands of yen (estimated selling price)	FT Group	—	—	10,100	17,400
Other (gifts, etc.)	Value of thousands of yen	FT Group	—	—	200	1,100

*9 FY2024 data include only FT (Japan) and FTI.

ESG data

— Governance

Board of Directors (FTHD)

	Unit	Reporting coverage	FY2024	FY2025
Directors*1	No. of people	FTHD	6	6
Male	No. of people	FTHD	5	5
Independent outside directors	No. of people	FTHD	1	1
Female	No. of people	FTHD	1	1
Independent outside directors	No. of people	FTHD	1	1
Executive directors*1	No. of people	FTHD	2	2
Non-executive directors*1	No. of people	FTHD	4	4
Internal	No. of people	FTHD	1	1
Outside	No. of people	FTHD	3	3
Number of Board meetings	No. of meetings	FTHD	17	19
Percentage of Board meeting attendance	%	FTHD	100	100
Independent directors	%	FTHD	100	100
Number of directors with a Board attendance rate of 75% or less	No. of people	FTHD	0	0

Board of Directors (FT)

	Unit	Reporting coverage	FY2024	FY2025
Directors*1	No. of people	FT	3	3
Male	No. of people	FT	3	3
Independent outside directors	No. of people	FT	0	0
Female	No. of people	FT	0	0
Independent outside directors	No. of people	FT	0	0
Executive directors*1	No. of people	FT	2	2
Non-executive directors*1	No. of people	FT	1	1
Internal	No. of people	FT	1	0
Outside	No. of people	FT	0	1
Number of Board meetings	No. of meetings	FT	12	12
Percentage of Board meeting attendance	%	FT	100	100
Number of directors with a Board attendance rate of 75% or less	No. of people	FT	0	0

*1 FY2024 figures are as of March 31, 2025. FY2025 figures are as of December 31, 2025.

ESG data

Audit and Supervisory Committee

	Unit	Reporting coverage	FY2024	FY2025
Directors/Audit and Supervisory Committee members*2	No. of people	FTHD	4	4
Male	No. of people	FTHD	3	3
Independent outside directors / Audit and Supervisory Committee members	No. of people	FTHD	1	1
Female	No. of people	FTHD	1	1
Independent outside directors / Audit and Supervisory Committee members	No. of people	FTHD	1	1
Number of Audit and Supervisory Committee meetings	No. of meetings	FTHD	12	12
Percentage of Audit and Supervisory Committee meeting attendance	%	FTHD	100	100
Independent Audit and Supervisory Committee members	%	FTHD	100	100
Number of Audit and Supervisory Committee members with an attendance rate of 75% or less	No. of people	FTHD	0	0

Nomination and Remuneration Committee

	Unit	Reporting coverage	FY2024	FY2025
Number of Nomination and Remuneration Committee members*2	No. of people	FTHD	3	3
Male	No. of people	FTHD	2	2
Independent outside members	No. of people	FTHD	1	1
Female	No. of people	FTHD	1	1
Independent outside members	No. of people	FTHD	1	1
Number of Nomination and Remuneration Committee meetings	No. of meetings	FTHD	9	12
Percentage of Nomination and Remuneration Committee meeting attendance	%	FTHD	100	100

*2 As of December 31 each year

Compliance

	Unit	Reporting coverage	FY2024	FY2025
Consultations to the Compliance Hotline (whistleblowing)	Incidents	FT Group	6	6
Confirmed acts of corruption	Incidents	FT Group	0	0
Confirmed serious compliance concerns	Incidents	FT Group	0	0

Information and cyber security

	Unit	Reporting coverage	FY2024	FY2025
Total number of cybersecurity incidents, including intrusions	Incidents	FT Group	0	0
Total number of violations of information security related to leaks of customer personal information	Incidents	FT Group	0	0
Total number of customers affected by intrusions on company data	Incidents	FT Group	0	0
Total amounts of fines/penalties paid in connection with information security violations or other cybersecurity incidents	yen	FT Group	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 2025)" and "FY2025 Social Data Calculation Report" (period: 1 January 2025 to 31 December 2025)) 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, social and safety performance 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 2025)" and "FY2025 Social Data Calculation Report" (period: 1 January 2025 to 31 December 2025).

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

2 Management Responsibility

The "GHG Emissions, Energy Consumption, Water Consumption, Waste Generation Calculation Report (FY 2025)" and "FY2025 Social Data Calculation Report" (period: 1 January 2025 to 31 December 2025) 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 2025)" and "FY2025 Social Data Calculation Report" (period: 1 January 2025 to 31 December 2025) 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 "JIS Q 17021-1:2015(ISO/IEC 17021-1:2015) Conformity assessment - Requirements for bodies providing audit and certification of management systems - Part 1: Requirements". In addition, we have also established a management system according to "JIS Q 14065:2025(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

Masahide Fukushima

Head of Verification

14 July 2026

ESDT6795-1

GHG emissions, environmental, social and safety performance data

Table 1 GHG Emissions Data

Item			Quantity	Unit
Scope 1			1,347	t-CO2e
Scope 2: Location-based			13,347	t-CO2e
Scope 2: Market-based			3,302	t-CO2e
Scope 3	Category 1	Purchased goods and services	283,280	t-CO2e

Table 2 Total water withdrawal Data

Item		Quantity	Unit
Total water withdrawal *1		305,346	m ³

*1 Target: FineToday Industries and FineToday Industries Vietnam

Table 3 Waste Emissions Data

Item		Quantity	Unit
Waste emissions *1 *2		1,708	t

*1 Target: FineToday Industries and FineToday Industries Vietnam

*2 Target: Recycle

Table 4 Social Data

Item		Quantity	Unit
Number of employees ^{*3 *4}	Male	881	person
	Female	1,398	person
	Total	2,279	person
Female manager ratio ^{*3 *4}		35.7	%
Employment rate of persons with disabilities ^{*5}	FT (Japan alone), FTI	3.55	%
	FT (Japan alone)	2.76	%
	FTI	4.11	%
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	11	case
	FTHD, FT (Japan alone)	1	case
	FTI	10	case
Labor accident intensity rate ^{*6}	FT (Japan alone), FTI	0.02	-
	FT (Japan alone)	0.00	-
	FTI	0.04	-
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 2025

*5 As of 1 June 2025

*6 1 January 2025 to 31 December 2025

SOCOTEC Certification Japan: This appendix is a valid document as an appendix to the independent assurance report issued to FineToday Holdings Co., Ltd. on 14 July 2026.

APPENDIX 2 / 2

ESDT6795-1

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