

# Promoting work-life balance

## Basic policy

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

## Programs to support diverse work styles

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

### Support for work styles unbound by time and place

Group companies in Japan offer flextime programs with no core hours and remote working programs that enable employees to work wherever they feel most comfortable, even outside of the office or the home.

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

### Encouraging employees to take annual paid leave

At the start of the year, FineToday Group issues a company wide notice encouraging employees to take annual paid leave and asks them to plan when to take leave. It also strives to foster a culture in which employees actively take leave, through means including employees sharing their leave plans through the in-house social networking service.

### — 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.

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## Programs to support childcare and family care

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

### Support for returning to the workplace after childcare leave

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

### 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. This exceeds the legal requirement.
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.

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## Other programs

FineToday is enhancing its programs to support employees in various situations, such as when a spouse is transferred to work overseas or when volunteering.

— 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.

### VOICE — Comment from the management team

**We want to create an environment and corporate culture where every employee can fulfill their objectives.**

**Sanae Ishii** Managing Executive Officer, General Manager, Human Resources Division, FineToday Co., Ltd.

We have reached our fourth year of operation since taking over Shiseido's personal care business in July 2021. We currently have about 2,600 employees, about 60% of which are overseas, working at 9 bases in Japan and 11 bases overseas.

Our Tsubaki and other brands embody the aesthetic sense that has been cultivated since we were part of Shiseido. We want our products to be more than daily necessities but to be daily-use beauty products that enrich both mind and body. Our employees share this sentiment, and this is reflected in our high percentage of female employees, which exceeds 50% in all three of our business regions\* and as high as 70% in the APAC region.

Our workforce is characterized by a higher number of mid-career hires with diverse backgrounds and personnel with individual aspirations all pursuing our shared corporate purpose. We call these personal goals and ambitions "My Purpose." As a company, we embrace employees who are driven by their own motivations. We consider it our mission to create an environment and corporate culture that enables all employees to use their

work to pursue their My Purpose, whether it's to advance their career overseas or to develop new products that are safe for the environment and people. We believe that having a workforce of employees who share our value of "aesthetic intelligence" as they pursue their My Purpose also ultimately leads to fulfilling our corporate purpose.

We believe that fostering this corporate culture will enable us to evolve into a borderless, global company, enhance our corporate value, and enrich the lives of every employee and stakeholder. We will continue to respect and be receptive to our employees' sensibilities and aesthetic intelligence to offer daily-use beauty products that reflect our sensibilities to customers.

\* Japan, China, and APAC

