

Giving consumers information they need

Basic policy

In accordance with FineToday's Purpose and Values, and with the FineToday Group Code of Conduct and Ethics (see p. 60), advertising, labeling, promotion, and other activities for FineToday Group products comply with applicable laws and regulations. All products sold to consumers are labeled accurately and advertised and promoted responsibly.

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

Advertising initiatives

FineToday Group has established in-house rules calling for communication in line with the standards for appropriate advertising of medicinal and similar products, the fair competition code, and guidelines on the appropriate advertising of cosmetics and similar products issued by industry associations and other bodies.

Closed captioning TV commercials

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

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

Website

Closed-captioned TV commercials launched

<https://www.finetoday.com/jp/news/newsrelease/20221013/> (Japanese only)

Information on websites

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

The official FineToday website introduced a consumer support page in June 2023. This page features frequently asked questions and answers (FAQs) on each brand and product as well as information on contacting FineToday by toll-free calls, email, and web chat.

Package initiatives

FineToday regularly reviews the content and methods of labeling on product packages, to make sure consumers can understand product features and other information correctly.

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

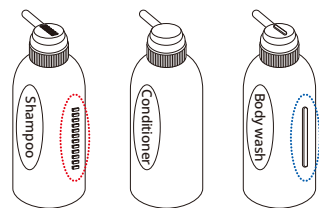
Information on subjects such as how to use products and their ingredients is labeled in local languages. FineToday strives to communicate the information consumers need in accordance with the laws and regulations of the countries and regions where products are sold.

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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 dispenser tops, while shampoo and body soap can be differentiated by the shapes of protuberances.

To reflect the voice of consumers in our products and services

FineToday has brought in-house consumer contact operations, which had been outsourced, with the launch of the FineToday consumer support desks in June 2023.

Under its motto “Making Every Day a Fine Day by Listening and Responding to the Voice of Consumers,” the consumer support desks accept questions and comments from consumers by telephone,

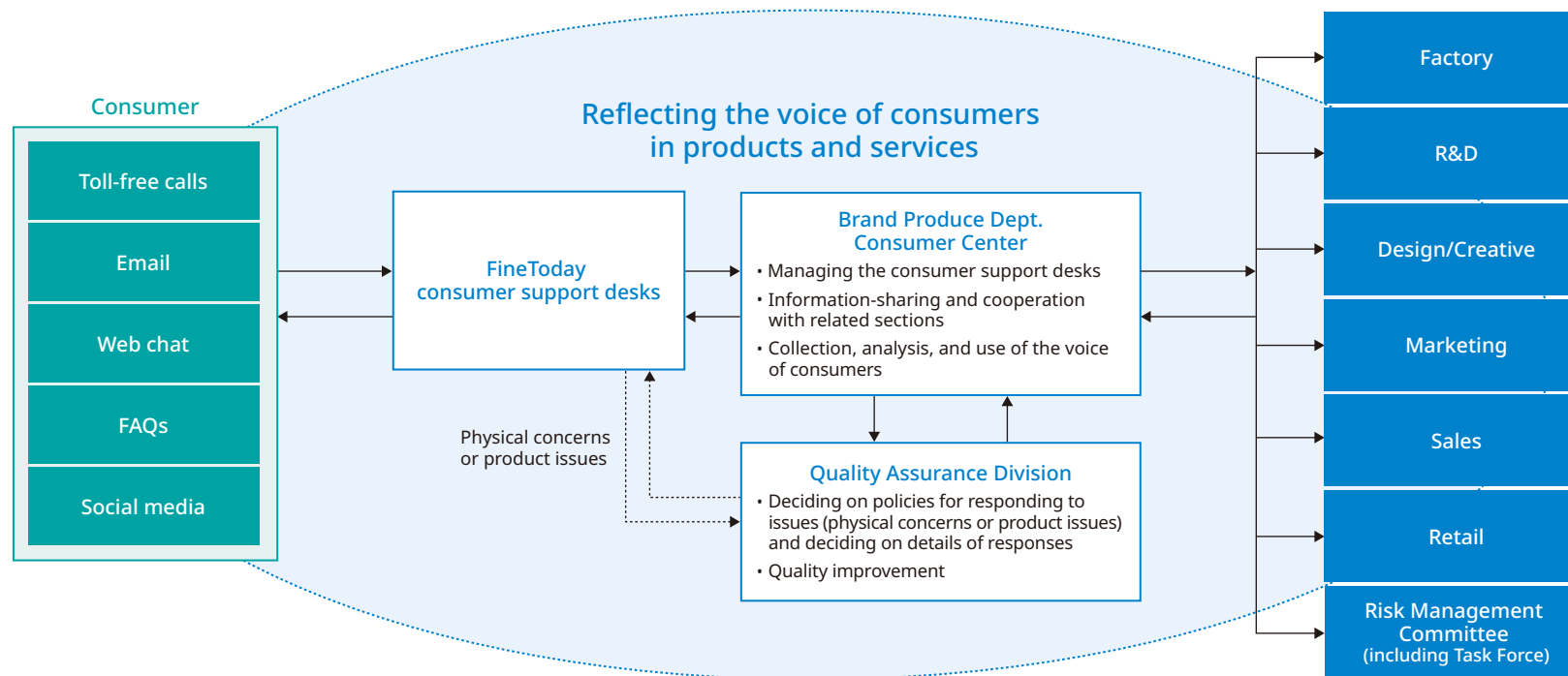
email, chat, and social media. It also shares the voice of consumers it receives daily with management and related sections, to develop better products and services.

In FY2022, FineToday received a cumulative total of 8,490 contacts expressing the voice of consumers. About 90% of these were inquiries about subjects such as product use and information

of stores while the remainder consisted of complaints about product defects or inventories, requests such as those to reintroduce discontinued products, and positive feedback on brands/products.

FineToday will continue striving to respond promptly and sincerely to the voice of consumers while aiming to make it even easier for more consumers to contact us.

— To reflect the voice of consumers in our products and services (as of May 2023)



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Education and training on advertising and labeling

FineToday's risk management training for all employees other than officers, temporary employees, and contractors covers expressions used in advertising and labeling. Training topics in FY2022 include gender expressions and expressions inappropriate from the perspectives of ethics or consideration (see p. 59).

About 50 brand personnel take part in another educational program, which in FY2022 provided guidance on practical points of advertising production under the title, "Partnering with advertising agencies." Other activities such as trademark seminars led by product development sections have encouraged understanding of using trademarks properly, by explaining basic trademark knowledge.

– Education and training plans for FY2023 and beyond (topics)

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

– Main marketing indicator

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| Total violations of regulations or voluntary codes concerning marketing communication | 0 |
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