

Meiji Group Modern Slavery Act Transparency Statement (Consolidated Fiscal Year 2022)

This Statement sets out:

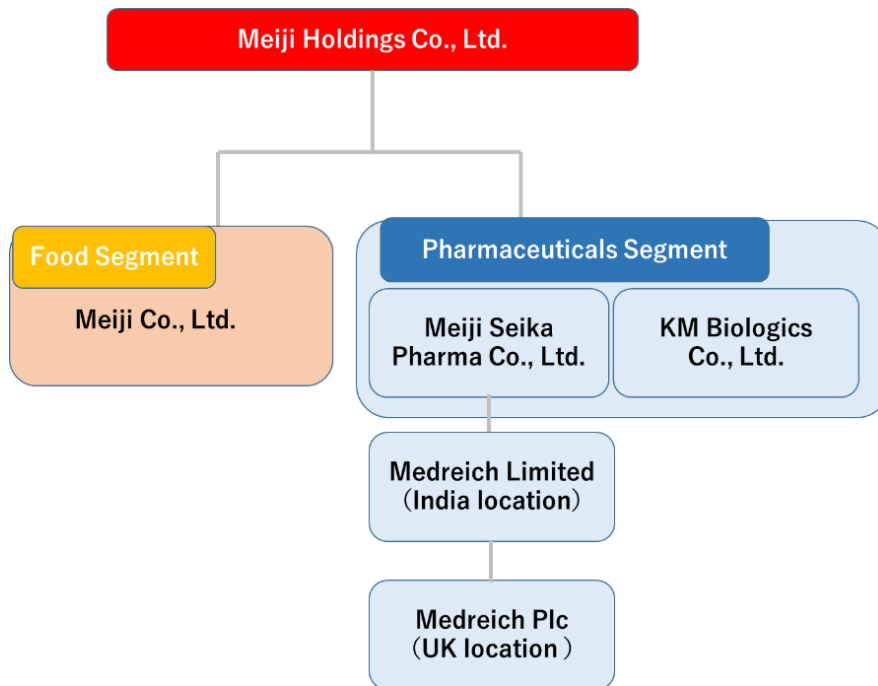
- (i) The steps Meiji Holdings Co., Ltd. (“Meiji HD”) has taken during the consolidated fiscal year 2022 (April 1, 2022 to March 31, 2023) to ensure that slavery and human trafficking is not taking place in any of its supply chains and in any part of its own business. This statement constitutes its voluntary modern slavery act transparency statement for the fiscal year relating to section 54(1) of the UK Modern Slavery Act 2015 (the “Act”);
- (ii) The steps Medreich Limited has taken during the fiscal year 2022 (April 1, 2022 to March 31, 2023) to ensure that slavery and human trafficking is not taking place in any of its supply chains and in any part of its own business. This statement constitutes its modern slavery act transparency statement for the fiscal year made pursuant to section 54(1) of the Act: and
- (iii) The steps Medreich Plc has taken during the fiscal year 2022 (April 1, 2022 to March 31, 2023) to ensure that slavery and human trafficking is not taking place in any of its supply chains and in any part of its own business. This statement constitutes its modern slavery act transparency statement for the fiscal year made pursuant to section 54(1) of the Act.

1. Business Structure

We, at the Meiji Group, eager to be a corporate group that widens the world of *Tastiness and Enjoyment*, meets consumers’ expectations regarding *Health and Reassurance* and makes a positive contribution to the lives of people around the world by offering products and services in a wide range of fields to every generation from infants to seniors. Based in Japan, the Meiji Group also conducts its business in the U.S., Europe, Asia and Oceania, and employs more than 17,000 persons around the world. One of the Group companies, Medreich Plc runs our pharmaceuticals sales business in the United Kingdom.

The Meiji Group Profile : <https://www.meiji.com/global/about-us/corporate-profile/>

The Meiji Group conducts its business mainly in the fields of food and pharmaceuticals in approximately 200 countries and regions around the world. In the food business, Meiji Co., Ltd. (“Meiji”), one of the subsidiaries of Meiji HD, manufactures and sells milk and dairy products, processed foods, confectioneries, nutritional products and more. Meiji owns 20 Group companies and 25 production plants in Japan, while overseas it has 16 Group companies in such places as China, Thailand, Singapore, and the U.S. In the pharmaceuticals business, Meiji HD’s two subsidiaries, Meiji Seika Pharma Co., Ltd. (“Meiji Seika Pharma”) and KM Biologics Co., Ltd. (“KM Bio”) lead the business. Meiji Seika Pharma manufactures and sells ethical pharmaceuticals, human vaccines. It has five Group companies and a production plant in Japan and in addition 16 Group companies overseas including in China, Indonesia, Thailand, India, and Spain. KM Bio manufactures and sells human vaccines, blood plasma products, and veterinary vaccines. It has a group company and four production plants in Japan.



Medreich Limited, based in Bengaluru, India, is a fully integrated pharmaceutical company with an established presence across the globe. Medreich Limited is involved in the Contract Manufacturing Organization (CMO) and Contract Development Manufacturing Organization (CDMO) business of pharmaceutical preparations in various dosage forms catering to diverse therapeutic categories. Medreich Limited manufactures such products for multinational companies (MNC) and various customers across approximately 60 countries in key markets of India, Europe, Australia & New Zealand, Canada, Japan, Far East Asia, GCC, Africa, LATAM, and CIS. Medreich Limited has more than 2,300 employees (direct and indirect) distributed across four manufacturing sites in India and its corporate head office.

Medreich Limited Website : <https://www.medreich.com/>

Medreich Plc, our wholly-owned subsidiary, is a pharmaceutical company engaged in the distribution and sale in the United Kingdom and the European Union of Pharmaceutical products. Medreich Plc currently has 28 employees based in the United Kingdom, and reports to Medreich Limited.

Medreich Group has more than 3,100 employees (direct and indirect) of its entities in United Kingdom, India, Australia & New Zealand, and Hong Kong. They are employed in accordance with the local laws and regulations of the municipalities and countries the Medreich group operates within, including but not limited to, ensuring wages at or above the statutory minimum are paid, and employees can operate in a safe environment.

2. Person Responsible for Enacting Measures

In the Meiji Group, the Chief Sustainability Officer (“CSO”) at Meiji HD is responsible, under instructions by the President & the Chief Executive Officer (“CEO”) at Meiji HD, for enacting Meiji Group measures against slave labor and human trafficking.

3. Supplier Overview

The Meiji Group has procurement or contract manufacturing agreements with approximately 2,600 suppliers globally, to procure raw materials, packaging materials, and semi-finished and finished food and pharmaceutical products.

In the fiscal year 2020, the Meiji Group established the Meiji Group Supplier Code of Conduct to ensure that we work together with suppliers, to fulfill our social responsibility, including the prohibition of slave labor and human trafficking pursuant to the Meiji Group Procurement Policy. However, in light of the diversification of social issues since that time, as well as the need for a more multifaceted response, we revised the Supplier Code of Conduct in April 2023.

4. Relevant Charter and Policies

The Meiji Group, following deliberation by the Board of Directors and the Executive Committee at Meiji HD, has established the following charter and policies to prevent slave labor and human trafficking within our own business and in our supply chains.

(i) Meiji Group Corporate Behavior Charter

This Charter, in which we recognize the gravity of our responsibilities, prescribes the conduct that each person working at the Meiji Group, as someone concerned with the business of food and health, is to practice for ensuring the continual fulfillment of our obligations to society.

(ii) Meiji Group Policy on Human Rights

This Policy, based on the concept of respect for human rights as outlined in the Meiji Group Corporate Behavior Charter, prescribes that we constantly recognize that all persons are free by nature and equal in terms of dignity and rights and that we conduct our business activities fairly and sincerely.

(iii) Meiji Group Procurement Policy

This Policy prescribes that we be constantly alert to comply with the law, practice fairness and transparency, and prevent corruption. We, together with our Suppliers, practice procurement that is mindful of our social responsibility to protect human rights, the environment, and to ensure we supply our customers with high-quality products and services that are safe and offer peace of mind. Based on this Policy, we have also established and follow separate Procurement Guidelines for five types of raw materials: cocoa, palm oil, paper, raw milk and soy.

(iv) Meiji Group Supplier Code of Conduct

This Code of Conduct provides for initiatives expected of suppliers, including conduct related to human rights and labor, safe and healthy work environments, and the establishment of a grievance system and prohibition of retaliation.

The Meiji Group Policies : <https://www.meiji.com/global/sustainability/policies/>

5. Operating System and Permeation of Relevant Policies

Meiji HD has established Group Sustainability Committee, which answers to the Executive Committee at Meiji HD, as the committee supervising the Meiji Group's sustainability actions as a whole including the protection of human rights.

The Meiji Group has established the Group Human Rights Conference to enable the Meiji Group to respond concretely to the wide range of human rights issues. Participants include Meiji HD Sustainability Management Department (the department supervising the sustainability activities), other related departments and external experts. At this conference, we identify salient human rights issues, formulate policies for addressing important issues, and examine and confirm the progress of specific measures, to ensure that we address various human rights issues in Japan and abroad in an appropriate manner.

The Meiji Group publicly discloses the Meiji Group Policy on Human Rights on our website. We continually train our executive officers and employees on the subject of human rights to ensure that our policies, etc., become firmly embedded in our business activities and are implemented effectively. We also notify our Suppliers of requirements as appropriate.

The Meiji Group has established a whistle-blower system, accepting reports and consultations through a variety of methods, including telephones, postal mails and e-mails. Internal rules stipulate that the privacy of reporting or consulting persons must be protected and that they must not be punished due to use of the whistle-blower system. Medreich Limited and Medreich Plc have also established similar whistle-blower systems.

6. Human Rights Risk Assessments

The Meiji Group works to catch potential and manifested human rights issues in each value chain with reference to the advice of external experts and to survey reports and relevant guidelines from various national governments and Non-Governmental Organizations (NGOs). To identify human rights risks, we assess individual risks by the gravity of its impact on human rights and the possibility of each risk to occur. We take initiatives to prevent or mitigate identified risks. If any negative impacts to human rights do occur, we endeavor to prevent their recurrence through appropriate measures.

7. Salient Human Rights Issues

After identifying human rights risks in each value chain and assessing their impact, the Meiji Group then identified salient human rights issues in the fiscal year 2019. In the consolidated fiscal year 2022, we reviewed and updated salient human rights issues as follows, based on the progress of our efforts to date and social trends.

- Discrimination and Harassment
- Gender equality
- Child labor
- Slave (forced) labor and human trafficking
- Violation of freedom of association and collective bargaining rights
- Unfair labor conditions and wages
- Occupational safety and health
- Working hours
- Violation of foreign workers' rights

- Negative impacts on healthy lifestyles and access to water for local people
- Negative impacts on children because of marketing
- Negative impacts on customers' health
- Access to information
- Privacy protection

8. Human Rights Due Diligence

In the consolidated fiscal year 2022, given the salient human rights issues as described in Section 7 above, we have taken actions as specified below. In addition, as a member of the Consumer Goods Forum ("CGF"), the Meiji Group works with reference to industry best practices, such as in the areas of human rights due diligence and sustainable palm oil procurement.

(1) Sustainable Procurement Questionnaire for Major Suppliers

We began asking suppliers to fill out a Meiji Group sustainable procurement questionnaire beginning in the fiscal year 2020. The questionnaire utilizes the EcoVadis evaluation system, as well as original questions by the Meiji Group. By conducting this questionnaire, we will become aware of any human rights or environment-related issues present in the supply chain. If any issues are discovered, the Meiji Group strives to remedy the issue(s) in question in collaboration with the suppliers.

During the consolidated fiscal year 2022, we conducted sustainable procurement questionnaires with 33 domestic and overseas suppliers and initiated engagement (direct dialogue) with five suppliers in Japan.

(2) Sustainable Procurement Questionnaire for Meiji Group Companies in Japan and Overseas

In the fiscal year 2021, we conducted a sustainability assessment of 25 domestic and overseas Meiji Group companies using the EcoVadis evaluation system or an original Meiji Group questionnaire. We confirmed the status of human rights and labor-related initiatives at each company based on the results of this evaluation. During the consolidated fiscal year 2022, two overseas Meiji Group companies conducted a sustainability evaluation using the EcoVadis evaluation system. In the future, we intend to expand our sustainability assessments to more overseas Group companies.

(3) Initiatives in Procuring Major Raw Materials

We seek to identify and resolve social issues, including human rights issues, in the procurement of the following five raw materials.

A) Raw Milk

The Meiji Group conducts our own unique dairy farmer management support activities that we call Meiji Dairy Advisory (MDA). This program supports sustainable dairy farm management and creates environments in which every person works fairly and derives satisfaction from their work. In the fiscal year 2021, we defined a new KPI to conduct MDA at least 400 times per year for a cumulative 2,150 times by the fiscal year 2023. During the consolidated fiscal year 2022, we conducted MDA 477 times, bringing the cumulative total to 1,900 times. In addition, the Meiji Group participates in information exchanges on topics that include human rights issues in the dairy industry in cooperation with industry associations in Japan and other dairy industry manufacturers. In this way, we support industry-wide efforts to contribute to the SDGs and consider human rights.

B) Cocoa

In 2006, the Meiji Group began Meiji Cacao Support, a unique support program for cocoa farmers. We aim to achieve 100% procurement of Meiji Sustainable Cocoa Beans by the fiscal year 2026. Meiji Sustainable Cocoa Beans are cocoa beans produced in regions where we provide farmer support through this program, and in the consolidated fiscal year 2022, we procured 62% of our beans from these farmers. In Ghana, the risk of child labor is high. Here, we introduced the Child Labour Monitoring and Remediation System (CLMRS), which is a child labor monitoring and remediation system developed by the International Cocoa Initiative, a non-profit organization that aims to eradicate child labor and forced labor in cocoa-producing regions.

C) Palm Oil

The Meiji Group supports the No Deforestation, No Peat, No Exploitation (NDPE) policy in addressing social issues such as deforestation, peatland destruction and forced labor in palm oil production areas. In 2016, we joined the Roundtable for Sustainable Palm Oil (RSPO), whose requirements include respect for human rights. We aim to achieve 100% procurement of RSPO-certified palm oil by the fiscal year 2023. By October 2022, all Meiji Group factories involved in palm oil procurement (19 domestic and five overseas plants) completed the acquisition of RSPO supply chain certification. Our certified palm oil procurement ratio reached 90% in the consolidated fiscal year 2022.

D) Paper

The Meiji Group is switching to environmentally friendly paper for packaging materials used in products, publications, and office supplies. In the fiscal year 2023, we aim to use 100% forest-certified paper (FSC, PEFC) and recycled paper, the requirements of which include respect for human rights. By the end of the consolidated fiscal year 2022, we had switched to 98% forest-certified paper.

E) Soybeans

Through research of soybean procurement volumes and supplier procurement areas, the Meiji Group identified social issues that include deforestation and forced labor in soybean production areas. In March 2023, we established the Soybean Procurement Guidelines. Based on these guidelines, we work together with suppliers on socially responsible soybean procurement activities.

(4) Human Rights Issues Related to Foreign Workers

In the fiscal year 2021, the Meiji Group conducted interviews with labor managers and on-site managers at business sites in Japan, where foreigners work to confirm the operation status of employment contracts and labor management. Based on the results of interviews, we established the Meiji Group Guidelines for Employment of Foreign Workers in June 2022, summarizing points that need special attention when employing foreign workers.

Going forward, we will confirm the status of application of the guidelines through annual written surveys and interviews with each business site. We will also continue the process of implementing response measures based on the results.

9. Human Rights Training System

The Meiji Group is endeavoring, based on the Meiji Group Policy on Human Rights, to raise awareness about respecting basic human rights; prohibiting discrimination, harassment, forced labor, and child labor; considering safety and health; respecting the basic rights of employees; and the like.

<Human Rights Education Targets and Results>

Targets	Consolidated fiscal year 2022 results
Human rights education (including e-learning) is provided to all Group employees in Japan at least once a year	Implemented one time (Enrolled participants: approximately 13,000, participation rate: 92%)
Human rights education (including e-learning) is provided to all overseas Group employees at least once by the fiscal year 2023	Implemented in four overseas group companies (Enrolled participants: approximately 2,200, participation rate: 84%)

This Statement was approved by the Board of Directors of Meiji HD on August 8, 2023 and by the Board of Directors of Medreich Limited on July 31, 2023 and by the Board of Directors of Medreich plc on August 2, 2023. This Statement is signed by duly authorized Representative of each company.

August 8, 2023

Kazuo Kawamura
CEO, President and Representative Director
Meiji Holdings Co., Ltd.

Pankaj Garg
Managing Director
Medreich Limited

Pankaj Garg
Director
Medreich Plc