Bearing in mind our responsibility as a corporate group in the Food and Health fields, we will fulfill our social responsibility through sound growth.

The Meiji Group provides customers of all ages—from infants to seniors—with a variety of food products, such as dairy, confectioneries, and nutritional products, and ethical pharmaceuticals.

As a corporate group in the Food and Health fields, we believe our businesses play an essential role in contributing to society and well-being. Our mission is to widen the world of "Tastiness and Enjoyment" and meet all expectations regarding "Health and Reassurance." Our wish is to be closely in tune with our customers' feelings and to always be there to brighten their daily lives. Also, ensuring the future happiness of our employees, who promote our business activities, is an important responsibility. This philosophy is the basis of the Meiji Group's approach to corporate social responsibility (CSR).

After business reorganization in 2011, we incorporated six stakeholder groups into our CSR management framework to achieve sustainable growth and enhance corporate value. Comprising senior executives from Meiji Holdings Co., Ltd., Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd., the Group CSR Committee spearheads CSR initiatives.

After management integration in 2009 and business reorganization in 2011, the Meiji Group made a fresh start. The Group was founded in 1916, and in 2016 it will celebrate the 100th anniversary of its foundation. In the coming century, our overriding goals will remain unchanged. We will retain customer loyalty through sincere efforts to create new value that contributes to society and well-being.

Masahiko Matsuo,
President and Representative Director

Meiji Holdings Co., Ltd.
The Meiji Group's System of Principles, which is shared groupwide, expresses the Group's approach toward achieving ongoing growth in corporate value through the "Food and Health" business.

The System of Principles consists of three key parts: Group Philosophy, Management Attitude, and Action Guidelines, and also includes the Corporate Behavior Charter.

- **Group Philosophy**

  Our mission is to widen the world of “Tastiness and Enjoyment” and meet all expectations regarding "Health and Reassurance."

  Our wish is to be closely in tune with our customers’ feelings and to always be there to brighten their daily lives.

  Our responsibility as "Food and Health" professionals is to continue finding innovative ways to meet our customers’ needs, today and tomorrow.

- **Management Attitude**
Being involved in the "Food and Health" business, Meiji Group is fully aware of our responsibilities, and will strive to continue to maintain our obligations to society by undertaking responsible activities as a company. Our executives and employees will all comply with the laws, regulations, international agreements, social codes, and rules of each Group company. All employees will act fairly and faithfully in accordance with high ethical standards.

1. We will win the trust and satisfaction of our customers by developing and providing safe, high-quality products and services.
2. We will conduct business appropriately and with fair, transparent, and free competition, and will build relationships of mutual trust in the market.

3. We will communicate proactively with all of society, particularly with our customers and shareholders. We will disclose corporate information in a timely and appropriate manner.

4. We will implement the strictest privacy control, especially in matters related to our customers’ personal information. In addition, we understand the importance of intellectual property rights, and we will make efforts to protect and prevent the violation or exploitation of these rights.

5. We highly respect the diversity of our employees, their personalities, and uniqueness. We aim to be a creative, energetic organization, and provide a safe working environment to all our employees.

6. We will strive to deepen our social interaction with local communities as a good corporate citizen, and to provide broad contributions to society.

7. We will maintain regular, fair relationships in political and administrative fields. Furthermore, we take an emphatic stance against antisocial groups or individuals that threaten the order and/or safety of civil societies.

8. We will comply with the laws and regulations of each country and region involved in our international business activities. We will respect their culture and customs, and contribute to their local development.

9. We will thoroughly acknowledge that our company exists thanks to the abundance of nature. We will strive to maintain a harmonious coexistence with the environment and protect natural resources.

10. We understand the spirit of this Charter, and we will work to ensure that all of the Group's corporations are thoroughly familiar with it and implement it.
Our Target Profile — a Corporate Group Essential to and Trusted by Its Stakeholders

The basis of "the Meiji Group's Approach to CSR" is to fulfill corporate social responsibility (CSR) by putting the Group Philosophy into practice on a day-to-day basis in mainstay businesses and by remaining a corporate group society needs. The Meiji Group's System of Principles sets out the social missions, roles, responsibilities, and conduct we should realize in a variety of areas, including compliance, quality, the environment, information, and risk management.

Meiji Group’s Approach to CSR

- **Governance**
  We achieve highly transparent business management through prompt, effective decision making and the timely disclosure of appropriate corporate information in compliance with the Meiji Group’s System of Principles.

- **Information**
  We ensure rigorous security for the management of personal and confidential information and protect intellectual properties.

- **Environment**
  We will thoroughly acknowledge that our company exists thanks to the abundance of nature. We will strive to maintain a harmonious coexistence with the environment and protect natural resources.

- **Quality**
  Based on the Meiji Group's System of Principles, we take measures to enhance quality on a day-to-day basis through the construction of quality assurance systems based on each business.

- **Human resources**
  We highly respect the diversity of our employees, their personalities, and uniqueness. We aim to be a creative, energetic organization, and provide a safe working environment to all our employees.

- **Society**
  As well as providing Tastiness, Enjoyment, Health, and Reassurance, we emphasize communication with stakeholders in our engagement with society.
After its corporate reorganization in 2011, the Meiji Group renewed its CSR management framework. Guided by our principles, we broke down stakeholder groups into six categories—customers, society, shareholders and investors, business partners, employees, and the global environment. Also, we categorized CSR initiatives under six key themes—governance, information, the environment, quality, human resources, and society. Based on this framework, the Group CSR Committee promotes initiatives.

**Group CSR System**

The Group CSR Committee comprises senior executives of Meiji Holdings Co., Ltd., Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd., and the executives responsible for CSR from respective companies. The chairman is the president of Meiji Holdings, and the vice chairmen are the presidents of Meiji and Meiji Seika Pharma. Convened three times a year, the committee aims to implement CSR management throughout the Group. To this end, it checks the progress of initiatives based on the Meiji Group’s System of Principles and basic approach to CSR and the ISO 26000 standards. Under the Group CSR Committee, we have established a CSR secretariat, which convenes monthly. Each employee is responsible for CSR initiatives. Each employees understand topics the Group CSR Committee has discussed thanks to Group newsletters and other in-house communications.
In 2012-2014, the Group CSR Committee chose three Groupwide themes. Accordingly, the committee is pursuing CSR initiatives focused on these important themes.

| 1. Risk management | • Updating business continuity plans  
|                    | • Increasing compliance awareness  
|                    | Please see “Risk Management.” |
| 2. Diversity       | • Supporting working women, helping them develop career plans  
|                    | • Developing global human resources  
|                    | • Employing retirement-age and retired employees  
|                    | • Promoting employment of disabled  
|                    | Please see “Diversity.” |
| 3. Stakeholder communication | • Implementing initiatives focused on stakeholders  
|                            | Stakeholders: customers, society, shareholders and investors, suppliers, employees, and the global environment |
Measures to Advance Corporate Social Responsibility (CSR)

Dialogues with External Stakeholders and Educational Activities

Lecture Meeting with an Outside Expert

In fiscal year ended March 31, 2014, we invited Professor Yanyan Li of Komazawa University to conduct a lecture meeting on diversity.

Visit to Ishinomaki, Miyagi Prefecture

In April 2014, members of the Meiji Group’s CSR secretariat visited Ishinomaki. The city was struck by the Great East Japan Earthquake, and restoration efforts are underway. We had an on-site meeting to learn about the damage that the earthquake caused. Also, we held a workshop to consider if there is anything we can do to help restoration efforts.
Reflecting the Meiji Group’s System of Principles, the Meiji Group ensures highly transparent management for its customers, society, shareholders and investors, suppliers, employees, and all other stakeholders as well as for matters relating to the global environment through prompt, effective decision making and the timely disclosure of appropriate corporate information. Through this proactive stance, the Meiji Group aims to grow corporate value continuously.

Operational Structure (As of June 26, 2015)

In the Meiji Group, the holding company Meiji Holdings Co., Ltd., controls two operating companies. A company with audit & supervisory board members, Meiji Holdings has a two-tier checking system comprising auditing and the Board of Directors’ oversight of operational implementation.

The Board of Directors arrives at appropriate operational decisions based on extensive knowledge and expertise. Also, the Board of Directors utilizes the operational auditing conducted by audit & supervisory board members to ensure its business management is highly transparent, objective, and appropriate. In the Company’s view, the above-mentioned structure is the most rational manner in which to realize effective corporate governance. In addition, the Company has enhanced its governance system by appointing two outside directors and two outside audit & supervisory board members who are independent and have accumulated diverse professional experience and expertise during their careers. Further, one of the two outside directors the Company has appointed is a woman.

Moreover, the Company is strengthening its corporate governance structure through the following initiatives.

1) Appointment of two outside directors and two outside audit & supervisory board members, all of whom are designated as independent directors
2) Limitation of the term of service for directors to one year
3) Introduction of an executive officer system to separate business execution and audit functions and to accelerate management decisions while clarifying management responsibility
## Organizational Structure

<table>
<thead>
<tr>
<th>Company with audit &amp; supervisory board members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Classification</td>
</tr>
<tr>
<td>Chairman of the Board of Directors</td>
</tr>
<tr>
<td>President and representative director</td>
</tr>
<tr>
<td>Directors</td>
</tr>
<tr>
<td>11 (including 2 outside directors)</td>
</tr>
<tr>
<td>Audit &amp; Supervisory Board Members</td>
</tr>
<tr>
<td>4 (including 2 outside audit &amp; supervisory board members)</td>
</tr>
<tr>
<td>Appointment of independent directors</td>
</tr>
<tr>
<td>2 outside directors, 2 outside audit &amp; supervisory board members</td>
</tr>
<tr>
<td>Number of times the Board of Directors convened in fiscal 2014</td>
</tr>
<tr>
<td>13</td>
</tr>
<tr>
<td>Number of times the Audit &amp; Supervisory Board convened in fiscal 2014</td>
</tr>
<tr>
<td>15</td>
</tr>
</tbody>
</table>

### Attendance of outside directors and outside auditors at meetings of the Board of Directors and Board of Corporate Auditors (fiscal 2014)

<table>
<thead>
<tr>
<th></th>
<th>Board of Directors</th>
<th>Audit &amp; Supervisory Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside directors</td>
<td>Approximately 96%</td>
<td>—</td>
</tr>
<tr>
<td>Outside auditors</td>
<td>Approximately 96%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Reasons for Appointment of Outside Directors

#### Hidetoshi Yajima
The Company has appointed Mr. Yajima as an outside director because extensive experience and expertise accumulated during his career enables him to provide a wide range of advice on the Company’s business management.

#### Yoko Sanuki
The Company has appointed Ms. Sanuki as an outside director because extensive experience as an attorney and a high degree of expertise in corporate law enables her to provide advanced, expert advice on the Company’s business management.

### Reasons for Appointment of Outside Audit & Supervisory Board Members

#### Kenichi Yamaguchi
The Company has appointed Mr. Yamaguchi as an outside audit & supervisory board member because he has accumulated extensive experience and expertise during his career as an attorney.

#### Hajime Watanabe
The Company has appointed Mr. Watanabe as an outside audit & supervisory board member because he has accumulated extensive experience and a high degree of expertise in corporate international transactions law during his career as an attorney.

### Functions and Roles of Respective Committees

#### Executive Committee (convenes twice a month in principle)
Members: Directors and executive officers
Role: Advisory body to the president and representative director
Function: Deliberating general important matters concerning operational implementation

Nomination Committee
Members: 2 outside directors, 2 internal directors
Role: Recommending candidates for the positions of director or executive officer to the Board of Directors

Compensation Committee
Members: 2 outside directors, 2 internal directors
Role: Evaluating the performances and considering the compensation of directors and executive officers

Auditing Structure

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent auditor</td>
<td>Ernst &amp; Young ShinNihon LLC</td>
</tr>
<tr>
<td>Audit department</td>
<td>Audit department</td>
</tr>
<tr>
<td>(internal auditing)</td>
<td></td>
</tr>
<tr>
<td>Principal meetings</td>
<td>Board of Directors, Executive Committee, Audit Department Liaison Meeting, Audit &amp; Supervisory Board, and others</td>
</tr>
<tr>
<td>auditors attend</td>
<td></td>
</tr>
</tbody>
</table>

Compensation of Directors and Auditors

Method of Determination

Directors: Calculated based on the Company’s business results and the individual’s performance, in light of peer compensation levels as shown by the data of external research companies, and maintained within the total amount approved by a resolution of the General Meeting of Shareholders. After consulting with the Compensation Committee, the Board of Directors approves the calculated amounts of compensation.

Audit & Supervisory Board Members: Determined based on mutual consultation with audit & supervisory board members and maintained within the total amount approved by a resolution of the General Meeting of Shareholders.

Details of the Compensation of Directors and Auditors (fiscal 2014)
The Meiji Group provides products and services to a large number of customers through its food and pharmaceuticals business operations. In accordance with the Corporate Behavior Charter adopted in April 2009, the Meiji Group has established an internal control system befitting the Group that is based on mutual collaboration and multifaceted checking functions to ensure directors, executive officers, and other employees comply with the Food Sanitation Act, the Pharmaceutical Affairs Act, and other statutory laws and regulations and the Articles of Incorporation, thereby ensuring fair and sound business activities firmly rooted in compliance.

## Internal Control System

The Meiji Group provides products and services to a large number of customers through its food and pharmaceuticals business operations. In accordance with the Corporate Behavior Charter adopted in April 2009, the Meiji Group has established an internal control system befitting the Group that is based on mutual collaboration and multifaceted checking functions to ensure directors, executive officers, and other employees comply with the Food Sanitation Act, the Pharmaceutical Affairs Act, and other statutory laws and regulations and the Articles of Incorporation, thereby ensuring fair and sound business activities firmly rooted in compliance.

## Compliance and Risk Management System

Regarding “compliance as the cornerstone of its operations,” the Meiji Group abides by statutory laws and regulations, international agreements, social norms, and the regulations of respective Group companies. The Group advances concerted initiatives aimed at inculcating and entrenching compliance awareness to ensure that employees carry out their duties equitably and honestly and based on a well-developed awareness of compliance and high ethical standards. Such efforts include improving and expanding educational and training programs, disseminating information through an in-house intranet, and making hotlines available.

Regarding risk management, the Company has established specific rules for risk management and constructed an appropriate risk management system. For the whole Group, the Company systemically conducts precise risk management. In addition, it has established systems to minimize damage in the event of an emergency.

In light of lessons learned from the Great East Japan Earthquake in March 2011, the Group has established basic policies for business continuity plans as stated below.

<table>
<thead>
<tr>
<th>Position</th>
<th>Total Remuneration (Millions of yen)</th>
<th>Total Remuneration by Category (Millions of yen)</th>
<th>Number of Directors and Audit &amp; Supervisory Board Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors (excluding outside directors)</td>
<td>320</td>
<td>320</td>
<td>10</td>
</tr>
<tr>
<td>Audit &amp; Supervisory Board Members (excluding outside auditors)</td>
<td>58</td>
<td>58</td>
<td>2</td>
</tr>
<tr>
<td>Outside directors and auditors</td>
<td>55</td>
<td>55</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>434</strong></td>
<td><strong>434</strong></td>
<td><strong>16</strong></td>
</tr>
</tbody>
</table>
Basic Policies for Business Continuity Plans
To ensure it can provide customers with the products and services they require, even in disaster, the Meiji Group has set out business continuity plans based on the following policies.

1) Ensure the safety of the lives of persons involved in the Group and their families
2) Discharge the Group's social responsibility
3) Minimize damage to businesses arising from cessation of operations

● Disclosure Policy

Include Basic Principles of Disclosure on the “Investor Relations” section of the Company’s website
http://www.meiji.com/english/investor/indicator/disclosure/
Post disclosure information, other important information, and documents of financial results briefings, in principle, in both Japanese and English on the “Investor Relations” section of the Company’s website as quickly as possible
Compliance / Risk Management

Advancement of Compliance

In accordance with our Corporate Behavior Charter, we promote fair, transparent, and free competition and the appropriate conduct of business transactions based on compliance with the laws and regulations of each country or region and in light of in-house regulations and each country's culture and customs. To these ends, we are expanding and improving in-house training, raising compliance awareness throughout our organization, and developing compliance systems. Further, we have established systems that enable us to fulfill our social mission even when situations arise that are contrary to our charter and philosophy or when natural disasters or other emergencies occur.

We have built a system that enables employees to check their own actions and receive advice on compliance matters whenever they need it. As part of this initiative, at all times every employee carries a compliance card. This includes contact information for compliance help-desks. Also, we conduct compliance questionnaires targeting all employees that encourage each employee to look back at their individual efforts and reflect their evaluations in activities over the coming fiscal year.

Meiji Co., Ltd., issues booklets to promote employee awareness of compliance. The booklets include case studies. We also collect slogans and give awards for them. Every year, approximately 2,400 employees participate in training to promote compliance. Meiji Seika Pharma Co., Ltd., distributes information about its corporate social responsibility through the intranet.

High Ethical Standards and Transparency as a Pharmaceutical Company

Meiji Seika Pharma Co., Ltd., established the Meiji Seika Pharma Code of Practice, applying to all executives and employees. Meiji Seika Pharma ensures high ethical standards and transparency. We are accountable for fair conversations with researchers, healthcare practitioners, and patient groups. Meiji Seika Pharma discloses its academic research grants based on "Guidelines on Transparency for Relationships between Corporate Activities and Medical Institutions." We believe our activities contribute to the progress of life science, and these activities are conducted in compliance with high ethical standards.

Risk Management

Minimizing risk is important. We identify risks, revise manuals related to countermeasures and business continuity plans, and regularly conduct training. It is our social responsibility to establish systems for the stable supply of pharmaceuticals, infant formula, and enteral formula even in emergencies.

Revision of Business Continuity Plans

Based on the experience of the Great East Japan Earthquake, we have improved our business continuity plans. In these efforts, we have focused on human life and providing products even in challenging situations. Also, we conduct regular training about systems for checking employees' safety. This training enables us to restore operations quickly and provide food products and pharmaceuticals soon after a major earthquake or disaster. To establish robust operational and infrastructural systems, we will make facilities earthquake resistant, increase the number of production sites, decentralize supply sources, and establish backups for IT systems.

Information Security

Basic Approach

The Group is constantly, implementing and strengthening information management. Such efforts are based on a variety of policies and rules appropriate to respective information management goals. These include bolstering information security for the management of personal and confidential information and protecting intellectual properties. In conjunction with these efforts, we educate employees thoroughly and upgrade information technology in step with the continuing advances in this area. Further, we provide stakeholders with the information they require. For customers, we provide appropriate information through the help-desks and websites of each of our businesses. As for shareholders and other investors, we disclose information through investor relations activities and the investor relations section of our website.

Personal Information Protection
Based on a strong awareness of the importance of customers' personal information, we have established a personal information protection policy and rules, and we comply with laws and standards relating to the protection of personal information.

**Intellectual Property Initiatives**

Recent years have seen a steady increase in the importance of intellectual properties due to society's growing awareness of them and a range of government measures. We acquire intellectual property rights for the advances we make when researching and developing products and technologies. And, we take advantage of these rights so that we can continue supplying high-value-added products that are unique to us.
The Meiji Group provides high-quality, safe products and services to meet customers' expectations in relation to health and reliability. Through these efforts, we will improve the lifestyles of our customers.

**Quality Control Measures**

Based on its Corporate Behavior Charter, the Meiji Group continuously strives to improve the quality of its products through in-house developed quality assurance systems tailored to the specific characteristics of each business operation.

**Meiji Co., Ltd. (Food Business)**

**Quality Management System ... “Meiji Quality Comm”**

Meiji has developed and implemented a new quality management system which we call "Meiji Quality Communication."

Through this system, we at Meiji intend to continuously strengthen our quality assurance activities.

At Meiji a key component of quality assurance is providing value to the customer.

Value is the benefit customers expect from our products, and it is what we consider to be most important.

The other key component of quality assurance is providing product safety. Under Meiji Quality Comm., we are implementing robust risk management procedures, including risk assessment along the entire food chain.

It is the job of each section to define and follow procedures aimed at ensuring the safety and value of all our products.

The quality assurance division audits each section's procedures, and the top management, including the CEO, conducts a thorough management review.

This system is designed to facilitate communication between different sections in our company to ensure a proper understanding of value and safety, as well as communication with stakeholders about Meiji's commitment to quality assurance.

All employees are obligated to follow the Quality Policy, which provides a framework to cover the procedures of each section.

**Quality Policy**

We at Meiji intend to widen the world of "Tastiness and Enjoyment," meet all expectations regarding "Health and Reassurance," and provide all our customers with our "Promised Quality" thus producing shared value.

As "Food and Health" professionals with a dedication to food quality and safety, we believe our responsibility is to meet all of our customers' expectations by following the principles below:

1. We promise to enforce strict quality assurance at every step of our food chain by implementing the best system possible in each department and for every product, in order to ensure our "Promised Quality."

2. We promise to maintain a close relationship with our customers and immediately respond to customer inquiries, questions or concerns.
   We also promise to maintain the trust of our customers by understanding their expectations and constantly striving to satisfy their needs and expectations.

3. We promise to comply with all applicable laws and regulations, and provide high-quality, safe products and services.

The Group informs employees about the Meiji Quality Comm initiative so that they dedicate themselves to product quality.

We are enhancing in-house communication about the Meiji Quality Comm initiative in various ways such through posters, intranet updates, and newsletters.
Meiji Seika Pharma Co., Ltd. (Pharmaceuticals Business)

Initiatives for Quality

With regard to pharmaceutical, the Ministry of Health, Labour and Welfare sets strict rules for such areas as R&D, manufacturing, shipment, accumulation of side-effect information, and provision of product information. The Pharmaceuticals segment, following consistent policies and Action Guidelines that place top priority on the customer, considers its primary purpose to be "for the patient" and provides pharmaceuticals that healthcare practitioners and patients can use with complete confidence. The segment also provides high-quality agricultural chemicals and veterinary drugs that producers and healthcare practitioners can use with complete confidence.

Clean Manufacturing Environment

We manufacture pharmaceuticals in ultra-clean environments using the latest equipment.

Careful and Thorough Inspections

We conduct strict inspections to ensure the highest-quality products. Our well-trained inspection personnel carefully check products that have been cleared by a series of state-of-the-art inspection devices.

Strict Quality Specifications

We use highly sophisticated analytical instruments to inspect the quality of our pharmaceuticals. Only products that meet the Meiji Group's strict quality specifications are authorized for shipment.

In-house posters designed to promote employees' focus on quality
The Meiji Group provides high-quality, safe products and services to meet customers' expectations in relation to health and reliability. Through these efforts, we will improve the lifestyles of our customers.

**Communication with Customers**

Based on its Corporate Behavior Charter, the Group values communicating with customers and learning from them.

There are two operations for responding to customer inquiries at Meiji Co., Ltd.: the Customer Service Center and the Counseling Office for New Mothers, and one at Meiji Seika Pharma Co., Ltd.: the Medicine Support Center.

**Meiji Co., Ltd. (Food Business)**

- **Customer Service Center**

  This center receives a wide range of inquiries about products and services. We respond promptly, sincerely, fairly, and appropriately to earn the trust of customers and ensure their satisfaction. We value such customer feedback and use it to develop or improve products and services.

**Counseling Office for New Mothers**

Over more than 35 years since its establishment in 1976, this office has been supporting mothers and the healthy growth of their babies. Drawing on abundant information and experience, we do our utmost to respond fully to each inquiry from new mothers or those engaged in child care.

**Connecting with Customers through Social Networking Services**

The Meiji Group uses social networking services to communicate with customers and distribute information about new products and campaigns.

**Meiji Seika Pharma Co., Ltd. (Pharmaceuticals Business)**

- **Medicine Support Center**

  This center increases customer satisfaction through sincere, accurate, and prompt responses to inquiries from medical professionals and general consumers. The center provides in-house divisions with feedback on the opinions and comments received from them to increase employees' focus on to customer satisfaction. We use feedback from customers to make improvements based on the following three steps.
  1. **Receive**: Responding to questions and opinions appropriately
  2. **Archive**: Recording responses correctly, sharing within the center
  3. **Send**: Sharing records with related departments

  We strive to ensure customers are completely satisfied and earn their trust.
We believe communicating with society is important. The Meiji Group helps customers enrich life by providing Tastiness, Enjoyment, Health, and Reassurance.

## Initiatives through Mainstay Businesses

The Group will help society prosper because communication with local communities is important. At home and abroad, we deliver Tastiness, Enjoyment, Health, and Reassurance through various activities based on our mainstay businesses.

### Support for Food Awareness in Japan

**Fun Milk Class**

In their respective regions, our dietitians have been providing elementary schools and community center with fun interactive classes about the importance of drinking milk since 2006. These classes were attended by 73,000 people in the year ended March 2014. We tell the children about the importance of dairy products as a source of calcium and protein and the importance of a balanced diet. Also, we recommend they make going to bed early, getting up early, and having breakfast part of their daily routine. In addition, we highlight how dairy farmers produce high-quality, delicious drinking milk. To make the classes lots of fun and easy to understand, we use visuals aids and hands-on activities. For example, in one activity, children make butter and learn how drinking-milk ingredients can change.

**Meiji Cooking Salon**

To support people's everyday health, we provide classes on cooking with chocolate, drinking milk and dairy products. We have been holding these classes for 40 years. As a result, they have become well known. In the year ended March 2014, 13,000 people took part in 460 classes. Through the Meiji Cooking Salon, we help a variety of people—from children through to seniors—enjoy rich, healthy lifestyles. As one of the Salon's classes, our cooking course for parents and children teaches children about the importance of a well-balanced diet. At the same time, this course boosts interest in dairy products as ingredients. Meanwhile, our cooking course for seniors offers ideas on how to include drinking milk and dairy products in the diet to prevent undernutrition. In addition, we show seniors how to prepare dishes that are easy to swallow. Also, our cooking course for mothers focuses on using drinking milk and dairy products to create nutritionally well-balanced meals for the family.

**Plant Study Tours**

Nationwide, we promote communication with customers by conducting study tours at six locations, which include visitor centers and some of our dairy product and confectionery plants. In the year ended March 2014, approximately 120,000 visitors took part in these tours.

### Support through Chocolate

We believe chocolate has the power to make people happy and give them energy. As a corporate group that delivers chocolate to customers and brings them happiness and energy, we would like to be of greater service and provide even more support to the world through our chocolate. The following provides an overview of four Support through Chocolate initiatives.

#### Support for the Children of Refugees
We donate a portion of the proceeds of our "Milk Chocolate" sales to the Japan Association for UNHCR, which supports the activities of the Office of the United Nations High Commissioner for Refugees (UNHCR). These donations are used for a nutritional improvement program for the children of refugees in Africa. In the year ended March 2014, we donated ¥6,906,824.

* The United Nations established the UNHCR as an agency to support refugees in 1950.
* The Japan Association for UNHCR is the official fund-raising and public relations body of the UNHCR.

Support for Children in Japan

In an initiative with the Japan Environmental Education Forum, we conduct a program that gives children the chance to get outdoors and experience nature firsthand. In the year ended March 2014, we established two schools, in Fukushima Prefecture and in Tokyo. Through classes at these schools, parents and children experienced nature and took part in fun activities such as making homemade desserts.

Support for Those Fighting Diseases

We support the activities of the nonprofit organization Japan Hospital Clowns Association, which brings smiles to children fighting diseases, their families, and others involved in their lives.

Support for Reforestation of the Amazon

Japanese people who immigrated to Brazil in the 1930s were the main practitioners of a farming method known as agroforestry, which promotes reforestation. This method regenerates forests by cultivating a variety of plants, such as cacao and pepper, in near-natural conditions. By using cacao grown in this way, we are helping regenerate the Amazon's forests. Further, we have dispatched research personnel to Brazil to conduct joint research on technology for cacao fermentation processing.

Prevention of Malnutrition among the Elderly—Supporting Healthy Aging—

Year by year, the number of seniors requiring nursing care is increasing in Japan. Reports have revealed that 30% of seniors requiring nursing care at home are malnourished. This is an alarming problem because among the elderly the number of deaths due to malnutrition is greater than that for obesity or metabolic syndrome. The Group is taking a variety of measures to solve this problem.

Provision of Our Original Nutritional Supplement "Mei Balance"
Over many years, we have accumulated research results and evidence in relation to drinking milk, yogurt, and infant formula. Based on such research, we have developed original nutrition engineering technology and an approach based on clinical nutrition. Consequently, we provided the "Mei Balance" lineup of nutritional supplements, which we have designed to be tasty and reliable. Initially, we marketed these supplements mainly to hospitals and nursing-care facilities and through mail-order sales. From spring 2011, however, we rolled the product lineup out through drugstores nationwide. Currently, approximately 10,000 stores carry these nutritional supplements.

**Sponsorship of "6th Upbeat! Healthy! Fair in Tohoku"**

Meiji Co., Ltd., sponsored the "6th Upbeat! Healthy! Fair in Tohoku." The fair was held at the Sendai International Center in April 2014 and was organized by Tohoku University, KAHOKU SHIMPO PUBLISHING CO., and TOHOKU BROADCASTING CO., LTD. A record 8,500 people visited the fair.

The fair included health seminars, fun activities, and displays about the latest health information. The Meiji Group conducted seminars entitled "The Importance of Milk and Dairy" and "Nutrition for Seniors."

**For the Healthy Development of Infants**

We manufacture and supply special milk for babies with a variety of metabolic errors. The screening of newborn babies sometimes identifies babies with inborn errors of metabolism and other types of metabolic errors. Such babies require nutritional management using special therapeutic milk suited to their particular disorder. Therefore, we must ensure these products reliably reach babies that need them. For example, after the Great East Japan Earthquake, the Japan Self-Defense Forces helped ensure our donations of special milk reached such babies in the disaster-stricken region.

Meiji Co., Ltd., manufactures and supplies 27 types of special infant formula. These are categorized as registered special infant formula and infant formula used for the treatment of non-inborn errors of metabolism diseases.

We have been exporting infant formula to Pakistan since 1968. We provide nine types of infant formula, such as "FM-T" for new-born infants and older infants, "LACTOLESS" for infants with lactose intolerance, "mamilac" for expectant women, and "PRE" for low-birth-weight infants.

We supply special infant formula that utilize our technology and expertise and fulfill our social responsibilities as a leading manufacturer of infant formula.

**Social Contribution through Pharmaceuticals for Rare Diseases**

Meiji Seika Pharma Co., Ltd., contributes to the treatment of rare diseases. Dravet’s syndrome is an intractable form of epilepsy occurring in infancy. The disease develops in one infant in every 40,000. Dravet’s syndrome is a severe disease that causes seizures, delays physical and mental development, and has high mortality rate. Until now, there has been no effective pharmaceutical treatment for Dravet’s syndrome. Meiji Seika Pharma launched "DIACOMIT® Dry Syrup (oral suspension)" and "DIACOMIT® Capsule" for the treatment of Dravet’s syndrome.

"LASERPHYRIN® 100 mg for Injection" received approval for early-stage lung cancer in 2003, for use in photodynamic therapy (PDT), and was designated as an orphan drug (a pharmaceutical for rare disease treatment). In September 2013, it received approval for
Support Activities for People in Areas Damaged by the Great East Japan Earthquake

The Group supplies its products to help people in disaster-stricken areas. Since October 2011, we have been providing our confectioneries and beverages to Café Azumaare, which is next to the Heisei no Mori temporary housing in Utatsu, Minamisanriku, Miyagi Prefecture. We held food seminars, and participants had fun making butter. The food seminars were supported by the Higashi-Shirakawa Genkids Rearing Project, a child-rearing support project organized by the health and welfare office for southern Fukushima Prefecture.

The Meiji Group supports activities for people in areas damaged by the Great East Japan Earthquake.
We conduct business appropriately and with fair, transparent, and free competition. Also, we will communicate with business partners to procure with consideration for the environment and society.

**Engagement with Business Partners**

- **Partnership with Dairy Farmers**

  **Value Enhancement Campaign for Drinking Milk**

  We are improving the value of drinking milk with dairy farmers nationwide. Raising cows in hygienic conditions will reduce cows’ stress, increase milk volumes, and improve milk quality. We encourage dairy farmers to pursue beautification, operational hygiene, and environment friendliness. When dairy farms meet our standards as “good-quality-milk-producing farms,” we give dairy farmers accreditation signboards to display at their farms. As of the end of March 2014, we have accredited approximately 200 dairy farms nationwide.

  ![Diagram showing various factors contributing to milk production and quality](image)

  **Awards ceremony**

- **Partnerships with Cacao-Producing Countries**

  We are strengthening partnerships with cacao-producing countries. We are achieving this through the Chocolate & Cocoa Association of Japan and the World Cocoa Foundation. Furthermore, we conduct an original Traceable Cacao Project with the nonprofit organization Source Trust.

  **Support through the World Cocoa Foundation**

  The mission of the World Cocoa Foundation is to promote a sustainable cacao economy and realize economic and social development and environmental preservation by supporting cacao farmers in cacao-producing countries. We have participated in the initiatives of the foundation since joining it in 2006.

  **Support for Farmers through Traceable Cacao Beans**

  Working with local communities in production areas has enabled us to help farmers and begin region-specific purchasing. Consequently, we can secure stable supplies of high-quality cacao-indispensable for the production of delicious chocolate from such famous regions as Ghana. As part of these efforts, we have created a system with the global nonprofit organization Source Trust that supports farmers in each region.
In the summer of 2013, we donated a village resource center. Using the center’s personal computers, cacao producers learn about cultivation techniques that increase cacao harvests. Construction of an elementary school at a village was supported by official development assistance (ODA) from Japan. Some of our personnel attended the opening ceremony and donated desks, chairs, and blackboards.

Our personnel will visit producers and regularly communicate with them face-to-face while providing support.
The Meiji Group conducts sound, transparent business management. We communicate with shareholders and investors and disclose information in a timely, appropriate manner.

## Communication with Shareholders

### Disclosure Policy

**Basic Approach to Disclosure**

Meiji Holdings discloses information in accordance with the Financial Instruments and Exchange Act and the "Rules Concerning Timely Disclosure of Company Information of Issuers of Listed Securities" (Timely Disclosure Rules) stipulated by the Tokyo Stock Exchange. We endeavor to provide information promptly, based on the principles of transparency, fairness, and consistency, to aid understanding of our activities.

**Method of Information Disclosure**

Important information that falls within the scope of the Timely Disclosure Rules stipulated by the Tokyo Stock Exchange shall be registered with and made publicly available on the Timely Disclosure Network (TDnet) provided by the Tokyo Stock Exchange after the Company has briefed the Exchange. Once the information is registered with TDnet, we promptly provide the same information to media organizations and also post the same materials on our website.

### Communication with Shareholders

Meiji Holdings Co., Ltd., communicates with shareholders and other investors through its General Meeting of Shareholders, financial results briefings, and website. At biannual financial results briefings, senior executives explain business results and growth strategies. Also, we participate in international conferences for investors.

Further, we regularly hold facility tours, roundtable meetings, and exchanges of opinions with shareholders. In addition, our website provides investors with timely financial reports and documents from briefings in Japanese and English.

### Investor Relations

**Donation of Shareholders Benefits**

We have established a system that gives shareholders the option of donating to welfare organizations items equivalent in value to their shareholder benefits. Moreover, we match shareholders’ donations. In fiscal year ended March 31, 2014, this system resulted in donations of confectioneries and beverages worth approximately ¥13 million to more than 253 organizations.

*Children in Soma City, Fukushima Prefecture*
The Meiji Group's business operations originate from the bounty of nature. We protect resources, harmonize our business activities with the global environment, and conduct sustainable corporate management.

## Environmental Management

The Meiji Group reduces environmental burden. We obtained certification under the ISO 14001 international standards. We curb CO₂ emissions, promote the 3Rs (reduce, reuse, recycle), and save energy.

### Environmental Philosophy and Policies

#### Environmental Philosophy

We, the Meiji Group, in recognition of the fact that our business operations originate from the bounty of nature, will contribute to the creation of a sustainable society. To this end, we intend to harmonize our business activities with the global environment and manage the Group in a way that protects the environment.

#### Environmental Policies

To make the Meiji Group's Philosophy and Environmental Philosophy a reality, we adhere to the following environmental policies in carrying out our business activities.

**Compliance with laws and regulations**
1. We will strictly comply with laws, regulations, ordinances, agreements with stakeholders, and industry standards relating to the environment, as well as our Group’s environmental standards, both in Japan and abroad.

**Continuous improvement of environmental conservation activities**
2. We will effectively operate and work to continuously improve our environmental management systems.

**Reduction of environmental impact**
3. We will endeavor to reduce the environmental impact of our products throughout their overall lifecycle, from design to disposal, and all of our business activities through improved productivity and the reduced consumption of resources and energy.

**Biodiversity Conservation**
4. We will conserve biodiversity by protecting ecosystems based on a global perspective in all our business activities.

**Fostering an eco-friendly mindset**
5. We will endeavor to foster employees who respect nature and take the initiative in thinking and acting in ways that are eco-friendly, and realize our Environmental Philosophy.

**Coexistence and communication with society**
6. We will strive to coexist with society by dialoguing with society and participating in environmental activities. Furthermore, we intend to properly disclose environmental information and communicate with society.

### Environmental Education

Meiji Co., Ltd., holds environmental education lecture meetings. In fiscal 2013, we hosted a lecture meeting conducted by Mr. C.W. Nicol. We publish a newsletter, Eco-Up Letter, quarterly to heighten employees' awareness of corporate social responsibility (CSR) and the environment.
The Meiji Group’s business operations originate from the bounty of nature. We protect resources, harmonize our business activities with the global environment, and conduct sustainable corporate management.

**Environmental Impact**

We reduce environmental impact based on a material balance approach. This means we measure the environmental impact of our business activities as a whole by analyzing the balance between the input and output of substances, energy, and other resources.

The material balance figures are the sums of figures for Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd.
The Meiji Group’s business operations originate from the bounty of nature. We protect resources, harmonize our business activities with the global environment, and conduct sustainable corporate management.

## Prevention of Global Warming

We are saving resources and energy by introducing energy-saving equipment, improving production equipment, and changing over to energy sources with lower CO₂ emission volumes.

### Trends in Energy Usage and CO₂ Emission Volumes

We are taking various energy-saving measures at all stages of our operations, from production through to distribution. In production, we are saving energy and reducing CO₂ emissions by changing fuel from heavy oil to town gas. Furthermore, our cogeneration systems efficiently use heat resulting from in-house generation. The Meiji Group reduce its environmental impact by introducing electricity saving and energy-saving equipment and by operating equipment efficiently.

![Energy Consumption and CO₂ Emissions Graph]

- **Energy Consumption Volumes (left axis)**
- **CO₂ Emissions (right axis)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy Consumption</th>
<th>CO₂ Emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>26.2</td>
<td>26.0</td>
</tr>
<tr>
<td>2010</td>
<td>26.3</td>
<td>25.9</td>
</tr>
<tr>
<td>2011</td>
<td>25.0</td>
<td>25.3</td>
</tr>
<tr>
<td>2012</td>
<td>25.3</td>
<td>24.5</td>
</tr>
<tr>
<td>2013</td>
<td>25.1</td>
<td>24.0</td>
</tr>
</tbody>
</table>

※ CO₂ emissions in 2010 and 2011 were revised.
※ Based on figures for the entire Meiji Group, including its main subsidiaries.

### Solar Power Generation at the Osaka Plant

The Meiji Group’s Osaka Plant has installed solar panels. We are using renewable energy to reduce CO₂ emissions. In the year ended March 2014, the power generation volume was 240,000 kWh (power generation capacity: 200 kW). The CO₂ reduction volume was 124 tons, equivalent to the volume that 210,000 square meters of forest (an area equivalent to 29 soccer fields) absorbs.

![Solar Power Generation at the Osaka Plant]

### Medical Representatives (MRs) Drive Low Emission Cars

At Meiji Seika Pharma Co., Ltd., medical representatives (MRs) drive low emission cars to visit medical institutions in their sales territories. We have been changing over to hybrid cars steadily. As of the end March 2014, we own 307 hybrid cars. We will continue to reduce vehicle pollution and gasoline usage.
The Meiji Group’s business operations originate from the bounty of nature. We protect resources, harmonize our business activities with the global environment, and conduct sustainable corporate management.

## Redund of Environmental Load Substance

To protect a finite global environment, the Group is reducing waste and using resources effectively. Further, we are managing chemical inventories appropriately and reducing emissions of chemical waste to minimize environmental impact.

### Waste Reduction Initiatives

We are advancing initiatives to achieve zero emissions of waste based on the reduce, reuse, recycle (3Rs) approach.

### Waste Recycling

In 2013, the Meiji Group’s Kyushu Plant concluded a contract with a local municipal authority. Under this contract, raw garbage is collected from the plant and fermented at the municipal authority’s biomass plant to produce methane. The methane is then used for gas-fired power generation. And, dregs from fermentation are used as fertilizer. The Meiji Group donates some of the money saved through this project to promote the local area’s agriculture.

### 3R Activities at a Research Center

The Yokohama Research Center of Meiji Seika Pharma Co., Ltd., is participating in the 3R (reduce, reuse, recycle) activities that Yokohama City is promoting. The research center has received accreditation as a “good 3R activities operating base” for four consecutive years.

### Appropriate Management of Chemicals

We manage chemicals rigorously by reducing the volume of chemicals we discharge. For example, we are installing equipment that collects vaporized chemicals, changing over to safer substances, and reducing or eliminating usage by improving manufacturing methods.

### PRTR Substances and Their Volumes

For chemicals, we register discharge volumes and transfer volumes at three plants and two research centers in accordance with Japan’s Pollutant Release and Transfer Register (PRTR) Act. Each pharmaceuticals plant and research center has established a chemicals management committee. These committees establish standards for treating chemicals, manage purchase volumes and inventory volumes, and check discharge volumes and transfer volumes.
**PRTR Substances and Their Volumes**

<table>
<thead>
<tr>
<th>Substance number</th>
<th>Name</th>
<th>FY 2011 Discharge vol</th>
<th>Transfer vol</th>
<th>FY 2012 Discharge vol</th>
<th>Transfer vol</th>
<th>FY 2013 Discharge vol</th>
<th>Transfer vol</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>Acetonitrile</td>
<td>5.0</td>
<td>21.1</td>
<td>0.08</td>
<td>13.8</td>
<td>0.7</td>
<td>15.3</td>
</tr>
<tr>
<td>127</td>
<td>Chloroform</td>
<td>4.6</td>
<td>16.0</td>
<td>3.4</td>
<td>1.6</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>150</td>
<td>1,4-Dioxane</td>
<td>0.0</td>
<td>1.5</td>
<td>0.0</td>
<td>1.3</td>
<td>0.0</td>
<td>1.3</td>
</tr>
<tr>
<td>186</td>
<td>Methylenec dicloride</td>
<td>55.1</td>
<td>388.6</td>
<td>34.4</td>
<td>302.4</td>
<td>20.5</td>
<td>95.1</td>
</tr>
<tr>
<td>232</td>
<td>N,N-dimethylformamide</td>
<td>0.4</td>
<td>383.0</td>
<td>0.3</td>
<td>396.6</td>
<td>0.1</td>
<td>160.4</td>
</tr>
<tr>
<td>300</td>
<td>Toluene</td>
<td>0.0</td>
<td>0.1</td>
<td>0.3</td>
<td>6.1</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>342</td>
<td>Pyridine</td>
<td>0.0</td>
<td>2.1</td>
<td>0.0</td>
<td>2.3</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>438</td>
<td>Methyl-naphthalene</td>
<td>-</td>
<td>-</td>
<td>79.6</td>
<td>0.0</td>
<td>66.2</td>
<td>0.0</td>
</tr>
</tbody>
</table>

* Figures are the sums of figures for Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd.

**PCB Management**

Each of our operating bases appropriately manages transformers and capacitors that have used polychlorinated biphenyls (PCBs).

Note: PCBs are oily substances that are chemically stable and have excellent insulating properties. Therefore, they were used as insulating oils in transformers and capacitors. However, their toxicity led to the prohibition of the manufacture, import, and use of PCBs by law in 1974. Currently, the appropriate storage of PCBs is required by law.
The Meiji Group’s business operations originate from the bounty of nature. We protect resources, harmonize our business activities with the global environment, and conduct sustainable corporate management.

Environment-Friendly Product Lifecycles

The Group cares about the environment friendliness of product packaging and lifecycles.

- Reduction of the Environmental Impact of Containers and Packaging

**Reduction of the Weight of Paper Containers**

To avoid wasting valuable resources, we are reducing the weight of product containers and packaging. Also, we are reducing emissions of waste and CO2.

**Packaged chocolate**

We have reduced plastic used for individual inner packaging film 12% approximately.

**Chocolate box**

Previously, we used cardboard for the container. However, we have changed to coated cardboard that contains a higher percentage of recycled paper.

- 3R for Home-Delivery Milk Bottles

We are creating environment-friendly products. One of these efforts entails using returnable bottles* for drinking milk for home delivery. We have reduced the weight and increased the strength of returnable bottles so that they can be reused repeatedly. However, the bottles become scratched after repeated use, so we also recycle bottles. They are crushed into pieces, which become raw material for new bottles. Moreover, we can save energy in manufacturing and transport, which leads to lower CO2 emissions.

* Bottles are collected from homes, washed thoroughly, and dried for reuse
The Meiji Group’s business operations originate from the bounty of nature. We protect resources, harmonize our business activities with the global environment, and conduct sustainable corporate management.

Environmental Conservation Initiatives / Environmental Communication

As a corporate group that exists thanks to the abundance of nature, the Meiji Group implements independent environmental conservation activities. As well as these activities, we distribute information to increase awareness of our various initiatives that reduce environmental impact through our mainstay businesses.

- **Activities in “Nemuro Nature Conservation Area”**

  We concluded an agreement on the conservation of wild birds with the Wild Bird Society of Japan. Based on this accord, we jointly established the “Nemuro Nature Conservation Area” on our land in Nemuro-shi, Hokkaido. In the conservation area, our employees act as volunteers in environmental conservation activities. In addition, we use the area for the environmental education of local residents. In 2013, we held a “Nature Watching Event” in the Makinouchi area for elementary school students. The children clearly had a great time listening to explanations from a member of the Wild Bird Society of Japan, observing Nemuro’s precious wild birds and numerous plant varieties, and learning about the importance of nature.

- **“Holding Environmental Briefings” for Local Communities**

  To explain their environmental initiatives the plants and research centers of Meiji Seika Pharma Co., Ltd., hold environmental briefings for local communities and municipal authorities annually. As well as explaining countermeasures for water quality and atmospheric pollution and initiatives to reduce CO₂, these briefings include tours of our facilities. The briefings give us valuable feedback from local communities, which we reflect in the following year’s initiatives.

  **Number of Participants**

<table>
<thead>
<tr>
<th>Plant</th>
<th>Number of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kitakami Plant</td>
<td>29 (held in November 2013)</td>
</tr>
<tr>
<td>Ashigara Research Laboratory</td>
<td>15 (held in December 2013)</td>
</tr>
<tr>
<td>Gifu Plant</td>
<td>23 (held in March 2014)</td>
</tr>
</tbody>
</table>

- **Meiji Group Sponsored a Booth at Eco-Products 2013**

  We sponsored a booth at Eco-Products 2013, which was held in December 2013 at the Tokyo Big Sight international exhibition center. At the booth, we introduced our environmental initiatives through “Meiji Forest” panel displays. The displays offered an overview of such environmental initiatives as “The Environmental Contribution of Agroforestry,” “Environment-Friendly Yogurt Packages,” “Environment-Friendly Agricultural Chemicals,” and “Feedstuffs and Dog-Use Nutritional Supplements Made from Food-Manufacturing By-Products.” We also held a quiz-based game for visitors to understand our environmental initiatives.

- **Agroforestry Chocolate wins Environment Minister’s Award in the Eco-Products 2013.**

  Meiji’s Agroforestry Chocolate including Chocolate Effect won Environment Minister’s Award in the 10th Eco-Products Grand Prix, Eco Products Division. The announcement was made in November, 2013. The products won the prize for improving public understanding and awareness of agroforestry by appealing its benefits to the customers.
The Meiji Group respects the diversity and individuality of employees and develops safe and comfortable workplace environments. We believe dynamic communication is essential and establish creative and vibrant workplaces.

## Approach to Human Resources

The Meiji Group respects the diversity and individuality of employees and develops safe and comfortable workplace environments. We believe dynamic communication is essential and establish creative and vibrant workplaces.

### Basic Policy

We believe the growth of each employee is indispensable for our continued growth. Therefore, our approach to human resources fosters personnel who set ambitious goals and innovate. Further, we want our personnel to draw on their expertise and the Group’s strength to achieve these goals. Our approach to human resources focuses primarily on developing capabilities and assuming responsibilities. In other words, we encourage personnel to set themselves tough assignments so that they acquire professional skills and expertise and increase their ability to create and provide customers with progressive value.

### Basic Human Resources Information

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of employees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>6,725</td>
<td>6,693</td>
<td>6,754</td>
</tr>
<tr>
<td>Women</td>
<td>1,761</td>
<td>1,808</td>
<td>1,848</td>
</tr>
<tr>
<td>Total</td>
<td>8,486</td>
<td>8,501</td>
<td>8,602</td>
</tr>
<tr>
<td><strong>Average years of service</strong></td>
<td>15.00</td>
<td>15.00</td>
<td>15.04</td>
</tr>
<tr>
<td><strong>Average age</strong></td>
<td>37.09</td>
<td>37.10</td>
<td>38.02</td>
</tr>
</tbody>
</table>

### New Employee Hiring

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of new employees</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>177</td>
<td>183</td>
<td>181</td>
</tr>
<tr>
<td>Women</td>
<td>126</td>
<td>124</td>
<td>132</td>
</tr>
<tr>
<td>Total</td>
<td>303</td>
<td>307</td>
<td>313</td>
</tr>
</tbody>
</table>

* Information on employees registered with Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd.*
The Meiji Group respects the diversity and individuality of employees and develops safe and comfortable workplace environments. We believe dynamic communication is essential and establish creative and vibrant workplaces.

### Professional Skills Development and Self-Education Opportunities

#### Career Changes

Personnel at the general duties grade can take an exam that qualifies them for promotion to positions of greater responsibility. Every year, dozens of employees pass this exam and set off on new career paths as a consequence.

#### Self-Assessment

Once a year, with their managers employees discuss their assignments with respect to amount, quality, and aptitude as well as the timing of transfers, any health issues or educational commitments in their families that may prevent transfers, and desired future career paths. Based on their conclusions, they then submit a report to their company. This approach enables employees to think for themselves about the way they work and the career they want. Also, it gives the company an understanding of the individual employees’ outlooks and situations, which it uses when making transfers and conducting training.

#### Self-Education Opportunities

We provide employees with training programs and correspondence courses that develop their professional skills.
The Meiji Group respects the diversity and individuality of employees and develops safe and comfortable workplace environments. We believe dynamic communication is essential and establish creative and vibrant workplaces.

### Diversity

#### Support for Working Women

The Meiji Group has identified issues for employees who want to achieve a good balance between work and childrearing. Also, the Group supports female employees’ career development.

In the Meiji Group, the proportion of female employees is increasing steadily. Currently, more than 40% of new hires are women. Many female employees work in such areas as food product research and development and among medical representatives.

Meiji Seika Pharma Co., Ltd., has the highest percentage of female medical representatives in the pharmaceuticals industry. Meiji Seika Pharma conducts training to promote diversity. In the year ended March 2014, the company conducted training for female employees expected to become future managers. Participants discuss with female managers to share problems and solutions related to career development.

#### Support and Development of Global Personnel

Approximately 3,000 personnel work at the Group’s overseas bases. To develop personnel able to work globally, the Group coordinates its human resources development with overseas Group companies and supports non-Japanese personnel.

Meiji Seika Pharma has various training programs to foster global personnel. For example, we send selected employees to an overseas university’s four-month study program. Also, we held a two-month training program in India in the year ended March 2014.

### Number of Employees Around the World (personnel numbers)

<table>
<thead>
<tr>
<th></th>
<th>U.S.A.</th>
<th>Spain</th>
<th>China</th>
<th>Indonesia</th>
<th>Singapore</th>
<th>Thailand</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2012</td>
<td>670</td>
<td>395</td>
<td>375</td>
<td>823</td>
<td>268</td>
<td>361</td>
<td>2,852</td>
</tr>
<tr>
<td>FY 2013</td>
<td>620</td>
<td>335</td>
<td>622</td>
<td>782</td>
<td>275</td>
<td>372</td>
<td>3,006</td>
</tr>
</tbody>
</table>

#### Employment of the Disabled

The Group complies with the statutory employment percentage for the disabled. Moreover, we aim to create workplace environments in which employees can realize their capabilities, regardless of whether or not they have a disability. Meiji Co., Ltd., has designed the Tokai Plant to be a workplace where disabled personnel can work with ease. Furthermore, we are making the new Aichi Plant, scheduled for completion in 2014, a barrier-free environment.

### Employment Percentages for the Disabled

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment percentages for the disabled (%)</td>
<td>1.57</td>
<td>1.83</td>
<td>2.05</td>
</tr>
</tbody>
</table>

* Information on employees registered with Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd.

#### Reemployment of Retirement-Age Personnel

We allow personnel to continue working beyond the retirement age of 60 years old. Roughly 70% of retirement-age personnel wish to continue working. All such personnel are reemployed and continue contributing to the Group.

### Reemployment of Retirement-Age Personnel

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage seeking reemployment (%)</td>
<td>65</td>
<td>73</td>
<td>71</td>
</tr>
<tr>
<td>Percentage of applicants reemployed (%)</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

* Information on employees registered with Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd.
The Meiji Group respects the diversity and individuality of employees and develops safe and comfortable workplace environments. We believe dynamic communication is essential and establish creative and vibrant workplaces.

### Employee-Friendly Workplaces

#### Work-Life Balance

**Support for Childrearing**

At the Meiji Group, we believe that our corporate responsibilities include creating an environment conducive to rearing children—who will lead the coming era—and helping employees simultaneously meet their work and family commitments. Therefore, we support employees’ diversifying work styles.

**Number of Employees Taking Child Care Leave**

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>105</td>
<td>127</td>
<td>144</td>
</tr>
<tr>
<td>Male</td>
<td>17</td>
<td>8</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>122</td>
<td>135</td>
<td>173</td>
</tr>
</tbody>
</table>

* Information on employees registered with Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd.

#### Support for Nursing Care

In Japan, employees with family members requiring nursing care are increasing with each passing year. Therefore, we have established a system to help such employees.

**Number of Employees Taking Nursing-care Leave**

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees taking nursing-care leave</td>
<td>3</td>
<td>4</td>
<td>8</td>
</tr>
</tbody>
</table>

* Number of employees who took even one day of nursing-care leave in the fiscal years
* Information on employees registered with Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd.

#### Creation of Healthy and Safe Workplaces

**Occupational Health and Safety**

Giving first priority to employees’ well-being, our health and safety management ensures stringent compliance with the relevant laws. At the same time, at each of our offices and manufacturing and operating sites we have taken additional innovative steps to create workplaces that are safe and easy to work in.

**Enhancement of Employees’ Health**

Through multifaceted support for health improvement, we create energetic workplaces. In addition, as a corporate group in the Food and Health fields, we see improving employees’ health as a corporate responsibility. Therefore, we are working with health insurance societies to step up the prevention of lifestyle-related diseases. Our initiatives include developing working environments that help employees to stay healthy as well as balance their work and other commitments. Moreover, we are advancing personnel management to curb long working hours.

### Facilitating Communication and In-House Dialogue

#### motto†Activities

The Meiji Group implements motto Activities to increase its organizational strength. We promote employees’ understanding of the Meiji Group’s System of Principles. On the intranet, we post some examples of successful workplaces that are putting the Action Guidelines into practice. Once a year, we publish a booklet comprising these examples and distribute it to employees. Each workplace holds a “Let’s Think about motto! meiji way Meeting” for employees to discuss the good examples and how can they adopt them in their workplace.

To increase motivation for work, young employees of Meiji Co., Ltd., talk with the president directly at a “Let’s Talk about motto! President Meeting.” In fiscal 2013, we held five meetings.

* This is a Japanese word that means more or further. It represents our commitment to improvement.
Employee-Management Relations

The Meiji Group believes sound labor-management relations are important for corporate management. Currently, Meiji Co., Ltd., has the Meiji Workers’ Union, and Meiji Seika Pharma Co., Ltd., has the Meiji Seika Pharma Workers’ Union. The Federation of Meiji Group Workers’ Unions acts as bridge organization between the two unions.

Employee Awareness Surveys

The Meiji Group conducts employee surveys to clarify employee perceptions and any issues to be addressed. We will conduct surveys regularly.