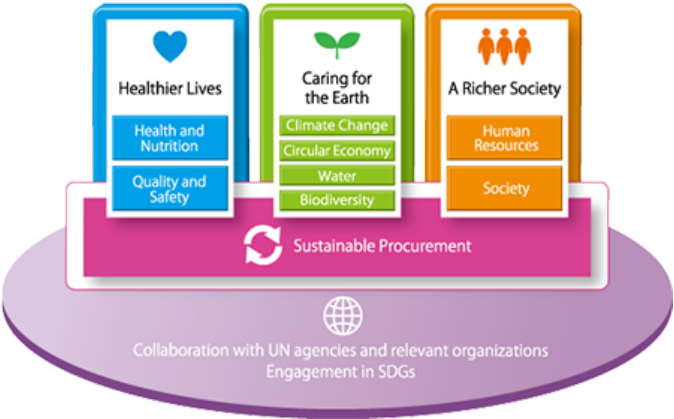


# Sustainability



Meiji Group Sustainability 2026 Vision

As Food and Health professionals, we contribute to addressing social issues through our business activities, and to realizing a sustainable society for people to live healthy, peaceful lives.

Meiji Group Sustainability

> Top Commitment

> Sustainability Management

> Sustainability Video

Healthier Lives

> Health and Nutrition

> Quality and Safety

Caring for the Earth

> Environmental Management

> Climate Change

> Circular Economy

> Water

> Biodiversity

A Richer Society

> Human Resources

> Society

Shared Themes

> Sustainable Procurement



➤ Governance

➤ Policies

➤ Download Report

➤ Collaboration with UN Agencies and Relevant Organizations

➤ ESG Data

➤ Standard Table

➤ Sustainable Finance (PDF:932KB)

➤ Modern Slavery Act (PDF:298KB)

➤ California Transparency in Supply Chains Act (PDF:222KB)

## Sustainability Announcements

Apr 16, 2021	Notice concerning Decision of Issuance Conditions for Sustainability Bonds (PDF:118KB)
Mar 17, 2021	【Presentation】 ~Long-term Environmental Vision, Meiji Green Engagement For 2050~ (PDF:837KB)
Mar 15, 2021	Notice concerning Issuance of Sustainability Bonds (PDF:149KB)
Mar 1, 2021	Meiji Group Outlines Long-term Environmental Vision, the Meiji Green Engagement For 2050 (PDF:163KB)
Feb 19, 2021	Meiji Group Social Contribution Activities Policy has been published.

➤ More

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Health and productivity  
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# Meiji Group Sustainability



▶ Top Commitment



▶ Sustainability Management



▶ Sustainability Video

# Top Commitment

As part of Meiji Group's sustainability vision NEXT100 for the upcoming 100 years, we aim for a future society in which people of the world are able to live happy and healthy everyday lives.



As the COVID-19 pandemic rages, the world finds itself in a tremendously difficult situation. My prayers go out to all those affected and their families, wishing them a rapid recovery. I also want to express my deep respect and appreciation to the medical professionals working on the front lines under these trying circumstances, our health and government agencies, and everyone else involved in producing and supplying the goods necessary to support our lives.

The global spread of COVID-19 comes as we are also dealing with other important issues such as climate change due to global warming, natural disasters caused by extreme weather, among others. We are faced with the need to reexamine our long held values and behaviors. A true crisis stands before us and I believe we must do our part as a company to support the sustainability of society through our businesses.

In response to these social trends, in October 2019, the Meiji Group established the Sustainable Management Department to accelerate our sustainability activities across the group. We will focus on adopting a more future-oriented vision and corporate strategy, incorporating and regularly updating corporate sustainability by addressing the important social issues we are facing. We will evolve and strengthen our sustainability activities in order to create more sustainable society through each of our businesses.

In June 2020, we adopted a chief officer system, introducing the new role of chief sustainability officer (CSO). Our CSO will oversee the sustainability activities of the group, strengthening the integration of sustainability and business, while accelerating our various efforts in this area.

I believe the key to our future sustainability activities is the promotion of innovative activities that reflect Meiji Group's values. We are a company that operates businesses that focus both on food and pharmaceuticals. Creating products and services that contribute to healthier lives is the core activity supporting our values and the mission of the Meiji Group. More specifically, we are pursuing goals such as decarbonization through the use of renewable energies, implementation of human rights due diligence, and strengthening human rights and environmental considerations in our procurement activities.

As every Meiji Group employee are encouraged and trained to be aware of and treat social issues as their everyday work, we will strive to become a company that helps solves social problems and helps create a future society in which the people of the world live happy and healthy lives.



July 2020

Kazuo Kawamura

CEO

President and Representative Director

Meiji Holdings Co., Ltd.

# Sustainability Management

The basis of “the Meiji Group's Approach to sustainability” is to fulfill sustainability by putting the Group Philosophy into practice on a day-to-day basis in mainstay businesses and by remaining a corporate group society needs. Each Meiji Group employee will advance activities based on the Corporate Behavior Charter to meet stakeholders' expectations and continue fulfilling social responsibilities.

## Meiji Group 2026 Vision

Our promise and commitment for the 2026 Vision  
We will combine the strengths, the Meiji Group has cultivated over the past 100 years, with the latest technology and new findings. Thus we create innovative ways to meet our customers' needs with food and health and grow in Japan and around the world sustainably.

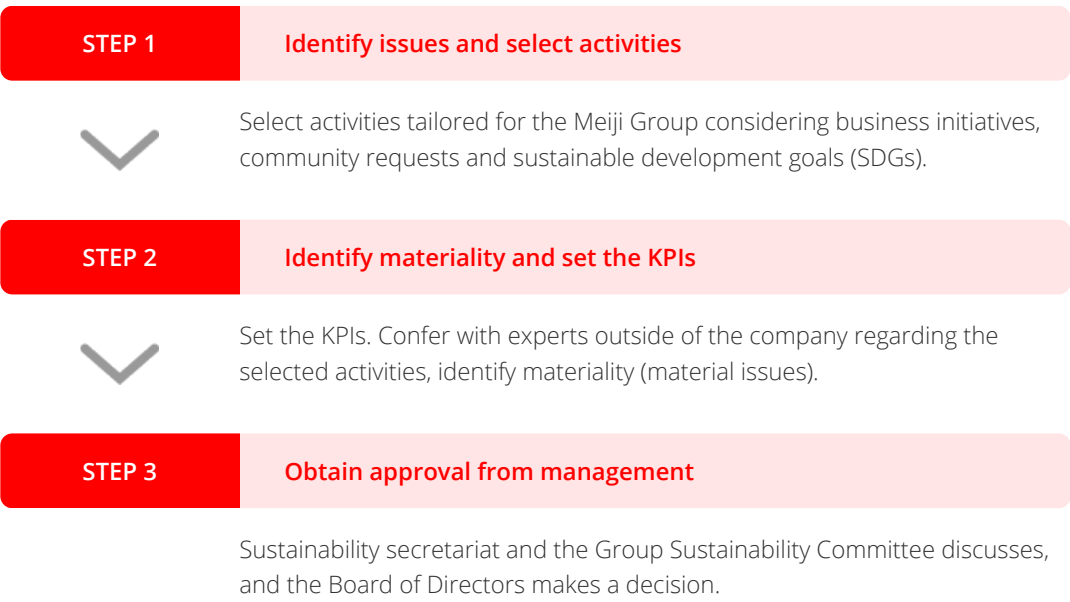
### Approach

#### Meiji Group Sustainability 2026 Vision

As Food and Health professionals, we contribute to addressing social issues through our business activities, and to realizing a sustainable society for people to live healthy, peaceful lives.

The Meiji Group has created the Meiji Group Sustainability 2026 Vision. This was designed to embody “Social contributions”, which is a key strategy in the Meiji Group 2026 Vision. The sustainability vision identifies activities that the Meiji Group should embrace over the long term. We have set KPIs so that the Group Sustainability Committee can monitor our progress and disclose information.

#### Creating our Vision

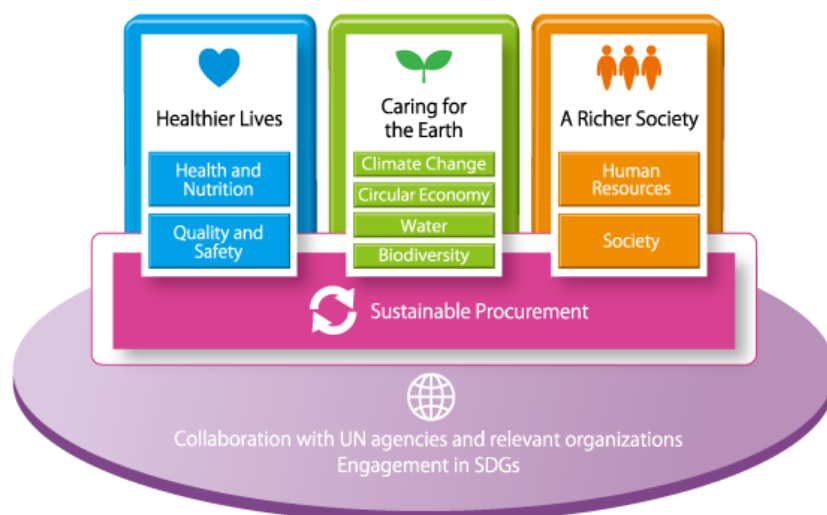


#### Progress of Sustainability 2026 Vision



## Outline of Vision

The Meiji Group Sustainability 2026 Vision is broken down into three themes: "Healthier Lives", "Caring for the Earth" and "A Richer Society". We established specific areas of activities under each theme. Based on this framework, shown in the figure, we promote sustainability activities that are developed in the Meiji way to fulfill our corporate responsibilities.



## Progress on Materiality

After conferring with experts outside of the company, we identified materiality and set KPIs. We are promoting sustainability activities to achieve our targets and we report on our progress each year. In FY2020, we set up new KPIs and updated targets adapted to changes in business environment and progress of our activities.

Healthier Lives			
Areas/SDGs	Social Issues	KPIs & FY2019 Performance	
<b>Health and Nutrition</b> 2 SDGs 3 SDGs	• Contribute to healthy diets • Respond to a super-aged society	1. Develop products that contribute to healthy diets and a super-aged society <b>Performance</b>	<b>Health-conscious products</b> <b>Nutritional products with added value</b> <b>Products for a super-aged society</b>



- Improve nutrition in emerging countries
- Ensure the sustainable supply of pharmaceuticals
- Measures against infectious diseases

## Quality and Safety



- Ensure product quality and safety



- Enroll a total of **500,000 participants** into nutrition and healthy diet education within three years from FY2018 to FY2020

**Performance** Total **407,000**  
(FY2019: 212,000)

For details, please see **page 41**.

- Obtain Global Food Safety Initiative (GFSI) certification, which includes HACCP\*, at all domestic food plants by FY2020

**Performance** **87%** \* HACCP: Hazard Analysis and Critical Control Point

- NEW** Obtain third party Global Food Safety Initiative (GFSI) certification, which includes HACCP, at **all** domestic food plants by FY2020 and **all** global food plants by FY2021

For details, please see **page 43**.



## Caring for the Earth

Areas/SDGs

Social Issues

KPIs & FY2019 Performance

### Climate Change



- Reduce CO<sub>2</sub> emission volume

- Eliminate the use of specified fluorocarbons

- Reduce total domestic CO<sub>2</sub> emission volume by **at least 15%** compared with FY2013 baseline by FY2030

**Performance** **21.5% reduction**

\* The domestic Meiji Group, excluding KM Biologics Co., Ltd.

- NEW** 1. Reduce group-wide CO<sub>2</sub> emission volume (Scope 1 and 2) by **at least 40%** compared with FY2015 baseline by FY2030
2. Increase the share of renewable energy to **at least 50%** of group-wide power usage by FY2030

For details, please see **page 44**.

### Domestic CO<sub>2</sub> Emission Volume

(10,000 t-CO<sub>2</sub>)



### Circular Economy



- Reduce environmental burden

- NEW** Reduce domestic plastic usage, including container packaging, by **at least 25%** compared with FY2017 baseline by FY2030 and increase use of biomass plastics and recycled plastics

For details, please see **page 45**.

### Water



- Secure water resources

- Reduce domestic water consumption volume (per unit of sales) by **at least 20%** compared with FY2015 baseline by FY2030

**Performance** **14.7% reduction**

\* The domestic Meiji Group, excluding KM Biologics Co., Ltd.  
\* Past data has been revised

- NEW** Reduce group-wide water consumption volume (per unit of sales) by **at least 20%** compared with FY2017 baseline by FY2030

For details, please see **page 45**.

### Domestic Water Consumption Volume

(per Unit of Sales)



### Biodiversity



- Protection of local biodiversity



## A Richer Society

Areas/SDGs

Social Issues

KPIs & FY2019 Performance

### Human Resources



- Promote diversity and inclusion, and develop human resources

- Employee-friendly workplaces

1. Raise the ratio of female managers from 2.6% in FY2017 to **at least 10%** by FY2026. Triple the number of female leaders\* to **at least 420** by FY2026 (The combined total targets for Meiji HD Co., Ltd., Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd. and KM Biologics Co., Ltd. alone, excluding affiliates)

\* Leader: Manager and assistant manager

**Performance** Female managers **3.4%** Female leaders **189**

2. Raise the ratio of employees with disabilities above the statutory employment quota (The combined total targets for Meiji HD Co., Ltd., Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd. and KM Biologics Co., Ltd. alone, excluding affiliates)

**Statutory Employment Quota** The ratio of employees with disabilities

**Performance** **2.28%** **At least 2.2%** \* From April 1, 2018

For details, please see **page 46**.

### Society



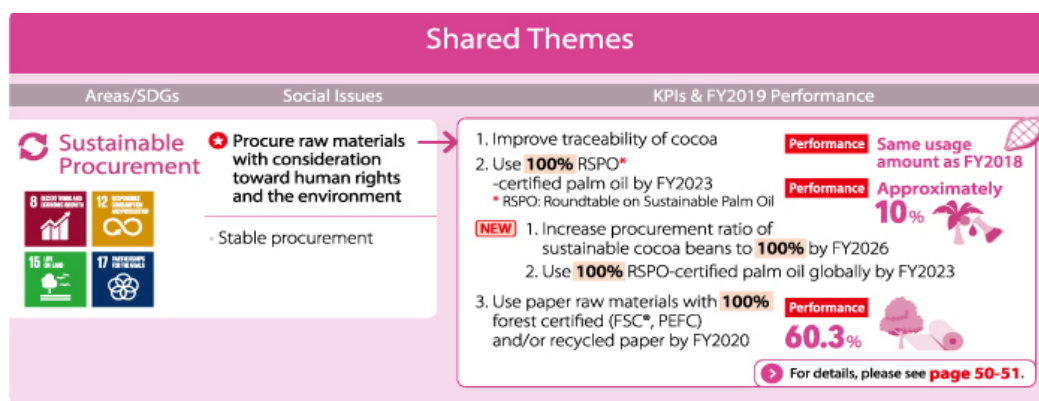
- Respect and promote human rights

- Communicate with stakeholders
- Promote philanthropic activities

- Achieve **100%** participation of new employees and newly promoted managers for human rights training (The combined total targets for Meiji HD Co., Ltd., Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd. and KM Biologics Co., Ltd. alone, excluding affiliates)

**Performance** **100%**





## Feedback from Experts

In April 2019, Mr. Peter David Pedersen and Mr. Kawamura from Meiji Holdings Co., Ltd. discussed the Group's sustainability. Their dialogue covered a frank and lively exchange about a number of topics, including challenges the Group should prepare for after the Meiji Group sustainability 2026 Vision as well as sustainability activities unique to the Meiji Group. Use the link below to see the details of this discussion.



▲ The left side of the picture  
Mr. Peter David Pedersen  
Co-founder, NELIS  
Director, TACL  
Co-founder, E-Square Inc.

## What to Expect from the Meiji Group

The global population is expected to balloon to ten billion people by 2050, with 3 billion expected to live in slums and 52% of the population facing water stress or water scarcity. Social problems in the future can be viewed as a potential business chance so to speak. Therefore, it is important to weigh social issues appropriately and change them to business opportunities.

I believe, the Meiji Group can be classified as one of those companies that is essential to daily life. The Group must define the social issues that people face. It is my hope that the Group will bring employees together and successfully actualize innovation, solve problems as well as ensure growth globally.

In the age of SDGs, I think that it is well-timed that the Group set up the new sustainability 2026 Vision focusing on addressing social issues. I expect that the Group will continue to disclose information as the Group achieves success through its business.



Mr. Hidemi Tomita  
Director, Lloyd's Register Japan  
K.K.

 Sustainability Video (Meiji Group 2026 Vision)

## Group Sustainability System

### Group Sustainability System

We have established the Group Sustainability Committee with the CEO, President and Representative Director of Meiji Holdings at its helm.

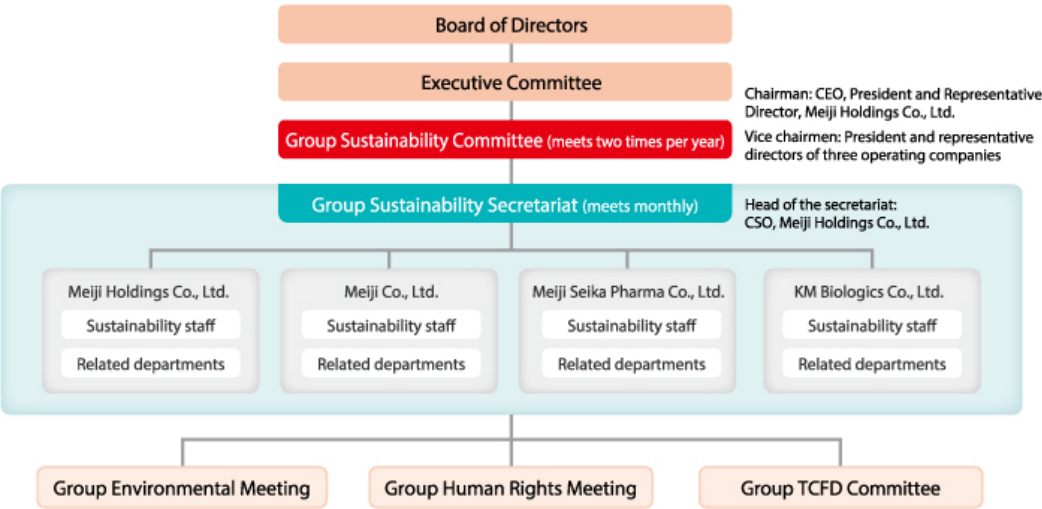
Accordingly, we are promoting sustainability activities following the directions of this Committee. The Committee meets twice annually.

It monitors the progress of activities to achieve KPIs in the Meiji Group Sustainability 2026 Vision and establishes sustainability policies. The Committee shares outcomes of activities conducted by each operating company and reports twice annually to the Board of Directors. We have established a Sustainability Secretariat that meets monthly and its members are sustainability staff from Meiji Holdings and the operating companies. In FY2019, we established the Group Human Rights Meeting and the Group TCFD Committee alongside the Group Environmental Meeting, which is linked to the Sustainability Secretariat. We strengthened our systems for considering concrete measures and launched a number of initiatives including scenario analysis based on TCFD recommendations and conducting human rights due diligence.



The Group Sustainability Committee

### Group Sustainability System



## Sustainability Promotion

### Approach

#### Holding Workshops with Experts

The Group Sustainability Committee holds workshops with outside professionals.

- July 2017: Mr. Hiroshi Tomita, the manager of Cre-en Inc., Sustainable Development Goals towards business
- July 2018: Mr. Tsuneo Oba, executive director of Global Compact Network Japan, Global Compact
- September 2019: Mr. Keisuke Takegahara, Deputy Chief Research Officer of Development Bank of Japan Inc., TCFD



Mr. Hiroshi Tomita's seminar

#### Informing Employees

The Meiji Group strives to keep employees informed about our sustainability system and activities. Each edition of our internal company magazines includes important sustainability information for domestic and overseas employees, such as recent sustainability activity news, special features on relevant topics, and policies. We have published internal company magazine "Meiji Journal" in English and Chinese biannually.



Our internal company magazine for domestic employees



Our internal company magazine "Meiji Journal" for overseas employees

## Editorial Policy

Starting from August 2018, Meiji Group issues the Integrated Report and replace the Annual Report that has been issued up until now. This Sustainability web site complements the Integrated Report, introducing various activities contributing to the sustainability of the world.

### ■ Scope and Boundary of Reporting

#### Organizational Scope

This report covers the activities of the Meiji Group, comprising, unless otherwise noted, Meiji Holdings Co., Ltd., Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd., and KM Biologics Co., Ltd., and these Group companies.

#### Period Covered

Fiscal Year End March 2020 (April 1, 2019-March 31, 2020)  
Some qualitative information includes performance of FYE March 2021.

### ■ Guidelines Referenced

- GRI Sustainability Reporting Standards in 2016
- SASB
- Environment Reporting Guidelines (2018) by the Ministry of the Environment of Japan

### ■ Issuance Period

Issued on: December 2020  
Next issue schedule: October 2021

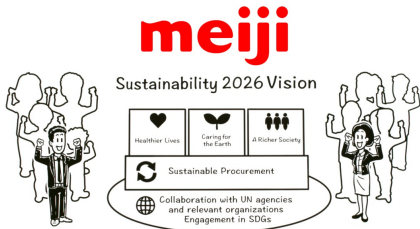
### ■ For Further Information, please Contact

Meiji Holdings Co., Ltd.  
Sustainable Management Department  
2-4-16, Kyobashi, Chuo-ku, Tokyo 104-0031, Japan



# Sustainability Video

## Meiji Group Sustainability 2026 Vision



## Meiji Cocoa Support

Meiji Cocoa Support helps us to source cocoa sustainably.



# Healthier Lives

## SDGs



We contribute to healthy minds and bodies through our business activities.

## Health and Nutrition



### Social Issue

#### ➤ Contribute to Healthy Diets

- Develop Products That Contribute to Healthy Diets
- Promote Healthy Diets and a Healthy Food Culture

#### ➤ Respond to a Super-Aged Society

- Develop Products That Contribute to a Super-Aged Society
- Conduct Educational Activities Aimed at Preventing Malnutrition

#### ➤ Improve Nutrition in Emerging Countries

- Communicate Information on Nutrition Improvement in Emerging Countries

#### ➤ Ensure the Sustainable Supply of Pharmaceuticals

- Ensure the Sustainable Supply of Drugs for Infectious Diseases, Drugs for Central Nervous System Disorders, Generic Drugs, and Vaccines

#### ➤ Measures Against Infectious Diseases

- Public Awareness Activities Concerning Antimicrobial Resistance (AMR)

## Quality and Safety

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### ■ Social Issue

#### 🔴 Ensure Product Quality and Safety

- › Safety System Initiatives for Trusted Quality, Brand Recognition
- › Quality Management Based on Reliability Assurance Systems
- › Extensive Disclosures on Quality and Safety
- › Ethical Considerations in R&D

# Health and Nutrition

## SDGs



## Social Issues

- ✓ Contribute to Healthy Diets
- ✓ Respond to a Super-Aged Society
- ✓ Improve Nutrition in Emerging Countries
- ✓ Ensure the Sustainable Supply of Pharmaceuticals
- ✓ Measures Against Infectious Diseases

Target	Develop products that contribute to healthy diets and a super-aged society
FYE 3/2020 Performance	<ul style="list-style-type: none"><li>✓ Health-Conscious Products : 20 items</li><li>✓ Value-Added Nutrition Products : 45 items</li></ul>
Target	Enroll a total of 500,000 participants into nutrition and healthy diet education within three years from FYE 3/2019 to FYE 3/2021
FYE 3/2020 Performance	✓ Cumulative total <b>407,000</b> participants (FYE 3/2020 212,000 participants)

\* The KPI and performance applies to only Meiji Co., Ltd.

## Contribute to Healthy Diets

### Develop Products That Contribute to Healthy Diets

Consumers are going through lifestyle changes and diversifying health and nutritional needs. In response, we will leverage the strengths of our Food and Pharmaceuticals businesses and make use of our advanced expertise in the nutrition and pharmaceutical fields to offer new health value-added products.

## Approach

### Product Development by Utilizing Healthy *Lactobacillus* and Cocoa Ingredients

We will develop new probiotics, focusing on *lactobacillus*, and expand our lineup of high cocoa-content chocolate products that offer healthy cocoa polyphenols.



## Link

▶ Research Library in Food Segment

## Product Development by Utilizing New Healthy Ingredients

We will discover original ingredients and develop new products that support healthy lifestyles through exercise and physical activity.

## Develop Health-Conscious Products

We will develop new products using healthy *lactobacillus*, cocoa polyphenols, and other healthy ingredients. We will develop new products that contain healthy ingredients to support healthy lifestyles.

Moreover, we will discover and supply products featuring reduced sugar, fat, calories, etc., to support the healthy needs of consumers.

### ■ Examples of Health-Conscious Products

#### • General products

Meiji Probio Yogurt LG21

Meiji Probio Yogurt R-1

Meiji Bulgaria Yogurt LB81 Plain

Chocolate Kouka Cocoa 86%

#### • Products with Reduced Sugar, Fat, Calories, Etc.

Meiji Oishii Gyunyu drinking milk (Low Fat)

Meiji Bulgaria Yogurt LB81 (Low Sugar, Zero Fat)

Meiji Probio Yogurt R-1 (Low Fat, Zero Fat, Low Sugar/Low Calorie)

Meiji Probio Yogurt LG21 (Low Sugar/Low Calorie)

Offstyle (Zero Cholesterol, Low Trans Fats)

Meiji Corn Soft margarine (Low Trans Fats)

Meiji Butter in Tube 1/3 Cholesterol (one-third the cholesterol of butter)



## Evidence

### ■ Total Sales of Health-Conscious Products (Millions of yen)

FYE March 2016 200,193

FYE March 2017 222,288

FYE March 2018 221,914

FYE March 2019 TBC

FYE March 2020 TBC

## Our FYE March 2020 Progress

Develop Products That Contribute to Healthy Diets : 20 items

Meiji Probio Yogurt LG21 Plain

Chocolate Kouka 86%

Oligosmart Milk chocolate



### Develop Value-Added Nutrition Products

Changes in lifestyles mean new and varied eating patterns. We intend to leverage Meiji's nutrition design technology to develop total products (including volume, format, packaging, etc.) for the infant nutrition, sports nutrition, and medical nutrition fields.



Meiji Hohoemi  
Cube 432g (27g x  
16 packs)(infant  
formula)



(SAVAS) MILK  
PROTEIN Fat 0



SAVAS Whey  
Protein 100 refill



VAAM ATHLETE  
(sports nutrition)



Meiji Mei  
Balance cup  
(enteral formula)

### Our FYE March 2020 Progress

Develop Value-Added Nutrition Products : 45 items

(SAVAS) MILK PROTEIN Fat 0 Cocoa flavor 200ml

Meiji Hohoemi Rakuraku Milk Liquid infant formula

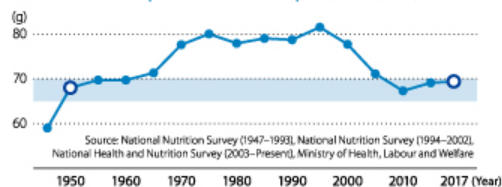


### Launched Meiji TANPACT to Overcome Reduced Protein Intake

Poor nutrition is an issue not only in emerging countries but also in developed countries. Currently, reduced protein intake is a problem in Japan. All generations are experiencing insufficient nutrition, for example, women who are dieting excessively and the elderly who are eating and exercising less. In fact, the average daily protein intake per person in Japan has fallen to that of the 1950s. For more than 65 years, we have been developing protein products and successfully expanding the value of protein through products such as infant formula, yogurt and sports supplements. Using that knowledge, we developed Meiji TANPACT, new products containing a good balance of essential amino acids that people consume in milk protein in their daily lives. We will continue to address poor nutrition by promoting the enjoyment of food and offering many Meiji TANPACT products. Consumers enjoy milk protein anytime and anywhere throughout the day.



Protein Intake per Person in Japan (grams/day)



Launched in March 2020, there are 17 Meiji TANPACT available, such as yogurt, jelly beverages, cheese, chocolate, chilled soup and frozen foods (as of July 2020).

### Contributing to Healthy Growth with Our Infant Formula Featuring More Added Value

Since first launching in Japan a vitamin B1 fortified infant formula in 1923, the Meiji Group has been committed to the infant and toddler nutrition business to promote their healthy growth. We are currently supporting health in babies and toddlers by focusing on Meiji Hohoemi, which can be used as a breast milk replacement for infants, and on Meiji Step, which helps provide suitable nutrition for toddlers up to age 3. In addition, we developed the world's first infant formula in cube form to help in the child rearing process. It is designed for anyone to prepare the baby formula easily even for late night feedings, so that everyone in the family can participate in child rearing. In March 2019, we also launched a formula in liquid form that can be stored and fed at room temperature and offers a long shelf life. This is not only convenient when feeding outside of the home but gives mothers peace of mind as an emergency supply in the event of a disaster or emergency situation.

Link

 [SAVAS \(Whey Protein\)](#)

**Promote Healthy Diets and a Healthy Food Culture**

We offer products that support, and promote the awareness of, healthy diets and food culture to support the healthy lifestyles of our customers.

Approach

**Expanding Nutrition and Healthy Diet Education Activities**

Our education activities focus on three areas : Value and enjoyment of food, nutritional balance, and food-related safety and reassurance. We create opportunities for our customers to learn about and enjoy food, as well as to better understand the nutritional value and health benefits of different foods.

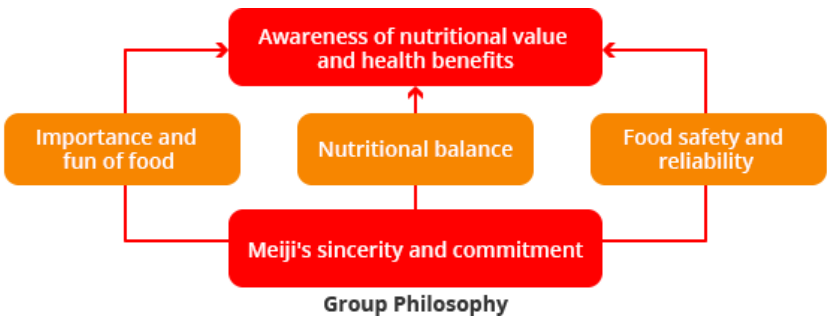
Since FYE March/2007, our nutrition and healthy diet education staff in five regions throughout Japan have visited local elementary and junior high schools to provide on-site classes. We also engage in community-based food and nutrition seminars for adults. We amplified these activities in FYE March/2018 by holding other classes (exercise, food, and nutrition classes; gargle and hand-washing classes; fun milk classes; and chocolate and cocoa classes).

We also sponsored an Olympic and Paralympic Games education program during FYE March/2018. Through experiences and lectures, participants learned the importance of sports and how physical training for sports contributes to improved health over the course of our entire lives.

We conduct food and nutrition education based on Basic Law on Shokuiku (food and nutrition education).

Supervisors for our programs;

- 1. For cooking recipes: Eiko Egami, President, Egami cooking school
- 2. For dairy nutrition: Tadao Saito, Professor Emeritus, Graduate School of Agricultural Science, Tohoku University
- 3. For physiology: Hiroshi Nose, Professor, Department of e-Health Science, Shinshu University Graduate School of Medicine



**Evidence**

Nutrition and healthy diet education activities : FYE March 2020



Domestic : 212,000 participants  
Overseas : 666 participants



Chocolate and cocoa classes



Fun milk classes



Nutrition education in China

## Plant Tours

Meiji Co., Ltd. plants include visitor centers that offer educational plant tours. Visitors can observe production processes firsthand, while learning about our commitment to food safety and reliability. These visitor centers also conduct fun and interactive classes. During FYE March/2019, more than 200,000 people visited one of our seven domestic food plants.

Three overseas plants (Meiji Ice Cream (Guang Zhou) Co., Ltd. (China), Meiji Dairies (Suzhou) Co., Ltd. (China), and Meiji Seika Food Industry (Shanghai) Co., Ltd. (China)) have been certified as centers for science and technology information, serving as proper models for the spread of science and technology information. More than 10,000 people visit one of these three plants annually.

## Results

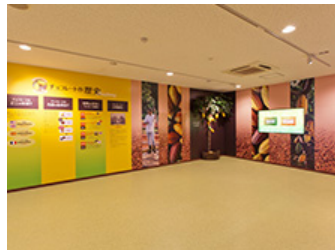
Plant tours : FYE March 2020

Domestic : 213,000 participants

Overseas : 14,000 participants



Large display Camembert Cheese mold



We can learn a production of chocolate process



Centers for science and technology information in Meiji Seika Food Industry (Shanghai) Co., Ltd.

## Supporting Nutrition through Sports

We provide a foundation for using sports to support healthy development, to build strong bodies, and to develop strong minds through food and nutrition. At nutrition seminars, we disseminate information on sports nutrition, including information to promote an understanding of preferable food choices and the proper use of supplements. We partner with associations and federations to provide nutritional support toward developing future top athletes. Through sports nutrition, we will continue to support the next generation of promising, talented, and versatile young athletes and their coaches.

## Results

Sports Nutrition seminar : FYE March 2020

Domestic : 64,000 participants

\* Sports Nutrition Seminar : Seminars offering information gained through nutrition support provided to junior athletes, student athletes, and runners.



Sports Nutrition seminar at JFA Youth & Development Program (JYD)

## Link

SAVAS (Whey Protein)

### Supporting the Growth of Children

As a Gold Partner of the Tokyo 2020 Olympic and Paralympic Games, we are working with athletes on a project to communicate the importance of nutrition to parents and their children. Participants exercise with athletes and find the importance of having a dream.

Furthermore, they attend nutrition education to learn the importance of nutrition. We held the Meiji Tokyo 2020 Fes event 11 times around Japan between 2017 and 2019.

Participants enjoyed playing sport and recognized the importance of food. Our nutritionists are supporting the Father-child Challenge Academy by giving nutrition education.

We will run the Meiji Dream Kids for Tokyo 2020 program during the Tokyo 2020 Olympic and Paralympic Games, which is currently planned for 2021. The two-night, three-day tour includes nutrition education, watching Olympic/Paralympic game and special experiences that will create lifelong memories for the children.



Lunch meeting on nutrition education by Meiji nutritionists at Meiji Tokyo 2020 Fes

### Communicating Information About Milk, *Lactobacillus*, and Cocoa

We publish and present the results of research on milk, *Lactobacillus*, and cocoa (raw ingredients in our products) in white papers and at conferences. We explain healthy effects of milk, *Lactobacillus*, and cocoa to our customers through nutrition and healthy diet education and plant tours. We will continue to pursue our mission of educating the world about health and nutrition.

## Link

Innovations in Food Segment

Research Library in Food Segment

### Home Delivery Service

We provide milk product home delivery services straight to the consumer through our distributors. This service is very popular with consumers throughout Japan. The mission of our home delivery service is to be near the consumer, contributing every day to their health. Our home delivery service reaches 2.6 million families, growing through improved distribution and outreach to local dairy distributors.

Our distributor network includes distributors who face losing their business due to owner age or lack of a successor. Realizing the need to help businesses develop successors, we launched the Meiji Home Delivery Service Academy (training program for young leaders willing to take over businesses) and the Meiji Home Delivery Service Symposium (sharing examples of successfully run businesses) on an ongoing basis. We also sponsor the Milk Staff of the Year award to recognize outstanding distributor staff members. In these and other ways, we work to train and improve the skills of distributor personnel.

## Respond to a Super-Aged Society

### Target

Develop products that contribute to a super-aged society

### FYE 3/2020 Performance

Products That Contribute to a Super-Aged Society : 2 items

\* The KPI and performance applies to only Meiji Co., Ltd.

## Develop Products That Contribute to a Super-Aged Society

Through original research and nutritional design, we offer products for consumers to take in the nutrient content and energy they require.

### Approach

#### Developing Delicious, Easy-to-Use Nutrition and Liquid Foods for the Elderly

We conduct product research and development related to malnutrition. One of our strengths is the unique nutrition engineering technology we have accumulated through many years of research on infant formula. We design the nutrition of food products for the elderly based on clinical nutrition research focused on this consumer segment. Moreover, we improve existing products to make them easier to handle and drink at home.



Meiji Inslow  
(Enteral Formula)



Nutrition  
Meiji Mei Balance



Slurry Preparation  
Food



Meiji Mei Balance  
(Enteral Formula)

### Our FYE March 2020 Progress

Develop products That contribute to a Super-Aged Society : 2 items

Meiji Mei Balance Mini-cup (fruit au lait)

Meiji Mei Balance (pineapple)

### Open Innovation

We have entered new research fields, including regenerative medicine and advanced medicine. We have started joint research in regenerative medicine with RIKEN Center for Developmental Biology, and we have undertaken collaborative drug discovery research related to autoimmune diseases and cancer with the Foundation for Biomedical Research and Innovation.



RIKEN Integrated Innovation  
Building (IIB)



Institute of Biomedical Research and Innovation

### Link

KOBE Life Science Cluster Company List

## Conduct Educational Activities Aimed at Preventing Malnutrition

Japan has become a super-aged society, with more than a quarter of its population over the age of 65 years. While obesity and metabolic syndrome have attracted much attention, some elderly people suffer from malnutrition. Malnutrition means having insufficient nutrition to be active due to inadequate intake of food and protein. The elderly suffer from malnutrition because they eat less, or because their diets lack variety. These habits stem from changes in living situations or from the weakening of bodily functions with age.

## **Approach**

### **Seminars about Malnutrition for Healthcare Professionals and the Elderly**

We conduct educational activities focused on malnutrition and malnutrition prevention. Our goal is for the elderly to avoid malnutrition and lead active daily lives. We hold seminars about malnutrition and malnutrition prevention, targeting healthcare professionals at in-home-care support centers, drug store employees, and the elderly. Specifically, we provide information about nutrition and meals recommended for the elderly. We also discuss the preparation of meals that are easier to eat for elderly people who have difficulty swallowing.



Seminars about malnutrition and malnutrition prevention

### **Publishing Information via Our Website**

We publish information about malnutrition on our Japanese website.

## **Improve Nutrition in Emerging Countries**

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### **Communicate Information on Nutrition Improvement in Emerging Countries**

Many people in developing countries and emerging economies suffer from nutritional deficiencies and malnutrition.

As a company in the food business, we want to help solve these issues, working with groups that encourage nutrition improvement to raise awareness about diet and nutrition through educational activities.

## **Approach**

### **Nutrition Improvement in Emerging Countries**

Over time, Japan has overcome its own historical malnutrition issues through school lunch programs and nutrition education policies. The private sector has contributed via food development and supply, offering excellent insights and good practices related to nutritional improvement. Japan has also worked to solve the diseases and illness arising from over-nutrition, including obesity, noncommunicable diseases, and micronutrient deficiency on a variety of levels. At the same time, people in developing and emerging countries face nutritional deficiencies and malnutrition. The severity and urgency of this issue is covered in the news globally.

The Government of Japan announced that it will lead public-private partnerships for nutrition improvement, amplifying global efforts to improve nutrition in the lead-up to the Tokyo 2020 Olympic and Paralympic Games. In a health and medical care strategy formulated in 2014, the Japanese government set a goal to boost the international business initiatives based on public-private partnerships, as well as other activities aiming to improve nutrition in emerging and developing countries.

The Nutrition Japan Public Private Platform (NJPPP) was established in 2016 to achieve this goal. This platform aims to promote nutritional improvement through collaborations in the public and private sector, facilitating the business environment for food companies engaged in nutritional improvement activities in developing countries. The platform also advances initiatives targeting the



creation of shared value beyond corporate social responsibility to expedite corporate growth and resolve current issues in society. Meiji Co., Ltd. joined the NJPPP in 2016.

### Link

 [Nutrition Japan Public Private Platform \(NJPPP\)](#)

### ■ Project to Improve Nutrition for Female Factory Workers in Vietnam

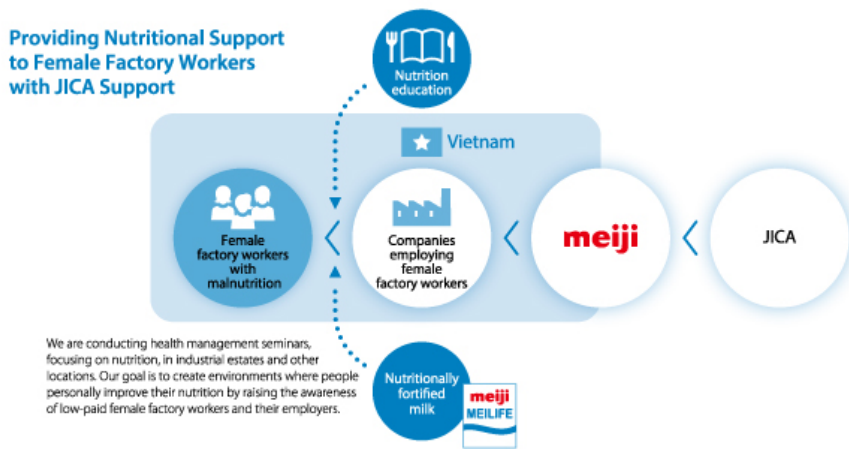
One of the social issues that the world is currently facing, mainly in emerging countries, is maternal and child health. To address this issue, we have proposed a business plan to improve health among female factory workers in Vietnam. This business plan was selected as an SDG support enterprise by the Japan International Cooperation Agency (JICA). According to Vietnam’s National Institute of Nutrition, as many as 30% of female factory workers in the country have problems of malnutrition. Another serious issue is that accurate knowledge of nutrition is not available to the country’s citizens, including women of child-bearing age. Therefore, we are developing a nutrition improvement business model using MEI-LIFE, a nutritionally fortified milk. Its formulation is based on MEIJI MAMA, a milk product currently sold in Vietnam. Under this project, companies in Vietnam purchase MEI-LIFE for their female factory workers and we provide dietary education to improve their nutritional status. We started a survey to find out the nutritional status of local female factory workers in September 2019. The Meiji Group will continue such unique activities around the world to address nutritional issues using milk in emerging countries.



Nutrition awareness seminar and taste-testing MEI-LIFE nutritionally fortified milk for female workers in factories operated by Japanese companies



Nutritionists at Meiji Hanoi Office



## Ensure the Sustainable Supply of Pharmaceuticals

### ■ Ensure the Sustainable Supply of Drugs for Infectious Diseases, Drugs for Central Nervous System Disorders, Generic Drugs, and Vaccines

Our Pharmaceuticals business has developed an infrastructure to ensure a reliable, stable supply of drugs in Japan and throughout the world. The business has conducted a risk assessment, preparing a supply network capable of responding flexibly to any unforeseen circumstances.

### Approach

#### Optimization of Production Site Allocations in Japan and Overseas to Ensure Stable, and Low-Cost Supply

We have optimized our production site allocations in Japan and overseas (Thailand, Indonesia, India, and China) to form a network ensuring the stable, and low-cost supply of drugs.

### Stable Supply of Antibiotics (Strengthening Stable Supply System for Five Key Drugs)

Due to the bulk drugs manufacturing problems at an overseas manufacturer, supplies of cefazolin were in difficulty in Japan. Additionally, supplies of substitute drugs were in short age. This resulted in unavoidable impacts on the treatment of infectious diseases in many medical institutions. From the perspective of appropriate use of drugs, medical institutions need a stable supply of essential antibiotics to properly treat infectious diseases. Thus, four associations\* designated 10 antibiotics (injectable) as “Key Drugs” that are clinically important and for which stable supplies are essential. Meiji Seika Pharma is supplying five of those Key Drugs—PENICILLIN G, SULBACILLIN, TAZOPIPE, MEROPENEM and VANCOMYCIN.



Filling process for sulbacillin (PT. Meiji Indonesia Pharmaceutical Industries, Bangil Plant)

\* The Japanese Society of Chemotherapy, the Japanese Association for Infectious Diseases, the Japanese Society for Clinical Microbiology, and the Japanese Society for Infection Prevention and Control

### Sustainable Supply of Vaccines

KM Biologics Co., Ltd., has become a wholly owned consolidated subsidiary since July 2018. This company researches, develops, manufactures, and supplies an extensive range of human and veterinary vaccines, and blood plasma products.

#### Manufacturing Vaccines That Combat New Strain of Influenza Viruses

As a recipient of a grant from the Japanese Ministry of Health, Labor and Welfare (MHLW)'s Influenza Vaccine Production Process Development Project, we are working to expand production capacity to accommodate the vaccination needs of 57 million people (almost half the population of Japan) in preparation for an influenza pandemic.

#### Single-Supply Products\*

We have a number of single-supply products including habu (poisonous snake) antivenom, a hepatitis A vaccine, anthrax vaccines for animals, and a range of diagnostic agents.

\* Single-Supply Products : Products only manufactured by a single pharmaceutical company in Japan. No alternative products are available in Japan.

#### Developing and Supplying Orphan Drugs\*

We manufacture seven orphan drugs approved by the MHLW (as of July 2, 2018).

\* Orphan Drugs : Drugs specified by the MHLW for the treatment of diseases with less than 50,000 patients in Japan who require a high level of medical care.

### Link

 KM Biologics Co., Ltd.

### Access to Medicine

We collaborate with certain organizations to improve access to medicine in developing and emerging countries.

#### ■ Supply Patients with *KANAMYCIN* Through Stop TB Partnership

We are helping improve access to pharmaceuticals in emerging countries by supplying the antituberculous drug *KANAMYCIN*. Currently, it is estimated that there are approximately 10 million tuberculous patients per year in the world, and 5% or 500,000 of those patient have multidrug-resistant tuberculosis. *KANAMYCIN* is effective against multidrug-resistant *Mycobacterium tuberculosis*. We have been supplying approximately 140,000 patients with *KANAMYCIN* through a United Nations project called the Stop TB partnership since 2011. The goal of this project is to bring

an end to this global epidemic. To achieve this, the project plans to improve access to pharmaceuticals in remote areas of Asia and Africa. We are also working to obtain data by 2020 to show that *KANAMYCIN* can be stored for more than 5 years, even in hot and humid conditions. We shall continue to provide a stable supply of high quality pharmaceuticals to help stop tuberculosis.



Source : Stop TB Partnership

#### Link

- [Stop TB Partnership](#)
- [Partner's Profile of Stop TB Partnership](#)

#### ■ Medreich Contributes to Medicine Access through UNICEF

Medreich Limited is a contract manufacturing organization (CMO) and contract development and manufacturing organization (CDMO) conducting pharmaceutical-manufacturing business in India. The company manufactures generic drugs and sells them to markets worldwide, including Europe, Asia, Africa and Oceania. Medreich plc is a sales company based on U.K. which sells pharmaceutical products manufactured in Medreich Limited mainly for EU market. Medreich plc supplies the antibiotic *Amoxicillin* to UNICEF. Medreich will continue to contribute to children's access to medicine through UNICEF.

\* UNICEF : United Nations International Children's Emergency Fund

#### Link

- [Medreich Limited](#)
- 📍 [Location of Medreich Limited](#)
- [UNICEF](#)

#### ■ KM Biologics is Developing a Novel Vaccine for Dengue

KM Biologics is developing a novel vaccine (KD-382) for dengue which is wider spread in tropical and sub-tropical climates worldwide, including the developing nations. KD-382 is a live attenuated tetravalent dengue vaccine containing each live attenuated dengue virus for four dengue serotypes 1 to 4 (DENV1-4) as the active ingredient and is expected to provide preventive effect against dengue. KD-382 has shown good immunogenicity and protective efficacy for all four serotypes with a single dose administration in the non-clinical studies.

The Phase I clinical study was conducted to evaluate the safety and immunogenicity of the KD-382 vaccine in 60 healthy adults in Australia, which is a non-dengue endemic country, by administering the KD-382 vaccine subcutaneously once or twice with a 4-week interval. The results show that the KD-382 vaccine is safe and well-tolerated by healthy adults. Moreover, KD-382 showed 100% seroconversion at an early stage and elicited long-lasting and neutralizing antibody response for all 4 serotypes in most subjects over a 1-year follow-up, despite the single-dose administration.

## Measures Against Infectious Diseases

Depending on the economic climate, public health system and access to pharmaceuticals throughout the world, patients can't always be administered the appropriate antibiotics for the right dosage and/or for the appropriate treatment period. This is one of the reasons for the emerging antimicrobial resistance (AMR). Asia and Africa in particular are more at risk to infections caused by drug-resistant bacterium, and more than 10 million fatalities are estimated to be caused by these infections in 2050. The Meiji Group will use our expertise to reinforce countermeasures to fight against drug-resistant bacteria and to address this social issue.

#### ■ Public Awareness Activities Concerning Antimicrobial Resistance (AMR)



As one of the Meiji Group's initiatives, we are carrying out public awareness activities in collaboration with related organizations. We have joined the AMR Stewardship project sponsored by the Japan Pharmaceutical Manufacturers Association and have created posters and video under the keyword Stop AMR. We have asked healthcare related organizations to put up our posters and show our video to help raise public awareness. We are also involved in other activities that help disseminate information on AMR to medical institutions.



## Appropriate Use of Antibiotics Efforts to Control Infectious Diseases Caused by Vancomycin-resistant Bacteria

The risk of infectious diseases caused by drug-resistant bacteria\* is increasing globally partly due to inappropriate use of antibiotics. One such example is the infectious diseases caused by vancomycin-resistant bacteria. These infections have been increasing because vancomycin has been widely used to treat infection with methicillin-resistant *Staphylococcus aureus* (MRSA). To prevent the spreading of these drug-resistant bacteria, the Ministry of Health, Labour and Welfare (MHLW), the Japan Antibiotics Research Association and pharmaceutical companies established the Vancomycin Study Group. Meiji Seika Pharma has worked as the organizer of the Association since it was established in 2002, leading many efforts to achieve appropriate use of vancomycin. Collaborating with relevant organizations, the Study Group continues to monitor drug quantities used in order to check and understand changes or any signs of increase in drug resistance. The Study Group reports survey results to the MHLW and provides that information to medical institutions.

\* Bacteria that have become difficult to control or kill with antibiotics

## Research and Development

In the pharmaceutical business, we are proceeding with research and development so that products can be delivered to patients as soon as possible. In addition, as a company involved in the field of infectious diseases, we will work on infectious disease countermeasures including prevention and drug resistance.

### Approach

#### R&D for New Vaccines Prevention and Control of COVID-19

TKM Biologics is working with national research institutes\*<sup>1</sup> to rapidly develop an inactivated vaccine\*<sup>2</sup>, leveraging the expertise acquired over the years of developing vaccines. After completing non-clinical studies, the company hopes to move to clinical studies as soon as in FY2020. We already have production facilities to manufacture and supply 57 million doses of pandemic influenza vaccine in about six months. We consider utilizing these facilities to quickly supply sufficient quantities of the COVID-19 vaccine when it is ready. Meanwhile, Meiji Seika Pharma and KM Biologics have agreed to start discussions with AstraZeneca on achieving a stable domestic supply of the COVID-19 vaccine\*<sup>3</sup> that AstraZeneca is planning to introduce in Japan. According to the plan, AstraZeneca will supply the vaccine bulk, KM Biologics will undertake the further production, and Meiji Seika Pharma will handle the distribution and supply management.

\*<sup>1</sup> The National Institute of Infectious Diseases, The Institute of Medical Science at the University of Tokyo, and The National Institutes of Biomedical Innovation, Health and Nutrition.

\*<sup>2</sup> Public R&D project adopted by the Japan Agency for Medical Research and Development (AMED)

\*<sup>3</sup> The vaccine jointly developed by AstraZeneca and Oxford University

#### R&D of $\beta$ -lactamase Inhibitor

Our competitive edge in R&D is attributed to our long experience and involvement in antibiotics research, and has earned us the deep trust from medical institutions. We have amassed a huge amount of data collected from drug sensitivity testing for resistant strains of bacteria, which medical institutions sent to us. We promote R&D based on the practical needs at hospitals, because we stay

informed on the latest trends involving infectious diseases.

We dedicate more resources to R&D on  $\beta$ -lactamase (bacterial enzyme that breaks down antibiotics such as penicillin and induces drug resistance) in response to the growing needs of medical institutions for drugs counteracting resistant bacteria. We have successfully discovered 'nacubactam' (development code : OP0595), which, in combination with  $\beta$ -lactam antibiotics, restores or extends their ability to treat bacterial infections caused by beta-lactamase producing antibiotic-resistant strains.

The Phase I clinical trials have been completed in the United States. At the same time, Meiji's  $\beta$ -lactamase inhibitor OP0595 project, entitled "Development of a novel  $\beta$ -lactamase inhibitor, OP0595, as a single drug utilizing a new rapid genetic diagnosis and non-clinical PK/PD theory" has been adopted by Japan Agency for Medical Research and Development (AMED) grant for 'Cyclic Innovation for Clinical Empowerment (CiCLE)'. The Phase I clinical trials are conducted in Japan. We expect that this new candidate will combat AMR, and we shall continue to carry out our social responsibilities through revolutionary drug discovery.

# Quality and Safety

## SDGs



## Social Issues

- ✓ Ensure Product Quality and Safety

**New Target**

Obtain third party Global Food Safety Initiative (GFSI)<sup>\*1</sup> certification, which includes HACCP, at all domestic food plants by FYE 3/2021 and all global food plants by FYE 3/2022

**FYE 3/2020 Performance**

Domestic plants : **87%** certified

Global plants : **88%** certified

✓ **Quality Management Based on Reliability Assurance Systems**

<sup>\*1</sup> GFSI (Global Food Safety Initiative)

\* Meiji Co., Ltd. and its group companies

● New KPI and target from FYE 3/2021

## Ensure Product Quality and Safety

### Safety System Initiatives for Trusted Quality, Brand Recognition

#### Food Segment Quality Control

The Meiji Group provides high-quality, safe products and services to meet customer expectations for related health and reliability. Through these efforts, we will improve the lifestyles of our customers. Based on our Corporate Behavior Charter, the Meiji Group strives to improve the quality of our products through quality assurance systems developed in house, tailored to the specific characteristics of each business operation. Meiji Co., Ltd. has established an original quality management system, which includes Quality Policy, Quality Assurance Regulations, and Quality Assurance Standards. Each functional division (development and design, procurement, manufacturing, logistics, and sales and communications) conducts operations based on the Quality Policy. Quality Assurance Regulations stipulate important items for maintaining quality, and Quality Assurance Standards detail specific duties and assessment criteria.

The Food segment has adopted Meiji Quality Communication, conducting stringent quality control under an integrated system spanning raw material procurement through sales.

The Meiji Group has already introduced HACCP-based hygiene management controls at all food plants. We plan to obtain Global Food Safety Initiative (GFSI) certification, a global third-party food safety management system certification that includes HACCP, at all food plants in Japan by FYE 3/2021 and all food plants globally by FYE 3/2022.

We test products through various means, including physical and chemical tests, before shipment. Through a range of tests, we check whether products have been manufactured in accordance with established procedures.

Quality Policy

We intend to widen the world of Tastiness and Enjoyment to meet all expectations of Health and Reassurance, providing our customers with Promised Quality and offering shared value. As Food and Health professionals dedicated to food quality and safety, our responsibility is to meet customer expectations according to three central principles:

- 1. We promise to enforce strict quality assurance at every step in our food chain, implementing the best system possible in each division and product to ensure Promised Quality.
- 2. We promise to maintain a close relationship with our customers and respond immediately to customer inquiries, questions, and concerns. We will maintain the trust of our customers by striving to understand and satisfy their expectations.
- 3. We promise to comply with all applicable laws and regulations, providing safe, high-quality products and services.



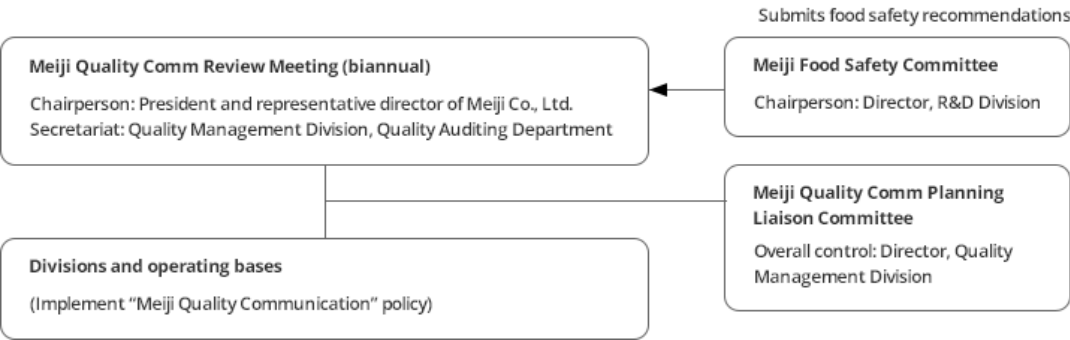
Link

➡ Quality Management System in Food Segment

Quality Assurance Advancement System

In the Food segment, the Meiji Quality Comm Review Meeting leads quality assurance advancement activities. Held biannually and chaired by the president and representative director of Meiji Co., Ltd., the meeting checks the progress of quality related initiatives and discusses measures to address issues. Further, the Food segment's Meiji Food Safety Committee is chaired by the Director of the R&D Division and discusses a wide range of topics approximately twice a year. The committee invites experts in such fields as food chemicals and microorganisms to identify and reduce food risks.

Also, in the Food segment, members of one of the specialized teams from our Quality Division audits compliance with Quality Assurance Regulations according to a prepared checklist. These audits identify issues and improve our quality assurance capabilities.





## Approach

### Working With Suppliers for Consistent Quality Management

We work with suppliers to prevent quality defects and risks arising from raw ingredients or equipment. In the event of an issue, we perform a detailed investigation and share information, striving to prevent the recurrence of any similar problems.

### Quality Audits by Internal Expert Teams

Teams of experts from our Quality Management Division perform quality audits based on detailed checklists. These audits ensure strict compliance with quality assurance regulations and other rules. The goal of these audits is to identify issues and improve our ability to assure quality. We performed audits within Meiji Co., Ltd. and group companies inside and outside Japan. Auditors shared quality assurance information from Japan at overseas plants, being considerate of local customs and culture.

### Incorporating Customer Feedback into Quality Assurance Activities

We have established special divisions to analyze customer feedback. We have a monitoring system in place to capture customer feedback, particularly comments that could indicate health hazards. These divisions respond rapidly to feedback requiring an urgent response, performing cross-division confirmation and analysis of information.

### Internal Quality Training

Meiji invests considerable time and effort in human resources training to improve quality levels. We hold seminars for both manufacturing and sales staff.

### Quality Improvement Activities for Improved Production Floor Competence

Each production plant engages in quality improvement activities to reduce mistakes, process errors, and other issues, as well as to improve competence on the production floor. During FYE 3/2020, a

total of 209 teams from throughout our group companies conducted quality improvement activities.

### Obtaining Anti-doping Certification for Sports Nutrition Products

The Meiji Group has obtained Informed Choice certification, a global anti-doping certification program, for the majority of our sports nutrition products. Based on the program, through analysis using advanced technologies and manufacturing process audits, products are checked to ensure they are not contaminated with any banned substances. We will continue providing certified products for athletes so that they can consume without concern as they strive to achieve their goals, and also for sports lovers.



SAVAS Whey Protein 100 (cocoa flavor), with Informed Choice certification

## Quality Management Based on Reliability Assurance Systems

### Pharmaceutical Segment

#### Reliability Assurance for Pharmaceuticals and Medical Devices

The Pharmaceutical segment's Reliability Assurance Policy assures the reliability of pharmaceuticals and medical devices. This policy states, "We will contribute to society by earning the trust of patients and healthcare professionals."

Accurate information is essential for the appropriate use of pharmaceuticals. We make available to users all information relevant to our products, which we obtain during product development, clinical studies, and post-marketing surveillance.

Based on the Reliability Assurance Policy, we have established the Reliability Assurance Guidelines. Based on these guidelines, we do our best to enhance the reliability of our products and activities.

#### Reliability Assurance Guidelines and Reliability Assurance System

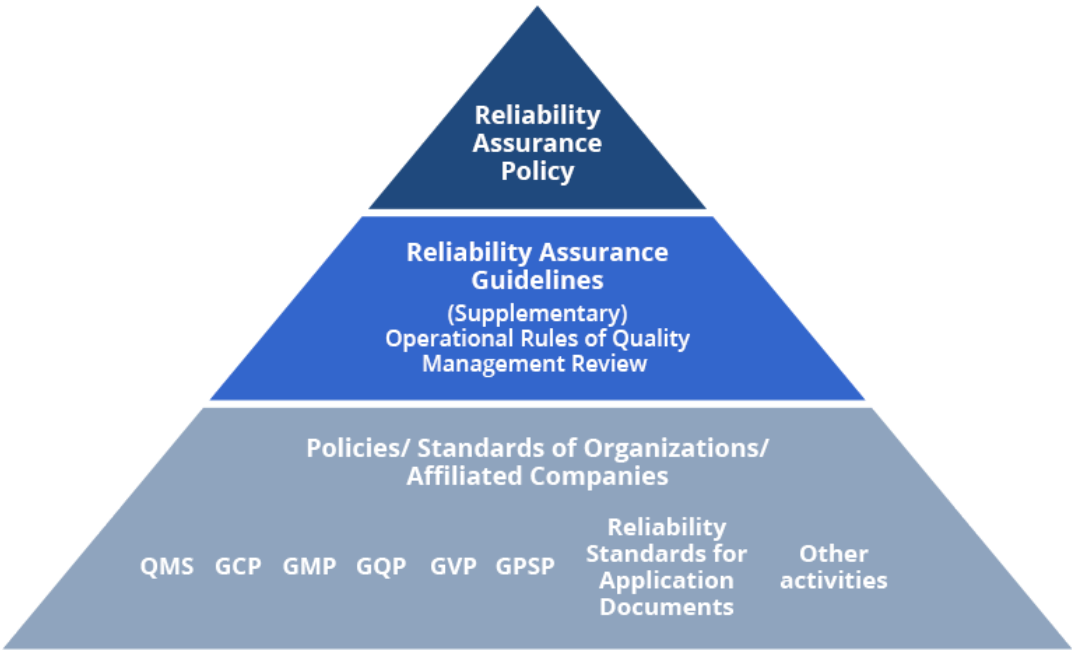
The Ministry of Health, Labour and Welfare in Japan enforces stringent standards for all aspects of pharmaceuticals, from R&D, manufacturing, and shipment to the gathering of information on adverse reactions and the provision of information on proper use.

At each operational stage, we have established original standards and manuals with adherence to laws and regulations. We ensure the reliability of data and information through rigorous efforts to conduct appropriate tests and gather accurate data. The Reliability Assurance Policy also applies to group companies.

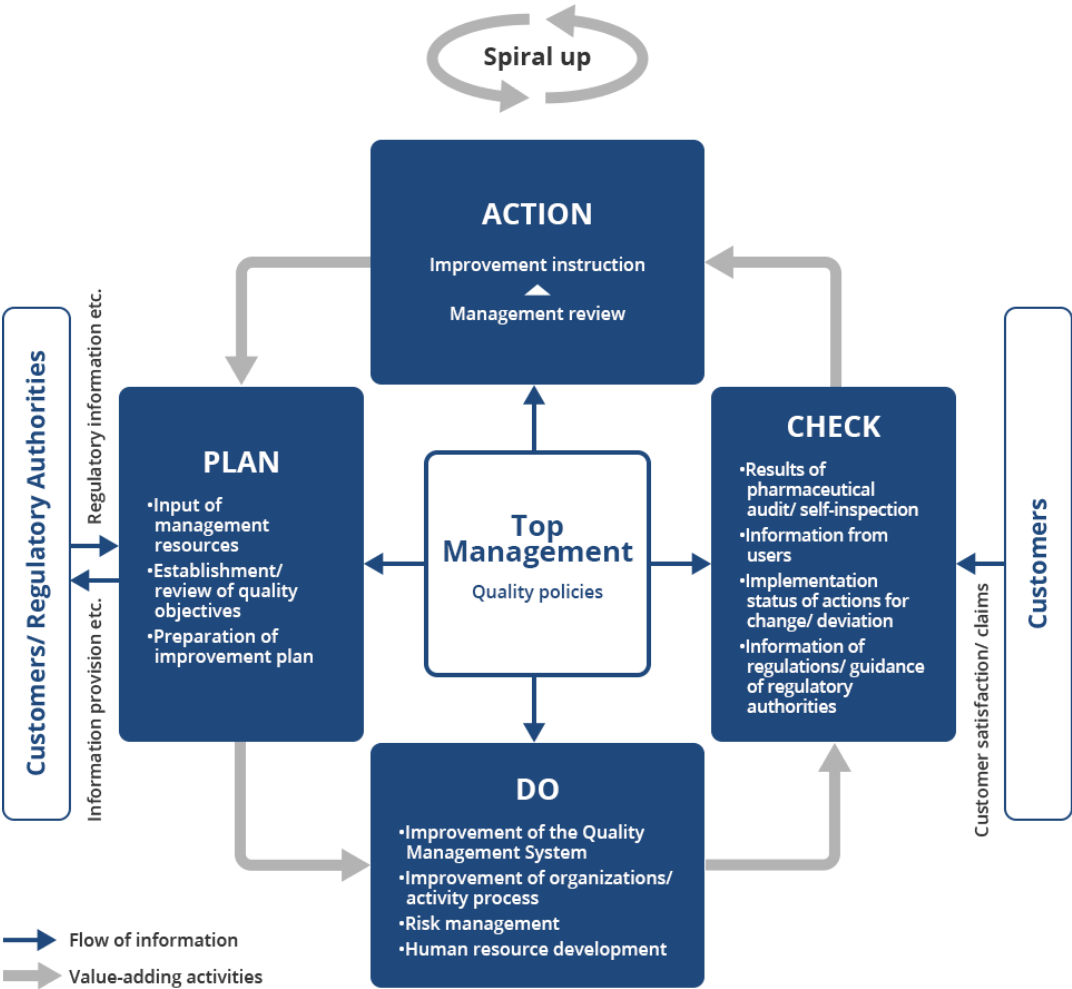
The Reliable & Quality Assurance Division ensures reliability by conducting internal audits, as required, in compliance with standards and policies based on the Reliability Assurance Policy. The Reliable & Quality Assurance Division is independent from R&D, production, and sales divisions. In this way, we have established a system that ensures reliability through objective assessment. We have established Operational Rules of Quality Management Review. This is a system that achieves continuous improvement through plan-do-check-act cycles aimed at ensuring, and enhancing, product reliability.

Based on the Quality Assurance Policy, the Pharmaceutical segment ensures quality globally. In these activities, we assure quality across the entire supply chain, from raw material procurement and manufacturing to distribution and the post-marketing gathering of information on side effects. For example, we visit our own plants, and those of manufacturing subcontractors and raw material suppliers in Japan and overseas to ensure the quality of our pharmaceuticals. Pursuant to relevant laws, an authorized person approves shipment to market after checking all manufacturing-related

records. In this way, we provide pharmaceuticals that healthcare professionals and patients can use with complete confidence.



QMS: Quality Management System  
GCP: Good Clinical Practice  
GMP: Good Manufacturing Practice  
GQP: Good Quality Practice  
GVP: Good Vigilance Practice  
GPSP: Good Post-marketing Study Practice



Link

🔗 Quality in Pharmaceutical Segment

Quality Improvement and Personnel Development



We foster the ability of our employees to improve operations proactively. We hold meetings to share and discuss the achievements of quality improvement activities and engage in other activities to develop our personnel.

### Response to Quality-Related Incidents

If a quality-related incident occurs, our head office collects quality information from plants, affiliated companies, and the respective divisions involved. This information is summarized and shared with senior management. We take any necessary measures and implement preventive measures as promptly as possible.

### Extensive Disclosures on Quality and Safety

We make timely and appropriate disclosures of information related to high-quality, safe products and services, striving to ensure the trust and satisfaction of our customers and patients.

### Approach

#### Disclosures on Our Corporate Websites

We disclose frequently asked questions on our Food segment website. We make timely updates to this content based on popular topics.

#### Disclosures on Product Quality Assurance

#### Link

- [Quality in Food Segment](#)
- [Quality in Pharmaceutical Segment](#)

### Quality Training for Sales Staff

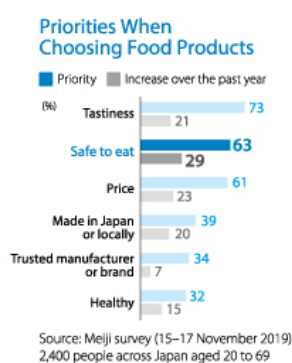
We provide trainings to our employees in manufacturing. Through these efforts we will constantly improve product quality. Furthermore, we hold seminars on quality for our sales staff twice a year. All 1,480 sales staff attended the seminars in FY2019. We will continue these seminars to ensure that we properly communicate the quality, safety and reassurance of our products to our customers.



Seminar to promote understanding of quality among sales staff

### Expiration Date Labelling on Ice Cream for the Consumer Market

Meiji has recently been receiving an increasing number of customer inquiries about the best-before date labelling of ice cream. In a consumer survey that we conducted in November 2019, respondents chose "Safe to eat" as being second only to "Tastiness" as priorities when choosing food products. "Safe to eat" was also the priority that increased the most for consumers over the previous year (see chart). In the survey, 75% of respondents answered that ice cream with expiration labels "Provides confidence" and 67% answered that they "Want expiration date labeling." Although the regulations allow best-before date labelling to be omitted from ice cream, Meiji has started to include best-before dates in labelling from June 2020 to respond to the requests of customers who prioritize food safety. We will apply best-before labelling to all Meiji ice cream for the consumer market, such as Meiji Essel Super Cup, by April 2021.



Source: Meiji survey (15–17 November 2019) 2,400 people across Japan aged 20 to 69

## **Ethical Considerations in R&D**

As a leader in food and health, the Meiji Group conducts research activities in pursuit of new health value for our customers. The Meiji Group research and development is conducted in compliance with relevant laws, policies of the relevant ministries and agencies, and internal rules for product quality, efficacy and safety.

### **Ethical Considerations in Research Using Human Biological Materials**

We conduct objective and thorough investigations in terms of scientific and ethical issues prior to engaging in research using biological materials from humans, such as tissues, cells, blood, or genes, as well as information from human subjects. Recently, basic research and regenerative medical research utilizing ES cells, iPS cells, and other biological materials from human subjects has been expanding at a rapid pace. The Meiji Group conducts thorough investigations in bioethics and safety beforehand and complies with national guidelines and guidance\* in the use of such human samples and information for research.

\* Japanese guidelines, including the Ethical Guidelines for Medical and Health Research Involving Human Subjects and the Ethical Guidelines for Human Genome / Gene Analysis Research

### **Ethical Considerations in Animal Testing**

We create plans that focus on animal protection and welfare, when implementing animal testing. Experiments are based on the 3Rs principle of reduction: using fewer animals; replacement: seeking experiments that do not use animals; and refinement: mitigating animal suffering. We conduct animal testing after receiving approval from a laboratory animal ethics committee. Meiji Group animal experimentation facilities undergo evaluations and certifications from external organizations. Besides, the Food segment will not fund, conduct, or commission any tests on animals for health claims that are not required by law.

### **Handling of Biohazards and Living Modified Organisms**

To handle biohazard materials including pathogenic microorganisms safely, the Meiji Group has established internal rules based on the WHO Laboratory Biosafety Manual. An internal committee overseeing biorisks establishes operating rules for the proper handling of biohazard materials and manages the status of such. In particular, the proper handling of pathogens and other materials regulated under the Infectious Disease Act\*, the Act on Domestic Animal Infectious Diseases Control, and other laws is overseen by an internal expert committee to ensure we handle pathogens etc. in accordance with relevant laws. This committee also ensures we engage in the procedures required (approvals, filings) under such laws.

We have established internal rules and an internal committee to oversee handling of living modified organisms and gene recombination in conformance with the Cartagena Act\*. The internal committee examines to ensure experiments using living modified organisms are conducted in line with the standards provided in the Cartagena Act.

\* Infectious Disease Act: Act on the Prevention of Infectious Diseases and Medical Care for Patients with Infectious Diseases

\* The Cartagena Act: Act on the Conservation and Sustainable Use of Biological Diversity through Regulations on the Use of Living Modified Organisms

### **Ethical Considerations Related to Medical Research Involving Human Subjects**

The Meiji Group conducts product research and development to provide new health value to our customers. Society demands that we confirm the safety and effectiveness of our products through medical research that involves human subjects (clinical trials and clinical research). In conducting clinical trials and clinical research, we exercise respect for the sanctity of life and respect for human rights in conformity with the Declaration of Helsinki\*, complying with related laws and regulations\* of each country and region and conducting ethical medical research.

When conducting medical research involving human subjects, the Meiji Group give the utmost consideration to protecting the human rights and ensuring the safety of the participants. At the same time, we strive for transparency in our research and to ensure scientific propriety,

independence, and reliability. Research ethics committee and institutional review board examine these ethical and safety issues.

\* The Declaration of Helsinki: Standards for ethical medical research involving human subjects

\* Japanese guidelines, including the Ethical Guidelines for Medical and Health Research Involving Human Subjects



The Pharmaceutical segment receives accreditation from the Japan Health Sciences Foundation (JHSF).

# Caring for the Earth

## SDGs



We are fully aware that our business operations depend upon the bounty of nature. We strive to conserve resources, protect the environment, and contribute to a more sustainable society. The Meiji Group is committed to reducing the environmental impact of our business activities. We conduct business operations in accordance with our Environmental Philosophy and Environmental Policy, which aim for harmony with the environment.

## Environmental Management

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### Social Issue

- ✓ Meiji Group Long-Term Environmental Vision "Meiji Green Engagement for 2050"
- ✓ Environmental Management

## Climate Change

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### Social Issue

#### Reduce CO<sub>2</sub> Emissions

- On Scope 3 Reductions
- Energy-Saving Measures
- Promoting Use of Renewable energy
- Improved Environmental Data Management
- Participation in Initiatives

## ➤ Eliminate the Use of Specified Fluorocarbons

- Switch to Alternative Fluorocarbons and Natural Refrigerants

## Circular Economy

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### ■ Social Issue

## ➤ Reduce Environmental Impact

- Addressing Food Loss and Waste
- 3Rs (Reduce, Reuse, Recycle)
- Reduce Final Disposal Volume
- Appropriate Chemical Substance Management

## Water

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### ■ Social Issue

## ➤ Secure Water Resources

- Water Risk Survey Results
- Appropriate Water Management





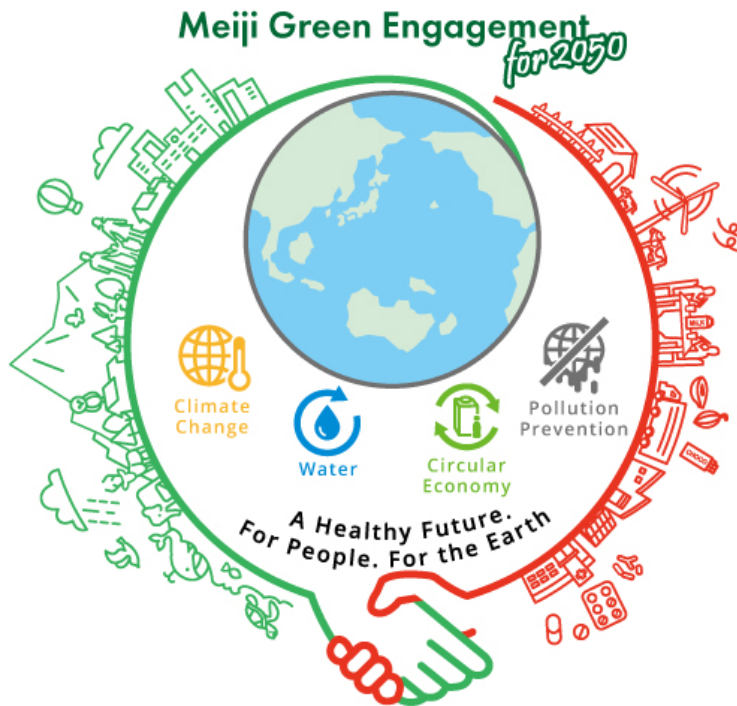
### **Social Issue**

#### **Secure Local Biodiversity**

- Approach to Biodiversity
- Biodiversity Conservation Activities Policy
- Relationship between Our Business Activities and Biodiversity
- Major Activities for Biodiversity Conservation

# Environmental Management

## Meiji Group Long-Term Environmental Vision "Meiji Green Engagement for 2050"



### A Healthy Future. For People. For the Earth

The Meiji Group relies on the bounty of nature, including raw milk, cocoa, lactobacillus and microorganisms. We believe it is our duty to live in harmony with the environment and coexist with nature. However, issues such as climate change threaten the sustainability of global environment. The biodiversity provides us the bounty of nature we enjoy, now it is in a crisis. To respond to such crisis we formulated a long-term environmental vision. We are committed to achieving coexistence with nature by engaging in global environmental issues.

The Meiji Group places the importance on delivering health through food and pharmaceutical, creating even more smiles for all. We continue creating value that goes one step further to realize a healthy future for people and the Earth.



Climate Change



Water



Circular Economy



Pollution Prevention

### Climate Change

Society has become more concerned about the impact of global warming on the intensity of natural disasters and damage to biodiversity. Businesses are being asked to reduce greenhouse gas emissions to help build a decarbonized society. The Paris Agreement, an international framework for addressing climate change, requires efforts to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial revolution levels.

The Meiji Group aims to further mitigate its impact on the global environment, considering the



aspirational target of the Paris Agreement to keep the temperature increase below 1.5 degrees Celsius. Accordingly, we have set a goal to become carbon neutral by 2050, eliminating all greenhouse gas emissions throughout our entire supply chain.

**Our goals**



Eliminate all CO<sub>2</sub> and other greenhouse gas emissions throughout our entire supply chain by 2050 (carbon neutral)



Use 100% renewable energy in facilities by 2050

**Climate Change**

**Water**

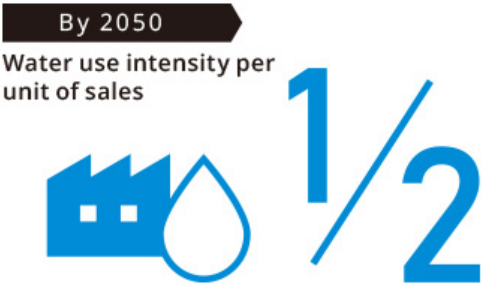
The world's population is estimated to reach 9.7 billion by 2050<sup>\*1</sup>. Consequently, the demand for water is likely to increase by some 55%<sup>\*2</sup> to keep up with the demand due to increase in food production and economic activities as a result of population growth. A total of more than 40%<sup>\*2</sup> of the global population may lose adequate access to enough water due to climate change and the resulting chronic water shortages.

Water is a finite resource. To ensure the sustainability of this limited resource, the Meiji Group aims to become water-neutral. To accomplish this goal, we will engage in initiatives that include reducing water use intensity per sales unit by half and cultivating water resources.

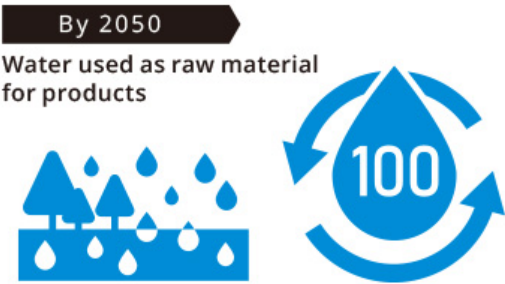
<sup>\*1</sup> United Nations, Department of Economic and Social Affairs, Population Division. World Population Prospects 2019 (Medium Variant)

<sup>\*2</sup> Organisation for Economic Co-operation and Development (OECD). OECD Environmental Outlook to 2050

**Our goals**



Reduce water use intensity per unit of sales by 50% by 2050 compared with FYE March 2018



Restore 100% of the water used as raw material for products by 2050 (water-neutral)

**Initiatives to Resolve Water Risk**



Address to reduce water risks in and around facilities and where we procure raw materials

## Circular Economy

Although the natural capital of the earth is finite, we have wasted and discarded them for a long period. These negative activities have led to climate change, deforestation, marine plastic pollution, and numerous other environmental issues. The world must improve the sustainability of natural capital. Because the Meiji Group enjoys the bounty of nature and uses natural capital in products and packaging, we must transition to a circular economy.

To achieve this goal, we should minimize the usage of natural capital by recycling and reusing resources, not to mention achieving zero waste. We will take on the challenge of reducing our environmental impact as close to zero as possible all the way through product design to disposal.

### Our goals

#### Waste in the manufacturing process



Achieve zero waste in the manufacturing process

#### Minimize the use of natural capital



Use recycled materials in containers and packaging to minimize the use of natural capital

## Pollution Prevention

As a result of prioritizing economic growth over the global environment, modern society suffers from air, water, and chemical pollution. As we are breathing polluted air and consuming contaminated food in our daily lives, the health risks are increasing.

The Meiji Group delivers health to the people in the world, and we believe we can build a world that doesn't suffer from pollution. Thus, we are committed to achieve zero pollution throughout the Meiji Group supply chain.

### Our goals

#### Pollution caused by chemical substances



Strive to achieve zero pollution due to chemical substances originating from our business activities

#### Initiatives to resolve environmental pollution-related issues



Strive to resolve environmental pollution-related issues throughout our supply chain

# Environmental Management

## Environmental Philosophy

Recognizing that our business operations originate from the bounty of nature, the Meiji Group 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.

## Approach

### Environmental Management System

There is The Group Environmental Meeting, which is made up of representatives from our Food segment and Pharmaceutical segment as well as the sustainability representatives from Meiji Holdings Co., Ltd. Under this system, the Meeting sets a long-term vision, plans specific measures as well as carries out risk management, and essentially oversees the environmental management for the whole Group.



### Environmental Data Management System

In October 2019, Meiji Group introduced a cloud-based environmental data management system to identify the integrated environmental impact in overall operating sites of the domestic Meiji Group and accurately and quickly track our performance against targets. Using this system we can reduce input errors and thus collect and calculate data efficiently. Accordingly, we have introduced the system in our overseas operating bases from October 2020.

### Certification Status of ISO14001

#### Food Segment

Japan : 25 Plants and 12 Group Companies

Overseas : 2 Group Companies

#### Pharmaceuticals Segment

Japan : 2 Plants, 4 Research Laboratories and 1 Group Company

Overseas : 1 Group Company

➡ List of Certification Status of ISO14001 and ISO45001

### Response to environmental laws and accidents

At the Meiji Group, there were no violations, fines related to environmental laws and regulations during FY2019. In addition, there were no lawsuits related to the environment. There were two

major accidents involving fluorocarbon leaks, having an impact on the environment. We reported these immediately to authorities and took measures after identifying the causes.

Approach to climate change and TCFD initiatives

The business of Meiji Group is based on the abundant gifts of nature, so natural capital is an important management resource for us. We also recognize that climate change has a significant long-term impact (risks and opportunities) on our business activities and that it is an important management issue for the Group. At the same time, international frameworks such as the Paris Agreement and the Sustainable Development Goals (SDGs) are calling for increased efforts to address climate change. We are therefore implementing climate change initiatives to contribute to these international efforts by helping to realize a decarbonized society in line with our Meiji Group Sustainability 2026 Vision.



Meiji Group agreed to join the Task Force on Climate-Related Financial Disclosures (TCFD), which was established by the Financial Stability Board\*1 in 2019. We also joined the TCFD Consortium, which was established by the Ministry of Economy, Trade and Industry, the Ministry of the Environment, and the Financial Services Agency as a place for collaboration between supporting companies, financial institutions and others. We also established the Group TCFD Committee, which comprises relevant divisions from Meiji Holdings and its Group companies Meiji, Meiji Seika Pharma and KM Biologics, and started implementing TCFD initiatives from 2019. The purpose of this committee is to reflect climate change-related long-term risks and opportunities in our business activities.

From August to October 2019, we participated in the support program for companies to analyze their own climate risks and opportunities in line with the TCFD recommendations, which is a project supported by the Ministry of the Environment. We conducted a scenario analysis related to the long-term impact of climate change in the areas of dairy ingredients and infectious diseases. Some of the results of this analysis are included in Practical guide for Scenario Analysis in line with the TCFD recommendations published by the Ministry of the Environment.

From January to May 2020, the Group TCFD Committee analyzed the impact in the areas of dairy ingredients and infectious diseases in greater detail. They analyzed climate change-related risks and opportunities, developed countermeasures, and managed progress of each initiative. The Board of Directors, the Executive Committee, and the Group Sustainability Committee discuss the results of these analyses and we strengthened our systems for reflecting the results in our business activities.

Climate Change-related Group Sustainability Promotion System



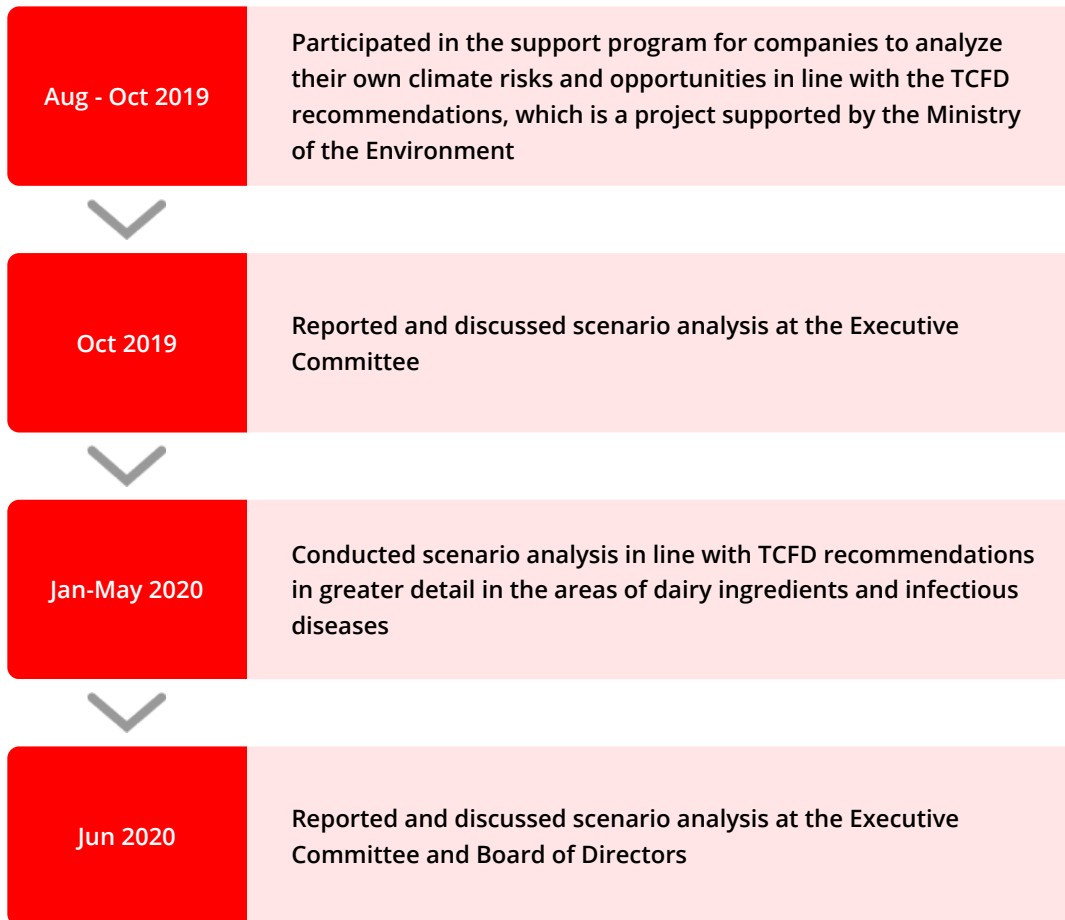
\*1 An international organization of representatives of central banks, financial supervisory agencies, and finance ministries.

\*2 A consortium for investors and companies supporting the TCFD to jointly develop and use industry-specific scenario analysis and quantification techniques.

- Aug–Oct 2019: Practical guide for Scenario Analysis in line with the TCFD recommendations, a Ministry of the Environment support program for companies to analyze their own climate risks and opportunities in line with the TCFD recommendations

## Overview of TCFD Scenario Analysis

### Climate Change-related Group Sustainability Promotion System



## Results of Scenario Analysis

In the Food segment, we investigated the impact (and related countermeasures) that climate change has on each process of the supply chain in the area of dairy ingredients (the main ingredients in milk and dairy products). In the Pharmaceutical segment, we did the same in the area of infectious diseases.

Using scenarios developed by the IPCC<sup>\*1</sup> and IEA<sup>\*2</sup>, we analyzed two scenarios; a 4-degree scenario assuming a global temperature rise of 4-degree or more by 2100 compared to pre-industrial levels, and a 2-degree scenario assuming the temperature rise of 2-degree or less.

\*1 Intergovernmental Panel on Climate Change (IPCC): Shared Socioeconomic Pathways, etc.

\*2 International Energy Agency (IEA): Sustainable Development Scenario, New Policies Scenario, etc.

## Important Financial Impacts and Levels of Impact

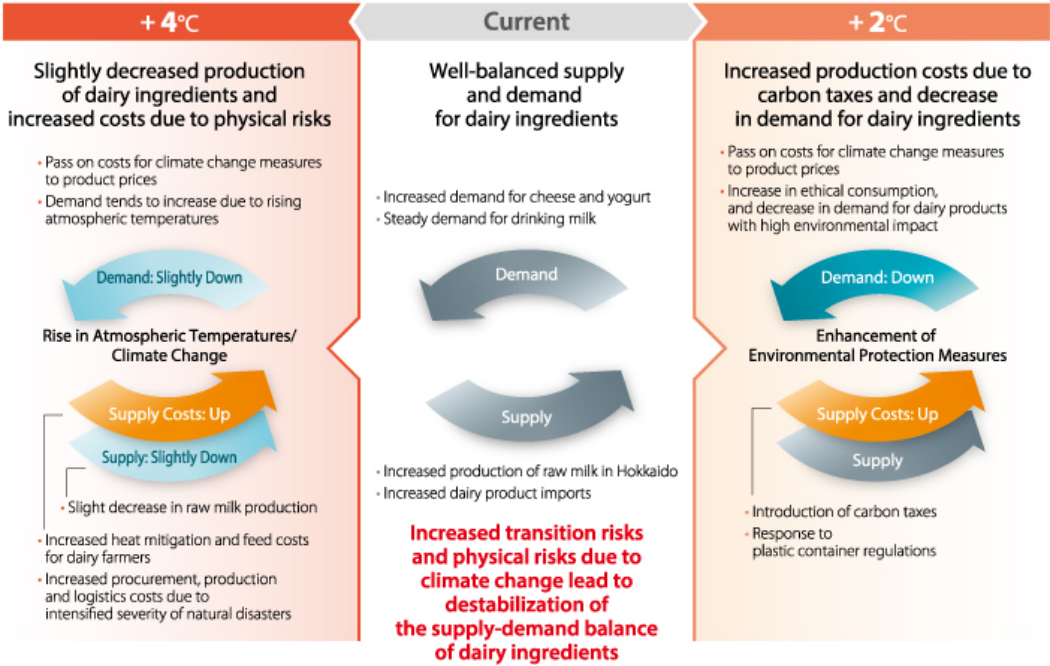
Dairy Ingredients		Management Entity Level of Impact			
		Meiji	Partner	4°C	2°C
Risks	Increased cattle barn operation expenses (feed expenses, heat mitigation expenses)		●	High	—
	Increased purchase prices for dairy ingredients	●		Low	—
	Increased losses due to water risks	●	●	Medium	—
	Increased electricity costs	●	●	Low	—
	Increased costs associated with carbon taxes	●	●	Low	High
	Increased costs associated with plastics regulations	●		—	Low
	Decreased demand due to ethical consumption	●		—	Low
Opportunities	Expansion of new demand (thirst-quenching beverages, etc.)	●	●	Low	Low - Medium

Infectious Diseases		Management Entity Level of Impact			
		Meiji	Partner	4°C	2°C
Risks	Lost opportunities due to site shutdowns caused by natural disasters	●		—	—
	Increased logistics costs due to natural disasters and severe weather		●	High	—
	Increased water procurement costs due to water risks	●		—	—
	Increased electricity costs	●	●	Medium	Medium
	Increased costs associated with carbon taxes	●	●	Low	High
Opportunities	Spread of infectious diseases due to climate change	●		Medium	—

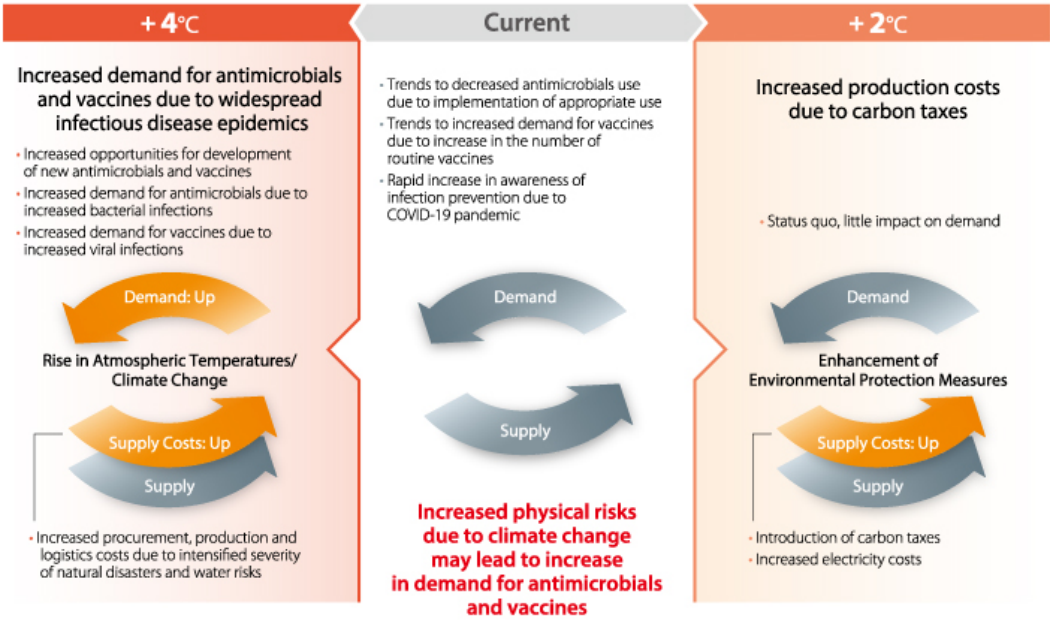
Dairy Ingredients 2040 World View

Under the 4-degree scenario, we will need to respond to physical risk-related cost increases and slight decreases in production of dairy ingredients as a result of global warming and the increased frequency of large natural disasters. Under the 2-degree scenario, we will need to respond to cost increases associated with transition risks to a decarbonized society, such as the introduction of carbon taxes, and decreases in demand for dairy products due to increased ethical consumption.

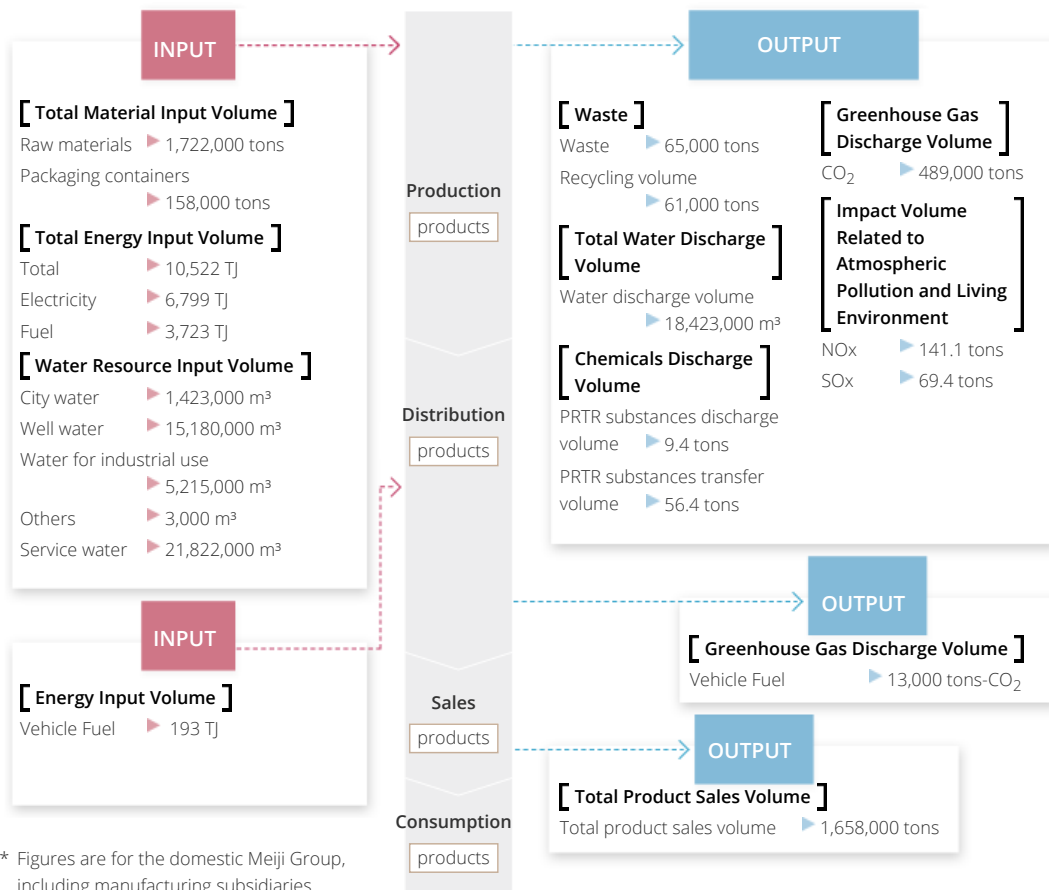


Infectious Diseases 2050 World View

Under the 4-degree scenario, we will need to respond to increased spread of infectious diseases and physical risk-related cost increases as a result of global warming and the increased frequency of large natural disasters as environments change. Under the 2-degree scenario, we will need to respond to cost increases associated with transition risks to a decarbonized society, such as the introduction of carbon taxes.







\* Figures are for the domestic Meiji Group, including manufacturing subsidiaries.

# Climate Change

## Position on Climate Change

The impact of global warming from climate change has resulted in a number of abnormal weather phenomena, including heat waves, dry spells, and concentrated heavy rains. These have caused great damage to the natural environment, including droughts and flooding. The Meiji Group recognizes climate change as a crucial social issue that must be resolved. This is because the Group's business operations originate from the bounty of nature.

In light of the IPCC-issued Special Report on Global Warming of 1.5°C, the Meiji Group has realigned its reduction targets for CO<sub>2</sub> emissions by 2030 in accordance with the SBT (Science Based Targets) initiative, and is aiming for SBT certification.

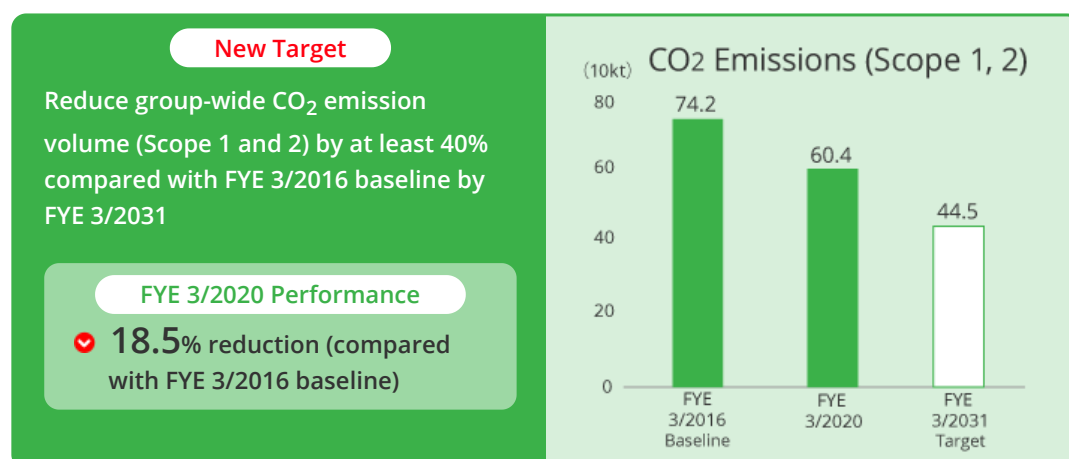
Going forward, we will continue to proactively promote a number of initiatives to reduce CO<sub>2</sub> emissions, including energy-saving activities and the utilization of renewable energy.

### SDGs



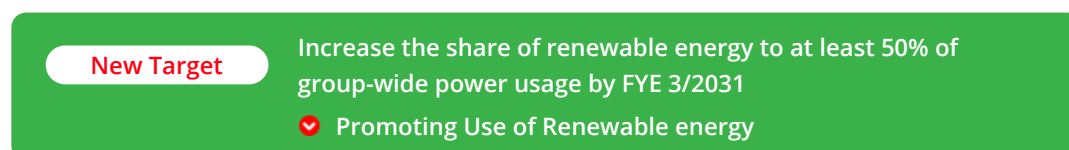
## Social Issues

- ✓ Reduce CO<sub>2</sub> Emissions
- ✓ Eliminate Specific CFCs



\* FYE 3/2016 CO<sub>2</sub> emission volume includes the emission volume of KM Biologics.

● New KPI and target from FYE 3/2021



● New KPI and target from FYE 3/2031

## Reduce CO<sub>2</sub> Emissions

## ■ On Scope 3 Reductions

The Meiji Group is also working to reduce CO<sub>2</sub> emissions generated across the entire supply chain. To the end of acquiring SBT (Science Based Targets) certification, we are considering setting targets for our Scope 3 emissions in FY2020.

## ■ Energy-Saving Measures

We are working to save energy in all stages of our business activities. At our production sites, we are switching to low CO<sub>2</sub> emission fuels and installing highly energy-efficient equipment.

### Approach

#### Energy-Saving Initiatives in Detail

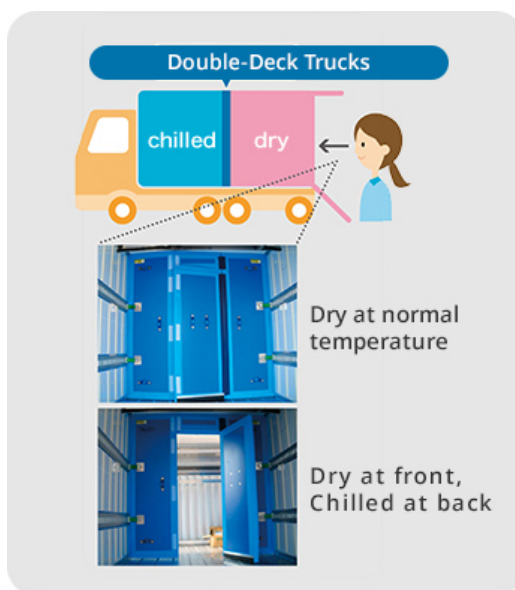
At our operating sites, we are switching from heavy oil to city gas and installing co-generation systems to reduce CO<sub>2</sub> emissions. In addition, we are working to save energy by adopting energy-efficient equipment and reducing operating time by improving the operational efficiency of equipment.



Energy-efficient transformer at Meiji Seika Pharma's Gifu Plant

#### Eco-Friendly Logistics via Modal Shifts and Double-Deck Trucks

At Meiji, we strive to reduce our environmental footprint in materials procurement, product delivery, and other logistics operations. We have introduced modal shifts and double-deck trucks to transport products of differing temperature zones on a single vehicle.



#### Changeover to Low-Emission Vehicles; Fleet Reductions

We began changing our delivery trucks and sales vehicle fleets to eco cars in FYE March/2013. We have also cut down the size of our sales vehicle fleet.

### Results

Number of Eco Cars (vehicles)

FYE March/2016	546
FYE March/2017	629
FYE March/2018	508
FYE March/2019	558
FYE March/2020	574

#### Example Reduction: Scope 3, category 1 Emissions

The Meiji Group is working to reduce the amount of its Scope 3, category 1 CO<sub>2</sub> emissions. In collaboration with suppliers, we use lighter packaging for such products as the Meiji Probio Yogurt R-1 Drink, reducing plastic used and contributing to the reduction of CO<sub>2</sub> emissions. By cutting 2,645 tons<sup>\*1</sup> of plastic used over the six years between FY2013 and FY2018, we achieved an equivalent reduction of 1,360 t-CO<sub>2</sub><sup>\*2</sup> in total.

<sup>\*1</sup> Plastic used in the Meiji Probio Yogurt R-1/LG21/PA-3 Drinks

<sup>\*2</sup> Calculated based on coefficient data provided in the Database of Emissions Unit Values for Calculation of Greenhouse Gas etc., by Organizations Throughout the Supply Chain (Ver. 2.5).

## **Promoting Use of Renewable energy**

Use of renewable energy from the sun, wind, biomass and other sources reduces use of our limited natural resources, such as oil, and it also reduce greenhouse gas emissions. We have established a target for the Group, including overseas sites, of increasing renewable energy to at least 50% of total power usage by FYE 3/2031.

### **Approach**

#### **Solar Power Generation at Meiji Production Plants**

To reduce annual CO<sub>2</sub> emissions by approximately 6,000 tons (compared to FY2019) by FY2028, Meiji will gradually introduce solar power generation equipment at its plants for internal energy consumption. While introducing solar power generation equipment across the Group, we will investigate alternatives to solar.

### **Results**



Solar power generation equipment, which started operation in April 2020 at Meiji's Kyusyu Plant



Aichi Plant



Santa Ana Plant

	Power Generation Volume (MWh)	Power Generation Capacity (kW)	CO <sub>2</sub> Reduction Volume (ton)
Osaka Plant, Meiji Co. Ltd.	229	200	112
Aichi Plant, Meiji Co. Ltd.	837	750	409
Kikuchi Research Lab. KM Biologics Co. Ltd.	147	137	72
KM Biologics Delivery Center	119	107	58
Santa Ana Plant, Laguna Cookie Co., Inc.	239	270	53

#### **Generating Electricity via Bioenergy**

In addition to the use of activated sludge processing at Sakado Plant and at Meiji Chewing Gum Co., Ltd., we are incorporating discharged water treatment technology that utilizes methane fermentation\*. We use methane gas as a fuel for boilers.

\* Methane fermentation treatment method - Treatment method that uses anaerobic microorganisms (absence of oxygen) to break down organic solids in discharged water, converting them to methane gas and CO<sub>2</sub>.

## Improved Environmental Data Management

We continue to improve our environmental data management system, which provides evidence of our initiatives dealing with climate change and global warming. In addition to consolidated group data collection and disclosure, we have an independent entity draft group management standards and perform audits to verify our environmental management system operations, as well as improve our data transparency and reliability.

### Approach

#### Disclosure of Scope 1, 2, and 3 data

- ▶ Scope 1, 2, and 3 data (PDF:351KB)

#### Independent Practitioner's Assurance of CO<sub>2</sub> Emissions

In order to improve the reliability of the data, we obtained the independent practitioner's assurance for the domestic CO<sub>2</sub> emissions (Scope 1, 2 and Scope 3 category 1) of FYE March 2020 indicated in our Integrated Report 2020 by Deloitte Tohmatsu Sustainability Co., Ltd.

- ▶ Independent Practitioner's Assurance Report (PDF:572KB)
- ▶ Results of the Domestic CO<sub>2</sub> Emissions (Scope 1, 2 and Scope 3 category 1) in FYE March 2020 (PDF:216KB)

## Participation in Initiatives

### Approach

#### Japan Climate Initiative (JCI)

Japan Climate Initiative is a network of non-state actors such as companies, local governments and NGOs aiming to realize a decarbonized society. Meiji Group has participated since 2019.



#### Green Value Chain Platform

Meiji Group participated in Green Value Chain Platform in 2019. Moving forward, we will address Science Based Targets (SBT) and plans to set reduction targets for 2030 and 2050 consistent with the Paris Accord.

## Eliminate the Use of Specified Fluorocarbons

### New Target

Eliminate the use of specified fluorocarbons in air conditions and large scale facilities in Japan by FYE 3/2031.

### FYE 3/2020 Performance

- ✔ Adopted Alternative Fluorocarbons and Natural Refrigerants

\* Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd. and KM Biologics Co., Ltd.

● New KPI and target from FYE 3/2021

## ■ Switch to Alternative Fluorocarbons and Natural Refrigerants

Controlling the emission of Fluorocarbons, which have a major impact on global warming, has become an issue. Based on the Montreal Protocol, we will strive to reduce the risk of leakage of specific fluorocarbons through regular inspections of equipment, switch to natural refrigerants, and promote measures against climate change.

### Approach

#### Switch to Alternative Fluorocarbons and Natural Refrigerants

Some Plants have adopted natural refrigerants to reduce CO<sub>2</sub> emissions.

##### **Meiji Co., Ltd.**

- FYE March /2016 : Kyoto plant, Gunma plant
- FYE March /2018 : Kyushu plant
- FYE March /2019 : Kyoto plant, Moriya plant, Tokai Meiji Co., Ltd.
- FYE March/2020 : Kanagawa plant, Moriya plant, Nagano depot, Tokai Meiji Co., Ltd.

##### **KM Biologics Co., Ltd.**

- FYE March/2016 : Kumamoto plant



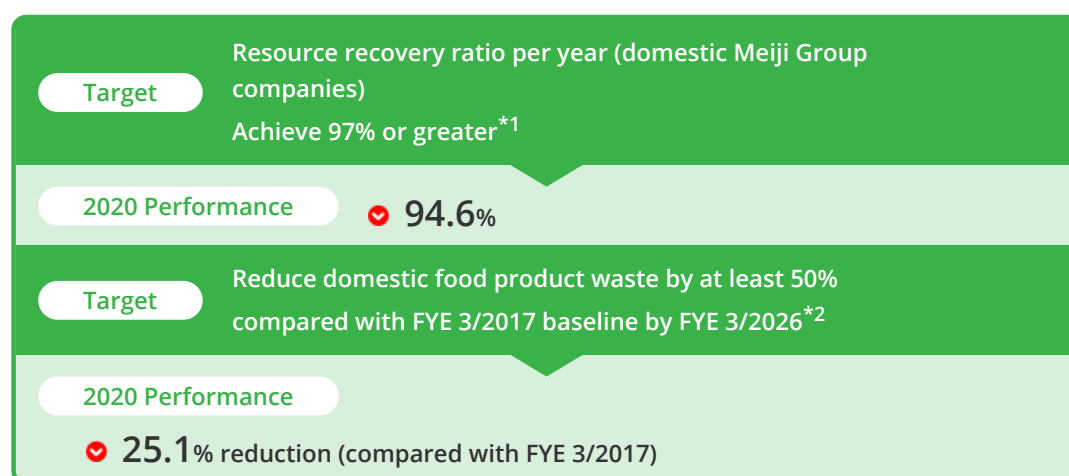
# Circular Economy

## SDGs



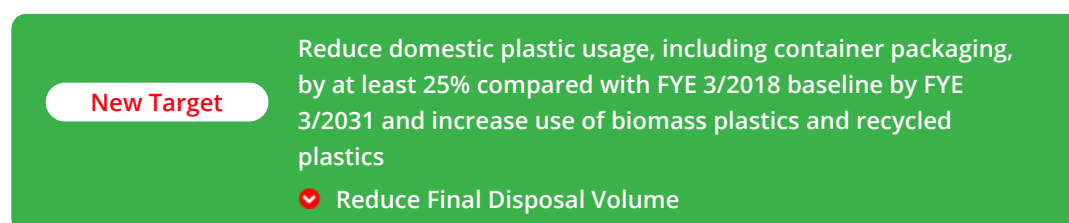
## Social Issues

### Reduce Environmental Impact



\*1 Meiji Group in Japan

\*2 Domestic group companies of Meiji Co., Ltd.



● New KPI and target from FYE 3/2021

## Reduce Environmental Impact

### Reduce Final Disposal Volume

The Meiji Group strives to protect the Earth's finite natural resources by reducing waste and using resources efficiently.

### Approach

#### Reducing Production Plant Waste

Food segment is working to reduce waste in every production plant.

### Results

Food segment has reduced production waste by an annual 24 tons by changing to intermittent nozzle operation in biscuit dough mold release oil equipment (Galbo chocolate snacks).

### **Environmentally-Friendly Products**

We are minimizing containers and packaging to eliminate waste of precious resources. Marine pollution caused by plastic garbage contamination is a social issue. To address this issue, we are recycling plastic resources. We established the Meiji Group Plastic Policy in July 2020 to reduce plastic usage by 25% (compared to FY2017) by FY2030. In line with the policy, we are reducing the weight of the PET bottles for our products. We are reusing and recycling the plastic containers for storage and transport. Also, we are increasing use of biomass plastics derived from organic resources, and recycled plastics, for the packaging and plastic straws attached to our products.

### **Food Segment Plastic Resource Recycling Policy**

Plastic waste in the world's oceans has been identified as a significant issue in the global environment. Working with our business partners, Meiji continues to support plastic resource recycling efforts in the following ways.

1. We are changing the design of plastic containers and packaging to minimize the amount of material used while maintaining the beneficial aspects of plastics such as the preservation of product quality. For example, we have reduced the weight and wall thickness of PET bottles and other plastic containers. We are also moving to switch from plastic to paper containers.
2. Meiji works to replace materials used in plastic containers and packaging with environmentally friendly plant-derived materials, materials easier to recycle, and the use of recycled materials themselves. We are also studying the use of biodegradable plastics.
3. Through recycling contractors, we encourage the reuse in recycled products of plastic waste generated in our manufacturing processes.
4. Meiji is also working on recycling and methods to reduce the use of plastics in logistics. For example, we are switching from plastic crates (plastic return boxes used in product delivery) to cardboard boxes.
5. To protect the marine environment, Meiji helps beautify communities and conducts coastline cleanup activities to reduce the amount of plastic trash that flows into oceans through rivers and coastlines.

### **Addressing Food Loss and Waste**

Food loss is defined as otherwise consumable food that is thrown out by food processors, retailers, food service industry entities, households, etc. Annual food loss is estimated to be 6.12 million tons in Japan alone in FYE March/2018. The Meiji Group acknowledges our own large volume of food loss as part of a larger social issue. We are working with our national government and trade organizations to introduce new policies (below).

#### **Approach**

#### **Reduce Bad Inventory through Improved Supply Forecasts**

We are encouraging sales and production division to communicate better. At the same time, we are developing supply forecasts by product, reflecting past sales data and sales promotion plans. As we improve supply forecasts day by day, we limit bad inventory and reduce food loss.

#### **Best-Before Date Changed to Month-Year Label**

By changing food expiration labels from year-month-date to year-month formats, we expect to reduce food loss and encourage logistics efficiencies across our entire supply chain as our manufacturing, logistics, and sales teams work more closely together. The best-before date of all products (except gummy and snacks in our confectionery business) will be changed to a month-year label.

#### **Extending Expiration Dates for Certain Items**

We plan to extend the expiration dates of certain food items whose quality will not be affected (confectioneries, drinks, nutrition foods, prepared foods, etc.). In so doing, we will reduce wasted stock of expired items.

## Results

### 【Confectionery Business】

- Chelsea Scorchassort ⇒ Extended from 12 months to 14 months (beginning April 2015)
- Cough drops warm ginger ⇒ Extended from 12 months to 14 months (beginning September 2016)

### 【Nutritionals Business】

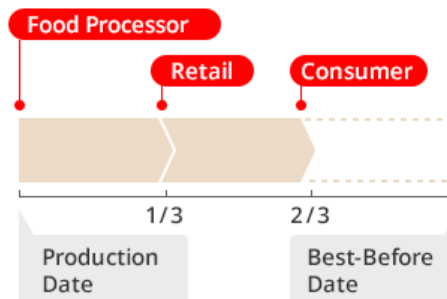
- Meiji Mei Balance Mini cup ⇒ Extended from 6 months to 12 months (beginning May 2015)
- Meiji Mei Balance Mini ⇒ Extended from 6 months to 9 months (beginning October 2016)

### 【Infant Nutrition】

- Meiji Hohoemi can ⇒ Extended from 12 months to 14 months

## Revising the 1/3 Rule Across the Logistics Industry

We are working with trade organizations to revise the traditional 1/3 rule for delivery deadlines.



## Collaborating With Society

The Meiji Group is working with food banks to reduce food loss. In April 2020, most schools closed due to the COVID-19 pandemic. During this time, to help families who needed food assistance, we donated approximately 100,000 confectioneries to 30 food banks belonging to the All-Japan Food Bank Promotion Council.

## 3Rs (Reduce, Reuse, Recycle)

We focus on environmental friendliness throughout the product life cycle, from planning through disposal.

### Approach

#### Reducing the Environmental Impact of Packaging

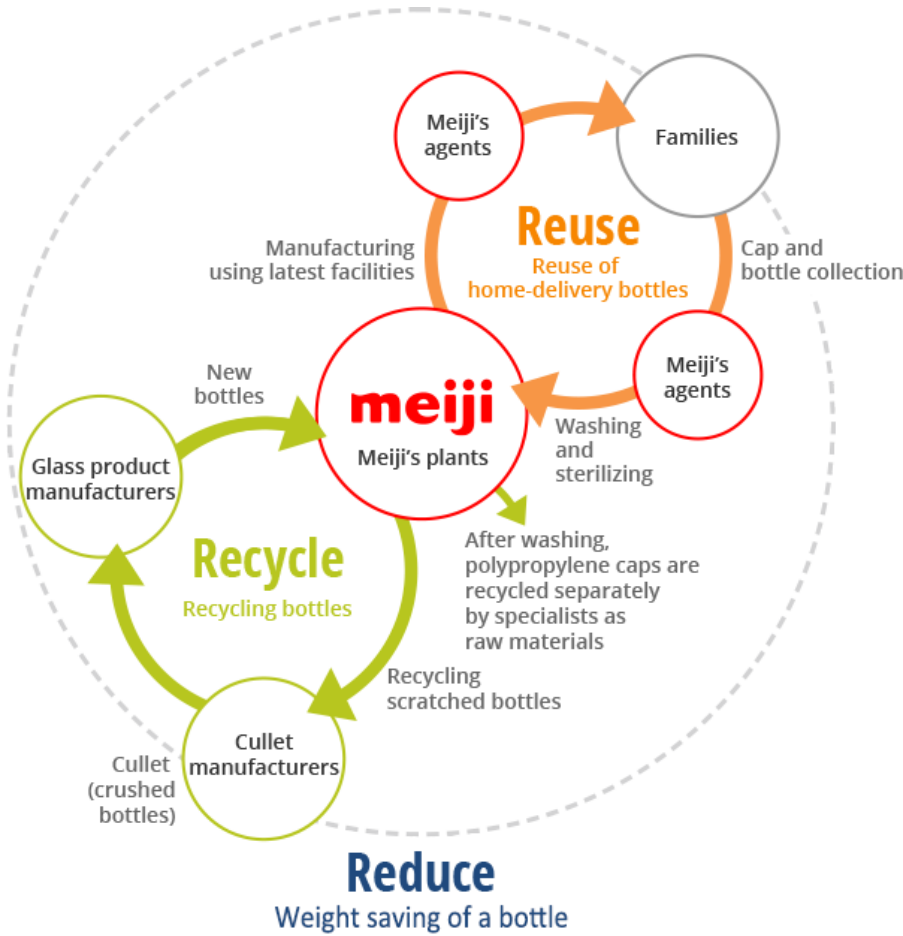
Food segment conduct a Paper Drink Carton Recycling Campaign twice per year. The purpose of the campaign is to remind employees of the importance of sorting and recycling paper cartons. Recycling collection boxes are set up, and employees are encouraged to dispose of their paper milk cartons appropriately. Each year the percentage of employees participating increases. At present, approximately 85% of employees participate in the campaigns.



A paper carton collection box

## 3Rs for Home-Delivery Milk Bottles

Food segment delivers milk to approximately 2.6 million homes in Japan. The returnable milk bottles used for home delivery must be light and strong so they can be used multiple times. We have recently improved our bottles to make them even stronger and lighter. The weight for a 200ml bottle has been reduced to 180g, while durability has been increased to allow for three times as many uses. If bottles become scratched they can be crushed for use as raw materials for new bottles.



**Zero Waste (Zero Emissions)**

We pursue a Zero Waste (Zero Emissions) policy based on the 3Rs.

➡ Circular Economy (PDF:351KB)

**Appropriate Chemical Substance Management**

We strive to reduce chemical emissions. Measures include equipment to absorb vaporized chemicals, switching to safer substances, and improved manufacturing methods that reduce or eliminate chemical substances.

**Approach**

**PRTR Substances**

We report chemical emissions and transfers in accordance with Japan's Pollutant Release and Transfer Register (PRTR) Act.

At Pharmaceutical segment each pharmaceuticals plant and research center has a chemicals management committee that sets standards for handling chemical substances. The company manages procurement and inventory volumes, checks emission and transfer volumes, and strives to reduce emissions.

➡ Appropriate Management of Chemical Substances (PDF:351KB)

**PCB Management**

Each of our operating bases engages in the appropriate management of transformers and capacitors that contain polychlorinated biphenyls (PCBs).

# Water

## Position on Water Resources

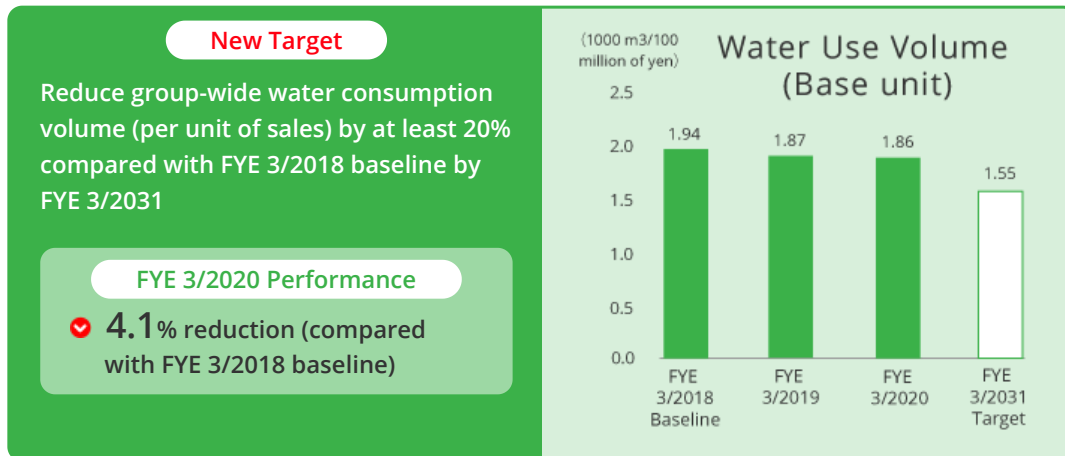
Global demand for water is expected to increase further due to improved living standards associated with population and economic growth. Predictions indicate that more and more areas will face water scarcity. Water is an essential resource for the Meiji Group's business activities. For this reason, the Meiji Group recognizes securing water resources as one of its most key social issues. The Meiji Group is therefore making efforts to reduce environmental impact, such as efficient use of water and proper drainage management. It also conducts water risk evaluations at each of its business sites, both in Japan and overseas. Further, the Meiji Group also works with its employees and stakeholders to cultivate water resources through forest and watershed conservation activities.

### SDGs



## Social Issues

### Secure Water Resources



● New KPI and target from FYE 3/2021

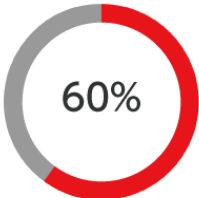
## Secure Water Resources

### Water Risk Survey Results

To understand the impact of water risk on our business continuity, we use Aqueduct and other tools to survey water risk at both Japan and overseas production sites and research facilities. We also conduct interviews with the local community. Aqueduct is a tool published by the World Resources Institute to evaluate global water risk by latitude and longitude. Based on Aqueduct survey results, we identified our water risk from three aspects (Drought Risk, flood risk, water quality risk), implementing measures for each location.



Survey Results Based on Aqueduct

	Drought Risk	Flood Risk	Water Quality Risk
Japan 52 Business Locations	 0%	 58%	 0%
Mainland China 5 Business Locations	 20%	 80%	 60%
Asia 13 Business Locations	 62%	 31%	 69%
The U.S. and Europe 3 Business Locations	 67%	 67%	 0%

\* The locally provided water hazard map information is incorporated in the flood risk results for Japan and the United States.

Appropriate Water Management

Water resources are indispensable for the business operations of Meiji Group, and management of water resources is an extremely important theme for the realization of a sustainable society. We will endeavor to secure important water resources by properly managing water intake and drainage, such as efficient use of water, introduction of facilities that consider water saving, and water quality management of wastewater. In addition to acquiring and disclosing group-wide water intake and drainage data, we will establish group-wide management standards, introduce an environmental data management system, and conduct audits by a third-party organization for the purpose of improving data transparency and reliability.

Approach

Reduce Water Consumption by Introducing Water Saving Equipment

The Meiji Group continues to work on water conservation activities and strives to recycle water. At some offices, rainwater is used as toilet water, and cooling water is reused to make effective use of water.

Water Reduction Cases at Manufacturing Sites

The Meiji Group is working to use water efficiently by installing water-saving nozzles at faucets at multiple factories. In addition, at the cheese production line at the Karuizawa Plant of Meiji Co., Ltd., well water used for heat exchangers for cooling cheese raw materials was drained to sewage with a single water flow. Therefore, by installing a refrigerator to circulate well water and reuse it for cooling, we reduced the annual water consumption by about 16,000m³.



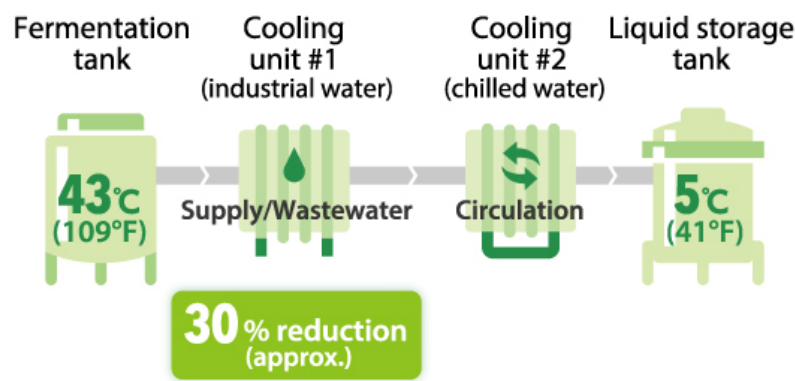
Meiji Co., Ltd., Asahikawa Plant,  
hose with water-saving nozzle



Chillers in Karuizawa plant

At Meiji's Toda Plant, we examined various flow rates of industrial water used for cooling when transferring raw materials from fermentation tanks to liquid storage tanks and found an optimized flow rate, which reduced water usage by approximately 2,900 m³/month.

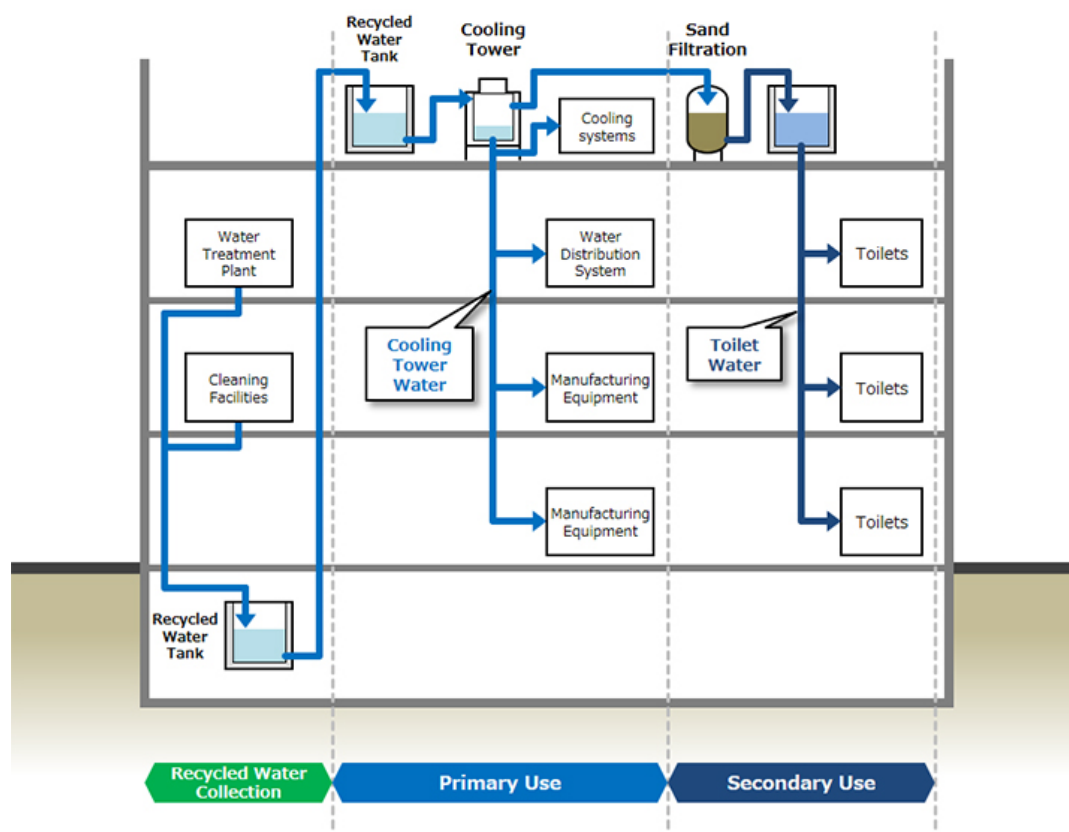
**Water Saving at Meiji's Toda Plant  
by Optimizing the Flow Rate for Cooling Water**



KM Biologics has installed greywater\* recycling systems in four of its manufacturing buildings at its Kumamoto Production Center. These systems collect recyclable water for primary use from production facilities. This greywater is then used as makeup water in cooling towers. Water discharged from the cooling towers as secondary use water is first filtered and disinfected, and then used in toilets. Overall, approximately 30,000 m³ of water is recycled annually at the Kumamoto Production Center.

\* Greywater: Non-potable water that is suitable for general and industrial use

## Kumamoto Production Center greywater recycling system



### Paddy field flooding at KM Biologics Co., Ltd.

KM Biologics Co., Ltd. uses groundwater for production and waterlogs fields (saturate the soil with water) as part of a program to reduce the impact on the environment. We replenish and recharge the groundwater by diverting water from the Shirakawa River nearby and flood the fields with water for about 3 months before planting crops. We have been doing this since 2005 and have been recharging approximately 500 thousand tons of ground water annually, which is more than what is used at the head office and the Kumamoto Plant.



### Participation in Groundwater Conservation Group

KM Biologics Co., Ltd. joined the Kumamoto Groundwater Foundation in 2012 to work toward a healthy groundwater environment together with the local community. The Kumamoto Groundwater Foundation is a groundwater environment preservation group that has implemented effective groundwater preservation measures based on research results. As a member of this foundation, we conduct educational activities related to groundwater preservation through participating in groundwater preservation symposia and encouraging employees to purchase water-offset rice, i.e. rice grown in fields that engage in groundwater recharge. During the fiscal year ended March 2020, we contributed an estimated 6,780m<sup>3</sup> of water conservation through water-offset rice initiatives. (Conservation period: June 2019 to September 2019)

### Initiatives on Quality of Intake Water

The Meiji Group is engaged in initiatives related to the quality of intake water.

Some of its plants have incorporated RO (reverse osmosis) membranes into their manufacturing lines, removing impurities and preventing flavor defects arising from input water quality, as well as maintaining a high standard of water quality. An RO membrane is a type of filtration membrane that can separate materials and is capable of removing ions and organic substances from aqueous solutions.

## Improving Wastewater Quality Through Appropriate Chemical Substance Management

We have set more stringent standards for discharged water than the legal standards in Japan, and we are working on preventing water pollution. In order to reduce our environmental footprint of discharged water, we install equipment that uses activated sludge treatment and methane fermentation at plants or for processes that discharge a lot of water.



Methane fermentation process

## Initiatives to Combat Flooding

Nihon Kanzume, Co., Ltd., a Meiji Group company, suffered flood damage in 2016 as a result of a nearby river overflowing. Following this event, countermeasures were taken to combat future floods, including installation of a 3.5 meter-high water barrier, creating embankments, and so on. Going forward, and with consideration to BCP (business continuity plan), the Meiji Group has committed to taking further measures to progressively cover other locations facing high flood risks.



Nihon Kanzume, Co., Ltd., water barrier

## Independent Practitioner's Assurance of Water Use Volume

In order to improve the reliability of the data, we obtained the independent practitioner's assurance for the domestic water use volume of FYE March 2020 by Deloitte Tohmatsu Sustainability Co., Ltd., indicated in our Integrated Report 2020.

- ▶ Independent Practitioner's Assurance Report (PDF:572KB)
- ▶ Results of the Domestic Water Use Volume in FYE March 2020 (PDF:150KB)

# Biodiversity

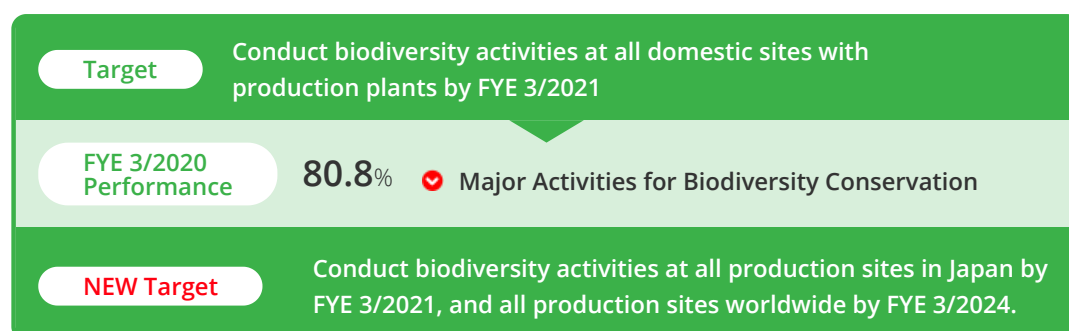
## SDGs



## Social Issues

- Secure Local Biodiversity
  - Approach to Biodiversity
  - Biodiversity Conservation Activities Policy
  - Relationship between Our Business Activities and Biodiversity
  - Major Activities for Biodiversity Conservation

## Secure Local Biodiversity



● New KPI and target from FYE 3/2021

### Approach to Biodiversity

Due to the world's economic activities, we are facing a critical situation amid a rapid loss of biodiversity caused by disruption of habitats by deforestation and deterioration in habitat environments, including environmental pollution. As the businesses of the Meiji Group depend on the abundant gifts of nature, including raw milk, cacao and lactobacillus, and microorganisms used for developing antibiotics, we recognize that loss of biodiversity is a significant social issue. We identify the impact of our business activities on biodiversity throughout the entire supply chain, from raw material procurement to waste disposal, preserving and regenerating biodiversity to ensure that we enjoy the abundant gifts of nature for years to come. We comply with treaties, laws and regulations related to biodiversity, and contribute to the creation of a society that coexists in harmony with nature.

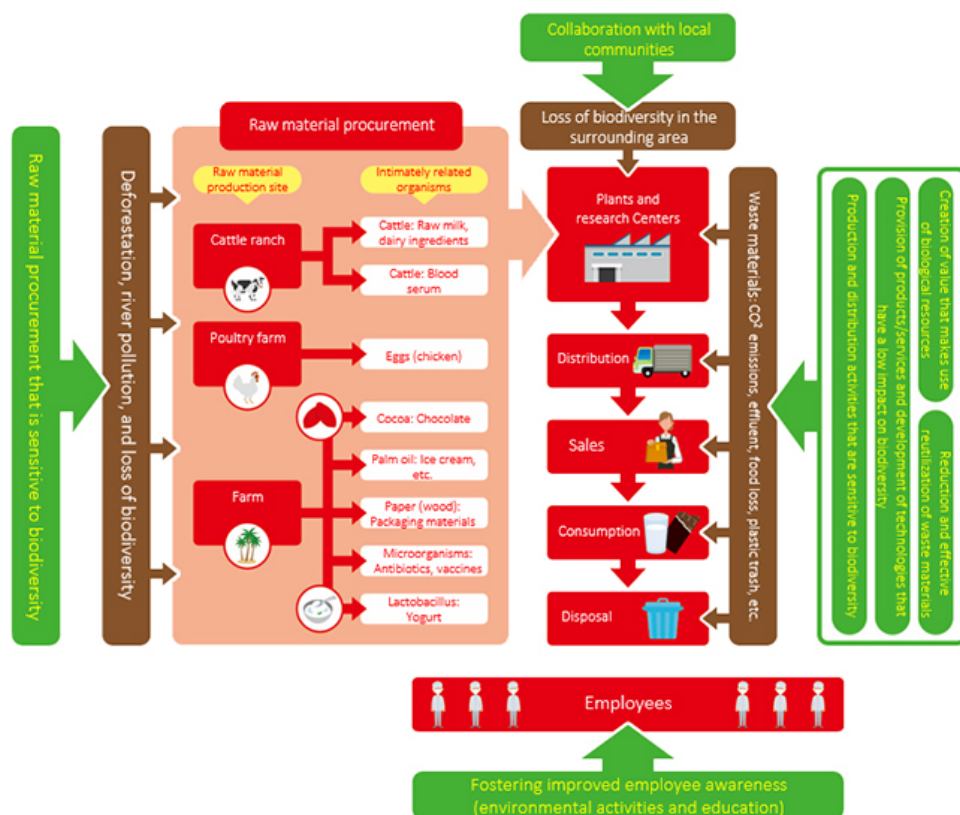
### Biodiversity Conservation Activities Policy

The Meiji Group formulated the Meiji Group Biodiversity Conservation Activities Policy in October 2020. Amid ongoing loss of biodiversity, we intend to contribute to the creation of a society that coexists in harmony with nature throughout the entire supply chain, from raw material procurement to waste disposal.

- Meiji Group Biodiversity Conservation Activity Policy (PDF:136KB)

## Relationship between Our Business Activities and Biodiversity

The Meiji Group is deeply involved in a variety of biological resources and ecosystems through our food and pharmaceutical businesses, and it has an impact on biodiversity throughout our entire supply chain, from raw material procurement to waste disposal. Based on this recognition, we pursue biodiversity-friendly activities, reduction in impact on biodiversity, effective use of biological resources and enhanced understanding of biodiversity among our employees.



(Red): Business activities that are related to biodiversity (supply chain)

(Brown): Impact on biodiversity

(Green): Activities that contribute to biodiversity conservation

## Major Activities for Biodiversity Conservation

Activities through Meiji Group's Main Businesses	Development of eco-friendly and naturally-derived agricultural chemicals Agroforestry Milk Chocolate initiative
Activities in Meiji Group Sites and Surrounding Areas	Activities in the Meiji Group Nature Conservation Area Kumamoto Sunlight Forest Activities in domestic sites with production plants Activities in overseas sites with production plants
Activities in Cooperation with Local Governments and NPOs	Activities in the Meiji Nature Conservation Area (Nemuro City) Activities in cooperation with local governments

### Activities through Meiji Group's Main Businesses

#### Development of Eco-friendly and Naturally-derived Agricultural Chemicals

As the global population is predicted to increase to 8.5 billion people by 2030 and reach 9.7 billion people by 2050, increasing food production will become an issue for solving poverty and starvation. To do so, it is important to keep disease insect pests and weeds in check in an effective manner and with reduced environmental loads in order to obtain good quality food from limited farmland. Meiji Seika Pharma Co., Ltd. pursues development of agricultural chemicals using naturally-derived materials with many highly active substances that decompose quickly.



As a recent achievement, we created Afidopyropen, which is extremely effective against hard-to-control pests like aphids, in collaboration with a group led by Kitasato University Emeritus Professor Satoshi Omura, a 2015 Nobel Prize laureate. The world's largest chemical maker BASF developed and has been selling the product around the world since 2018.

We also developed Fenpicoxamid, an innovative drug in the fight against major wheat diseases, jointly with Corteva Agrisciences and began selling of the product in France in 2020.

These two agricultural chemicals play an important role in biodiversity conservation owing to their low impact on bees and other useful insects, and their rapid decomposition in the environment.



Brazilian test site using Afidopyropen



Agricultural chemicals "Sefina" and "Versys" containing Afidopyropen sold in Australia and India

### Agroforestry Milk Chocolate Initiative

The production of cocoa as a raw material for chocolate causes serious social issues of natural environment destruction and loss of biodiversity through deforestation, as well as human rights issues such as child labor and forced labor. For the cultivation of cocoa beans, Cooperative Agricola Mixta de Tomé-Açu (CAMTA) in Brazil, with whom Meiji has jointly performed quality research over 10 years, undertakes efforts for conservation of natural environment and ecosystems, using the Agroforestry method known as "agriculture to create a forest," where various types of agricultural and forestry crops modeled on natural ecosystems are grown in land wasted by deforestation.



### Activities in Meiji Group Sites and Surrounding Areas





#### Activities in the Meiji Group Nature Conservation Area Kumamoto Sunlight Forest

We conducted research on the natural environment in Kumamoto Sunlight Forest (approx. 9 ha), land owned by KM Biologics Co., Ltd., from January to July 2020. Kumamoto Sunlight Forest is a secondary forest consisting of Japanese cedar, cypress, *Quercus acutissima* and *Quercus serrata*. We confirmed the existence there of places where Satoyama-like natural environment has been preserved and of endangered wild plants and animals, including clusters of *Cephalanthera falcata*, owls, *Martes melampus*, *Rana ornativentris* Werner and *Chrysochroa fulgidissima*, which are listed in the Red Lists of threatened species published by the Japanese government and Kumamoto Prefecture. We also found that the forest served as an important biotope, a green corridor, for the region, with rich ecosystems being preserved and a variety of migratory birds being observed all year round.

We will endeavor to enhance biodiversity by promoting the recovery of forested lands that have been partially wasted and will carry out nature observation meetings and biodiversity conservation activities for our employees, their families and local residents. In doing so, we aim to increase our employees' understanding of biodiversity and to solve local ecosystems issues.

#### Kumamoto Sunlight Forest






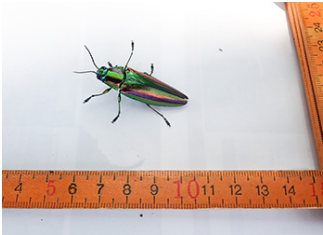




Zone A	Zone B
 <ul style="list-style-type: none"> <li>• Covers a sizeable area (approx. 5 ha)</li> <li>• Consists of secondary forest (evergreen trees and deciduous trees) and artificial forest (Japanese cedar and cypress)</li> <li>• Difficult to enter because the forest floor is covered with bamboo grasses</li> </ul>	 <ul style="list-style-type: none"> <li>• Consists mainly of deciduous trees</li> <li>• Bright and easy to walk in the forest floor due to maintenance by periodic weeding</li> <li>• Fallen leaves are thickly laid and there are many trees that yield acorns</li> </ul>
Zone C	Waterway
 <ul style="list-style-type: none"> <li>• Secondary forest (evergreen trees and deciduous trees) and artificial forest (Japanese cedar and cypress) are mixed in a mosaic pattern</li> <li>• Maintenance by weeding partly performed</li> <li>• Complicated geographical feature (steep roadway)</li> </ul>	 <ul style="list-style-type: none"> <li>• Water flows from east to west on the boundary between zone A and zone B. The waterway is mainly three concrete-lined but its central part is natural river bank</li> <li>• Can provide watering places and spawning grounds for animals</li> </ul>

### Wild plants and animals confirmed in research in Kumamoto Sunlight Forest

<Symbolic species confirmed>

Superiority	• Located at an upper trophic level in the biological community constituting ecosystems
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	<ul style="list-style-type: none"> <li>• Subject to disturbance of ecosystems and environmental variation</li> </ul>
	<div>   </div> <div>           *Owls also fall under rare species Owls           <span style="margin-left: 20px;">Martes melampus</span> </div>
Rarity	<ul style="list-style-type: none"> <li>• Species listed in the Red Lists of threatened species by the Ministry of the Environment and Kumamoto Prefecture</li> <li>• Includes species facing extinction due to reduction in their habitats and growing locations and that have weak resistance to environmental change</li> </ul>
	<div>    </div> <div> <span>Cephalanthera falcata</span> <span style="margin-left: 20px;">Chrysochroa fulgidissima</span> <span style="margin-left: 20px;">Rana ornativentris Werner</span> </div>
Typicality	<ul style="list-style-type: none"> <li>• Species that play important roles in interaction among species and functions in ecosystems of the target area</li> <li>• Species that characterize biodiversity and ecological succession</li> </ul>
	<div>    </div> <div> <span>Dendrocopos kizuki</span> <span style="margin-left: 20px;">Rhinoceros beetle</span> <span style="margin-left: 20px;">Prosopocoilus inclinatus</span> </div>

**Activities at Domestic Sites with Production Plants**

We pursue activities for biodiversity conservation at domestic sites including Group companies with production plants (47 sites).

**Meiji Co., Ltd.**

Sapporo Plant	Cleanup of Kotonihassamu River
Asahikawa Plant	Cleanup of Kaguraoka Park (Chubetsugawa Riverbed)
Wakkanai Plant	Cleanup in-plant and neighbor plant
	Sakanoshita Beach Clean Strategy, Wakkanai City
Nemuro Plant	Nemuro Tree Planting, employees' volunteer activities
Nishi Shunbetsu Plant	Maintenance for Nishi Shunbetsu cherry-tree-lined road
Tokachi Plant	Clean Action Memuro

Honbetsu Plant	Cleanup of Toshibetsu River Basin (green belt zone)
Tohoku Plant	Simultaneous Cleanup of Hirose River
Gunma Plant Gunma Nutritionals Plant Gunma Pharmaceuticals Plant	Environmental Conservation for marshland in Oze National Park
Saitama Plant	Cleanup of Furutone River
Toda Plant	Planting Primroses in Todagahara
Sakado Plant	Cleanup of Oya River
Kanagawa Plant	Sagami River Beautification Council in Chigasaki District
Karuizawa Plant	Cleanup of Chikuma River
Tokai Plant	Cleanup of Seto River and Asahina River, Almond Festival
Shizuoka Plant	Miho Masaki Coast Cleanup, undergrowth mowing for protection of Miho black pines
Aichi Plant	Sukatani River Route Cleanup
Kyoto Plant Kyoto lactobacillus Plant	Cleanup of river neighbor plant
Kansai Plant Kansai Ice Cream Plant Kansai Nutritionals Plant	Kaizuka Port Beatification Enlightenment Campaign
Osaka Plant	Adopt-a-Forest Program
Kurashiki Plant	Sami Coast Cleanup, Simultaneous Clean Activities in Takahashi River Basin
Kyushu Plant	Forest Conservation by NPO <i>Ganbariyoruyo</i> Hoshino Village
	Empty Can and Bottle Collecting Campaign in Yame City
	Symposium on <i>Yabegawa Wo Tsunagu Kai</i>
Research Center	Rural Woodlands Conservation in Utsunuki Green Area
Donan Shokuhin Co., Ltd.	Cleanup of Kameda River
Meiji Sangyo Co., Ltd.	Cleanup river neighbor plant, Tree Planting Festival
Meiji Chewing Gum Co., Ltd.	River Environment Beautification Activities
Tokai Nuts Co., Ltd.	<i>Shirafuji No Sato</i> neighborhood cleanup
	Participation in Fujieda City No-Car Day
Tokai Meiji Co., Ltd.	Fukuroi City GreenWave Activities
Meiji Oils and Fats Co., Ltd.	Amanogawa (Milky Way) Clean & Walk
Chiba Meiji Milk Products Co., Ltd.	Cleanup of Inage-no Hama, Chiba City

Kantou Seiraku Co., Ltd.	Forest Conservation Activities
Tochigi Meiji Milk Products Co., Ltd.	Volunteer Activities by <i>Tochigi Yume Daichi</i> Supporters' Group
Shikoku Meiji Co., Ltd.	Kanokawa Cleanup and Forest Improvement Activities (hosted by Kagawa Plant)
	Saita River Cleanup, Forest Improvement Activities
	Takamatsu Airport Clean Strategy
Okinawa Meiji Milk Products Co., Ltd.	Makiminato River Cleanup Strategy
	Coral Reef Recovery in Okinawa Prefecture
Okayamaken Shokuhin Co., Ltd.	Refresh Setouchi Kasaoka Coast Clean Strategy
Nihon Kanzume, Inc.	Participation in Memuro Townspeople's Tree Planting Festival
Asahi Broiler Co., Ltd.	Cleanup of Koaze River neighbor plant

### Meiji Seika Pharma Co., Ltd.

Odawara Plant	Odawara SDGs Partnership (Clean Sakawa)
Gifu Plant	Kitagata Town Beautification Movement Sponsor
Ashigara Research Center	Sakawa River Cleanup/Beautification
Ohkura Pharmaceutical Co., Ltd.	Uji City Environment Beautification Volunteer Activity

### KM Biologics Co., Ltd.

Kikuchi Research Center	River and Sea Cleanup Activity (Kikuchi River) Kumamoto Sunlight Forest Biodiversity Conservation Activity
Aso Production Center	Noyaki on Mt. Aso

### Activities at Overseas Sites with Production Plants

We pursue biodiversity conservation activities at the Group's overseas sites with production plants (20 sites).

PT. Meiji Indonesia plants productive trees in water catchment areas on the mountain slopes around the Pasuruan regency.



We at Medreich celebrated the world environment day with purpose and to create more awareness on the environment. Across the locations environment protection related banners were displayed. Saplings were planted by employees to mark the importance of this very significant day. Posters were created, and employees were issued badges, environment tip cards. Employees were also encouraged to give environment related speeches to spread their knowledge on saving

environments. Along with the above, Employees took Oath at every location for protecting Environment.



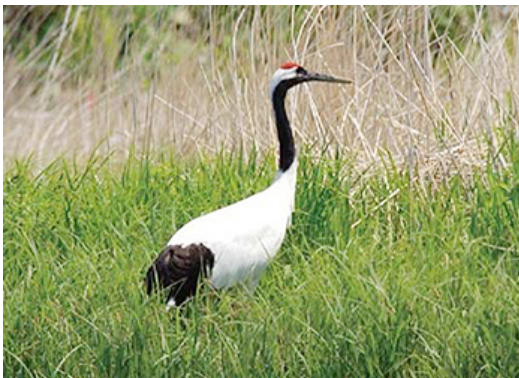
### Activities in Cooperation with Local Governments and NPOs

#### Biodiversity Conservation in the Nemuro Nature Conservation Area

Meiji Co., Ltd. carried out activities for the conservation of wild birds and biodiversity in collaboration with the Wild Bird Society of Japan from 2007 to 2019 on land (467 ha) that we owned in Nemuro City, Hokkaido. Through the activities, we confirmed that the populations of endangered wild birds, including *Grus japonensis* and *Haliaeetus albicilla albicilla*, have been maintained. Our employees provide volunteer work there twice a year, including planting trees, developing forests and watching birds, and this has helped to generate environmental awareness among employees. From 2010, the area had also been used for the environmental education of local children. We held nature observation meetings for local children and their guardians in collaboration with the Wild Bird Society of Japan and we actively participated in events with themes on wild birds held by Nemuro City.

Following the closure of a neighboring plant in 2020, we donated the natural environment conservation area to Nemuro City. However, will continue to work on biodiversity conservation activities in the area going forward in collaboration with the local society under the agreement we have concluded with Nemuro City, as we respect the significance of the activities we have engaged in .

- State of Japan's Environment at a Glance: Extinct and Endangered Species Listed in the Red Data Book



*Grus japonensis*



*Haliaeetus albicilla*



*Himantopus himantopus*



*Haliaeetus pelagicus*

#### Activities in Collaboration with Local Governments

The Meiji Group's sites and companies that have production plants pursue local biodiversity conservation by participating in such activities held by local governments. The Osaka Plant of Meiji



Co., Ltd. participates in the “Adopt a Forest Program,” hosted by Osaka Prefecture, where wasted forests, including neglected artificial and bamboo forests, are converted into broadleaf forests for the prevention of global warming and biodiversity conservation.

Shikoku Meiji Co., Ltd., a group company of Meiji Co., Ltd, participated in the “Forest Matching – Joint Forest Development Project” hosted by the Kagawa Prefectural Government and concluded an agreement with Kagawa Prefecture, Mitoyo City and the Mitoyo City Kanda Property Ward Management Association in July 2014. They named a forest (1.1 ha) located in Yamamoto-cho, Mitoyo City as Shikoku Meiji Team Wanpaku No Mori and undertake forest development activities, including cutting bamboo and planting wild cherry trees.



Participating in “Adopt a Forest Program” in Osaka Prefecture



Participating in “Forest Matching Project” in Kagawa Prefecture

Meiji Co., Ltd.’s Gunma Plant, Gunma Nutritionals Plant and Gunma Pharmaceuticals Plant, and Tochigi Meiji Milk Products Co., Ltd. participated in the “work for installing fences to prevent the invasion of wild deer in Oe Marsh in Oze” implemented by Minami-Aizu Branch District Forest Office in order to reduce the damage to alpine plants, including *Hemerocallis middendorffii* var. *esculenta*, from being eaten by wild deer. In this way, we help to secure the living environment of species and biodiversity.



Working for installing fences to prevent the invasion of wild deer in Oe Marsh in Oze



# A Richer Society

## SDGs



We contribute to a richer society through communication and cooperation with stakeholders.

## Human Resources

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### Social Issue

#### Promote Diversity and Inclusion, and Provide Training to Employees

- Evaluation and Development of Personnel
- Diverse Employees
- Personnel Development

#### Employee-Friendly Workplaces

- Encourage Personal Health Management
- Workstyle Reform
- Occupational Health and Safety

## Society

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## **Social Issue**

### **➤ Respect and Promote Human Rights**

- The Meiji Group's Basic Approaches to Human Rights
- Revision of the Group's Human Rights Policy
- System for Promoting Respect for Human Rights
- Implementing Human Rights Due Diligence
- Human Rights Education and Training

### **➤ Stakeholder Engagement**

- Promote Stakeholder Engagement
- Communicate with Our Customers

### **➤ Promote Social Contribution**

- Promote Social Contribution

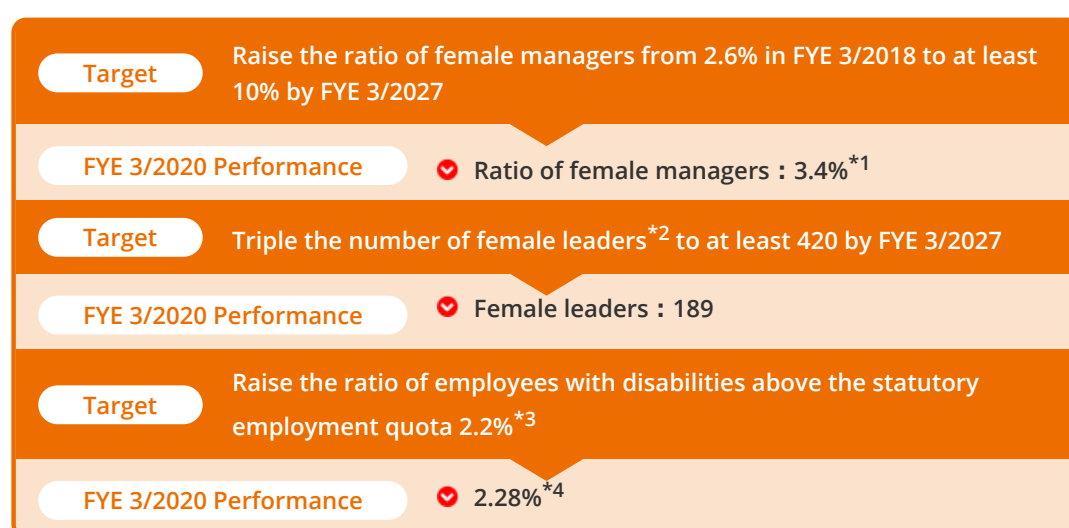
# Human Resources

## SDGs



## Social Issues

- ✓ Promote Diversity and Inclusion, and Provide Training to Employees
- ✓ Employee-Friendly Workplaces



<sup>\*1</sup> Combined stand-alone numerical targets for Meiji Holdings Co., Ltd., Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd. and KM Biologics Co., Ltd.

<sup>\*2</sup> Leader: Manager and assistant manager

<sup>\*3</sup> after April 1, 2018

<sup>\*4</sup> Combined stand-alone numerical targets for Meiji Holdings Co., Ltd., Meiji Co., Ltd., and Meiji Seika Pharma Co., Ltd.

## Promote Diversity and Inclusion, and Provide Training to Employees

### Evaluation and Development of Personnel

Our basic approach to personnel evaluation focuses on employee contributions to the development of the group as a whole. We manage organizations and human resources based on employee abilities and duties. We encourage employees to take on more challenging duties so they can grow and achieve more in their work.

Giving employees opportunities to think about the ways in which they work encourages them to adjust their behavior and strengthen their professional capabilities. Rather than evaluate individual achievements, we view achievements as steps in a larger process. This approach allows employees to identify areas for improvement, and to grow and take on more challenging tasks in the future.

Our evaluation system is designed as a holistic tool that not only evaluates personnel, but also encourages professional growth.

## **Diverse Employees**

Our Corporate Behavior Charter calls for respect for the diversity of employees. Further, the Meiji Group Policy on Human Rights declares zero tolerance for discrimination.

We operate more than 30 Group companies in Japan and more than 20 overseas. In Japan and overseas, many different employees contribute to operations in a range of workplaces. The diversity of our workforce encompasses nationality, gender, and age. Our workforce includes people with disabilities, regional employees, fixed-term employees, and employees with childcare or nursing care commitments. We will develop our human resources system and workplace conditions so each individual is motivated and finds fulfillment.

We cultivate solidarity among group companies worldwide, holding Group Philosophy briefings overseas and issuing a Group newsletter featuring events in Japan and overseas. Moreover, employees of overseas group companies participate in study tours at plants and research laboratories in Japan. We also conduct personnel exchange training among overseas and domestic employees.

### **Number of Employees Overseas (Main Countries)**

	FYE 3/2016	FYE 3/2017	FYE 3/2018	FYE 3/2019	FYE 3/2020
United States	564	588	567	561	571
Spain	353	354	288	281	277
China	995	1,118	953	1,094	1,092
Indonesia	671	792	648	648	730
Singapore	265	278	279	282	316
Thailand	381	404	394	394	407
India	1,572	1,579	1,626	1,840	1,847
Total	4,801	5,113	4,755	5,100	5,267

## **LGBT**

We promote greater understanding of LGBT issues. We have revised our current internal rules and include LGBT-related content in presentations at each training on human rights. We have relabeled company bathrooms for use by people with disabilities and people of any gender.

## **Approach**

### **Empowerment of Female Employees**

We empower female employees by helping them meet work and family commitments, while encouraging women to take on diverse jobs. The aim of these efforts is to improve our corporate competitiveness.

### **Raising Awareness through the Information Website “CHEER FOR WOMEN”**

Meiji operates CHEER FOR WOMEN, an informational website for women. It shares the President's Message and information on systems for childbirth and childcare, and introduces women who are thriving in a variety of positions, and more. Thus, we are working to help women create career development plans and increase their motivation.

## “Kirameki Juku” Held to Support Career Development and Change Mindsets for a Successful Career

As part of its diversity promotion initiatives, Meiji Seika Pharma holds “Kirameki Juku” sessions for women to support their career development and change their mindsets for a successful career. Additionally, we are working on initiatives for women to feel a sense of accomplishment in their work in the Pharmaceutical Sales Div., where many female MRs are employed.

 Number of Employees (PDF:351KB)

## Work-life Balance

We are working to create an employee-friendly environment that enables employees to fulfill their potential and takes work-life balance into account.

We are establishing systems that allow employees to balance work with childcare and family care.

## Helping Employees Return to Work after Childcare Leave

We have a system allowing employees to smoothly transition from childcare leave back to work. The program includes a pre-leave interview, sharing company information during leave, and skill-building support in preparation for returning to the workplace. The environment is designed to bring out the best in employee capabilities, even as they go through life events.

## Number of Employees Taking Leave or System for Shorter Working Hours during Childcare

		FYE 3/2016	FYE 3/2017	FYE 3/2018	FYE 3/2019	FYE 3/2020
<b>Childcare leave</b> Available until child is 2 years old	<b>Female</b>	169	178	222	248	335
	<b>Male</b>	24	24	30	40	68
<b>Measures for shorter working hours, etc., during childcare</b> Available until child is in third grade of elementary school • Shorter working hours, beginning work earlier or later • Exemption from non-scheduled or night work, use of flextime system	<b>Female</b>	161	200	229	262	385
	<b>Male</b>	1	2	2	3	6
<b>Percentage of employees returning to work after maternity or childcare leave (%)</b> After maternity or childcare leave		100	100	100	100	100
<b>Retention rate (%)</b> Employees still working two months after childcare leave		100	100	100	98	99
<b>Number of employees taking nursing-care leave</b>		5	6	5	7	12

## Support for Childrearing

Prenatal leave	Available immediately after becoming pregnant
Child-nursing leave	5 days per year available until child starts elementary school
Support for childrearing	When employee or spouse gives birth • Special payment for birth • Nursery items

Next-generation childrearing allowance

Available until employee's son or daughter reaches the age of 20

Benefit association

- Special payment for birth
- 50% of amount used for babysitter services (not exceeding 30 days)
- Special payment for school enrolment

➤ [Child Care Leave \(PDF:351KB\)](#)

### Employment of Persons with Disabilities

We meet the statutory employment rate for people with disabilities. Moreover we create workplaces that allow employees to fully realize their capabilities regardless of disabilities. Our numerous employees with disabilities work at more than 40 bases around Japan.

Wheelchair ramps and barrier-free lavatories make it easier for people with disabilities to work for us.

➤ [Employees Rate for People with Disabilities \(PDF:351KB\)](#)

### Retiree Reemployment

After reaching the retirement age of 60, our employees have the option of continuing to work up to the age of 65. Reemployed personnel guide and lead young employees, setting a good example. Since 2010, every applicant has been approved for reemployment.

➤ [Number of Seeking Reemployment \(PDF:351KB\)](#)

## Personnel Development

The Meiji Group has created a basic policy concerning skills development, and the company provides a skills development structure to foster human resources.

### <Basic policies for developing the capabilities of personnel>

To achieve the Long-term Vision laid out in the Meiji Group 2026 Vision, we will:

1. Develop personnel who have the proactive mindset, as well as the expertise, creativity, and practical skills, needed to take on and achieve ambitious targets
2. Spur group expansion by growing individuals and developing independent-minded personnel who raise groupwide capabilities
3. Develop personnel who fully understand the Group Philosophy and put the meiji way into practice at an advanced level

### Skills Development Structure

	New employees	Mid-career employees	Managers	Objectives
Rank-based training	Training for new employees	Training for promoted employees Training for career track employees Training for clerical workers	Training for newly promoted managers	<ul style="list-style-type: none"> <li>• Train young employees</li> <li>• Develop promoted employees</li> <li>• Develop management skills</li> </ul>
Global training Diversity management		Global training <ul style="list-style-type: none"> <li>• Language training</li> <li>• e-learning</li> <li>• Training through overseas assignments</li> </ul> Support to create individual career paths for women	Training for managers with female subordinates	<ul style="list-style-type: none"> <li>• Develop personnel to work overseas</li> <li>• Strengthen diversity management</li> </ul>
Developing next-generation leaders		Training for next-generation leaders  Training at business school and external venues <ul style="list-style-type: none"> <li>• Management school</li> <li>• Interaction with and exposure to other industries</li> <li>• Developing managers</li> </ul>	Training for top management	<ul style="list-style-type: none"> <li>• Fostering innovation</li> <li>• Developing next-generation leaders</li> <li>• Developing next-generation managers</li> </ul>
Division-specific and group company training such as self-development	Division-specific training <ul style="list-style-type: none"> <li>• R&amp;D</li> <li>• Quality</li> <li>• Manufacturing technologies</li> <li>• Logistics</li> <li>• Sales</li> <li>• Marketing</li> </ul>		Training for Group company employees New employees Business management (fundamentals and practice) Self-development support e-learning, Open college, Distance learning, Video archives	<ul style="list-style-type: none"> <li>• Raise the level of expertise specific to a division</li> <li>• Strengthen group companies</li> <li>• Self-development support</li> </ul>

## Approach

### Manager Development

Directors, Audit & Supervisory Board members, and executive officers receive opportunities to better understand their roles and duties. This training includes legal responsibilities, corporate governance, compliance, and risk management. If necessary, these individuals are provided with information about Meiji Group businesses, organizations, financial status, and so on.

Outside directors and outside Audit & Supervisory Board members are given information about Meiji Group management strategy and the nature and status of the company's businesses. These individuals are provided opportunities to observe factories, research centers, and other facilities. Newly appointed executives receive necessary training from external organizations.

### Rank-Specific Training, Business Skills Training at Each Career Stage

Systematic training for Meiji Group employees starts with new-employee training, where employees learn the basic knowledge, behavior, and attitudes they need for work at Meiji. Next, employees receive training in logical thinking, follow-through, team-leadership skills, and the qualities and capabilities of a business leader. Managers receive training at each relevant stage, helping them reflect on their management style and strengthening their ability to foster their subordinates. Training for upper management is designed to enhance management skills to make the workplace more dynamic and to cultivate an awareness of self-reform as participants seek to become management leaders.

➤ [Employee Training Expenses \(PDF:351KB\)](#)

### Training Program for the Development of Personnel Capable of Working Globally



We provide a wide variety of training programs to develop personnel capable of working globally.

1. Self-development language courses
2. Language training in English- and Chinese-speaking countries for effective language-learning and understanding of different cultures
3. Programs sending selected personnel to business language schools to acquire practical language skills
4. Programs to instill perseverance, understanding of diversity, and mental toughness by sending personnel overseas to gain first-hand experience in business customs under challenging conditions

### **Personal Development Training**

We provide motivated employees with opportunities for personal development on an applied-for basis. This program supports employees who wish to develop their abilities.

### **Employee Self-Assessment System for Career Planning**

Under our self-assessment system, employees meet with a superior once a year to talk about the volume and quality of their work, their aptitudes, career plans, and related topics. This meeting is an opportunity for employees to think about their work style and career path. For the company, this meeting is a chance to learn the employee's ideas and situation. Based on these meetings, the company considers ways to best use and foster individual employees.

## **Employee-Friendly Workplaces**

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### **■ Encourage Personal Health Management**

Meiji Group Declaration on Health Management

The Declaration on Health Management is our statement of policy for managing employee health. This Pledge apply to domestic Meiji Group companies and their officers and employees.

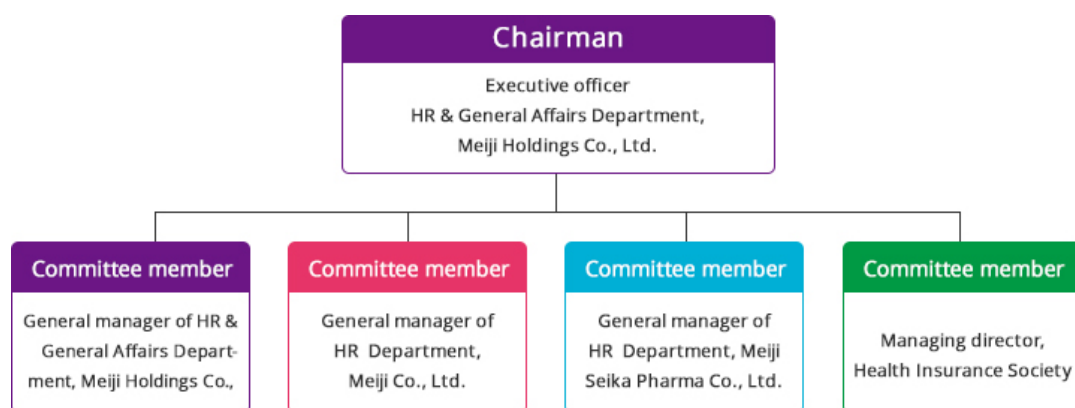
### **Pledge of Health and Productivity Management**

Mental and physical health are fundamental to our employees and their families in enriching employee lives and allowing them work to their full potential. Mental and physical health are also fundamental to the company to increase productivity and corporate value. We at the Meiji Group aim to be a comfortable place to work, fostering dynamic employees who are healthy in mind and body.

1. Employees mindfully manage their own health and the health of their families.
2. The company actively supports employees as they work to build on their health management capabilities.
3. The company endeavors to establish a workplace where employees can work in confidence, physically and mentally.

### **<Promotion system>**

The Meiji Group promotes health management, mostly through the Health Management Promotion Committee, comprised of the company and its health insurance society.



## Approach

### Promoting Employee Health

Promoting employee health is one of our corporate responsibilities. We create vibrant workplaces through multifaceted support for employee health.

### Target

Item	Target
Fitness Habits, Incentive Sports	Improve the percentage of employees who participate and achieve the walking campaign
Smoking cessation promotion	Separation of smoking areas at the workplace Support for employees undergoing smoking cessation Step-by-step prohibit smoking during work hours
Employees with the Risk of Lifestyle-related Disease	Coverage* of employees undergoing second periodic health examinations is 100%

\* Coverage: Health checks for employees by medical institution consultation and meeting with occupational physician, nursing staff and HR staff

### Performance

			FYE 3/2016	FYE 3/2017	FYE 3/2018	FYE 3/2019	FYE 3/2020
Employees with the Risk of Lifestyle-related Disease	Percentage of employees undergoing periodic health examinations		97.4%	99.6%	100.0%	100.0%	100.0%
	Percentage of employees who maintains desirable weight (BMI18.5~25)		67.4%	67.1%	66.8%	66.0%	65.1%
Stress Check	Participation rate		-	92.7%	94.6%	93.8%	93.5%
Fitness Habits, Incentive Sports	Walking Campaign	Participation rate	49.3%	47.5%	49.5%	54.9%	58.6%
		Achievement rate	28.5%	28.3%	29.4%	30.8%	32.6%

		FYE 3/2016	FYE 3/2017	FYE 3/2018	FYE 3/2019	FYE 3/2020
	Percentage of employees who exercise for half an hour or more at least twice a week	22.1%	22.1%	22.2%	21.2%	24.4%
<b>Quit-smoking Program</b>	Number of Participants	-	-	-	-	39

## Topic

Fifth Straight Year as a Certified Health and Productivity Management Organization (White 500)

Our initiatives for employee health (checkups, health guidance, mental health care, exercise habit support, etc.) have won acclaim. Meiji Holdings, Meiji, and Meiji Seika Pharma were chosen for the list of Certified Health and Productivity Management Organizations (White 500).



## Workstyle Reform

We believe it is our corporate responsibility to create a safe and healthy environment at the workplace. To achieve this, we are creating a positive and comfortable work environment to promote a good work-life balance.

## Approach

### Improving long working hours

- Reporting and managing working hours appropriately
- No-overtime days (once per week)
- Improving productivity by implementing a work-focus time strategy
- More effective meetings to increase productivity
- Streamlining work tasks at each workplace to improve efficiency

### Encouraging employees to take paid leave

- Encourage employees to take paid leave for five consecutive days
- President advocates employees taking consecutive paid leave
- Schedule vacation at the beginning of the year and share it at work
- Follow up with employees who do not take paid leave

### Promoting flexible work-style

- Implement work-at-home programs and flextime system
- Support male employees who wish to take childcare leave
- Run programs to help employees continue their jobs during life events
- Expand applicable time periods to work short shifts to accommodate childcare

📄 Overtime Work (PDF:351KB)

### Employee Awareness Survey

We periodically take an employee awareness survey. This survey assesses workplace climate and energy level from various angles, revealing employee perceptions and issues to be addressed.

## Occupational Health and Safety

The Meiji Group embraces the concept of “safety over everything,” which is a theme in our Policy on Occupational Health and Safety. We work continuously to ensure workplace safety and promote health maintenance and improvement among employees.

[!\[\]\(21199eb166cc97331a0c54c649195dcc\_img.jpg\) Policy on Occupational Health and Safety](#)

## Management system

Each company in the Meiji Group has the Health and Safety Committee. This committee takes the lead in setting yearly targets and following the PDCA cycle to take initiatives suited to the business and operating base.

## Approach

### Certification Status of ISO45001

#### Food Segment

Japan : 17 Plants and 3 Group Companies

Overseas : 1 Group Company

#### Pharmaceuticals Segment

Japan : 1 Plant

Overseas : 1 Group Company

[!\[\]\(fe3aebe81acea8d45108cd2768939da7\_img.jpg\) List of Certification Status of ISO14001 and ISO45001](#)

### Reducing Equipment- and Work-Related Risks and Performing Safety Audits and Inspections

The Meiji Group works with partner companies to reduce equipment- and work-related risks, ultimately eliminating occupational accidents and injuries. We also perform safety audits and inspections to prevent occupational accidents, injuries, and legal and regulatory violations at each operating base. In the event an occupational accident or injury does occur, we investigate the cause, carry out equipment safety inspections and countermeasures, and work to prevent recurrence.

[!\[\]\(248b91fcdac4810ffd15cf33fb6aec6f\_img.jpg\) Frequency Rate of Lost-worktime Injuries \(PDF:351KB\)](#)

### Occupational Safety and Health Training at Each Business and Operating Base

The Meiji Group provides health and safety training suited to each business and operating base.

- Meiji Co., Ltd.

The company's Health and Safety Handbook covers laws, regulations, and the prevention of recurrence of past incidents. This book is used to train employees in occupational health and safety. Other training is designed to ensure that past incidents and lessons are not forgotten. This training is conducted at an internal training facility with panels displaying these incidents and lessons learned. The facility also provides sensory equipment to experience safety.

- Meiji Seika Pharma Co., Ltd.

Each operating base conducts workplace patrols and hosts safety patrols performed by health and safety staff from other operating bases. External consultants perform safety assessments. All operating bases share these results, which are also used for the occupational health and safety training of employees.

Meiji Co., Ltd. and Meiji Seika Pharma Co., Ltd. share information beyond across outside their immediate organizations to prevent similar disasters.

### Labor Relations

Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd. and KM biologics Co., Ltd have labor unions.

We believe that sound labor-management relations are crucial for effective corporate management. We engage with unions in regular labor discussions, wage negotiations, and health and safety discussions.

Each union employs a union shop system, meaning 100 percent of full-time (non-management) employees join the union.

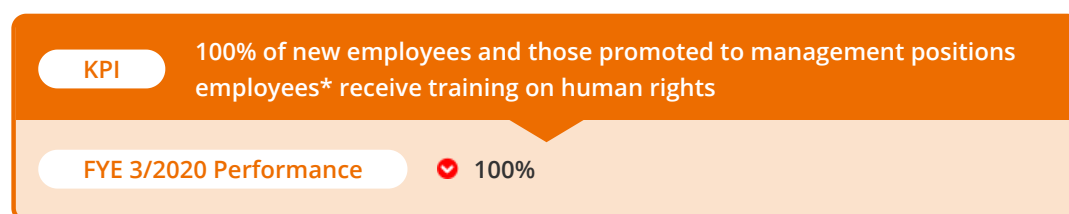
# Society

## SDGs



## Social Issues

- ✓ Respect and Promote Human Rights
- ✓ Stakeholder Engagement
- ✓ Promote Social Contribution



\* Meiji Holdings Co., Ltd., Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd. and KM Biologics Co., Ltd.

## Respect and Promote Human Rights

### Meiji Group's Basic Approaches to Human Rights

Meiji Group has declared respect for human rights in its Corporate Behavior Charter, and it manages its businesses based on the strong belief that all people are inherently free and deserve equal respect and rights. We will promote respect for human rights throughout the Group and fulfill the Group's obligations.

### Revision of the Group's Human Rights Policy

We established the Meiji Group Policy on Human Rights in 2016 and have been spreading awareness and implementing human rights initiatives. Subsequently, we revised it to the Meiji Group Human Rights Policy in February 2020 and are enhancing our initiatives on human rights. The new policy includes: international codes for supporting and respecting human rights, a ban on discrimination based on sexual orientation and gender identity, and performing human rights due diligence.

- ➔ [Meiji Group Policy on Human Rights \(PDF:184KB\)](#)

### System for Promoting Respect for Human Rights

We launched the Group Human Rights Meeting in July 2019 as a cross-organizational meeting and began human rights due diligence. The meeting aims to deal with a variety of human rights issues that society requires companies to address, based on the Framework for Business and Human Rights approved by the United Nations Human Rights Council. Through this initiative, we will meet the expectations of society. The meeting consists of representatives from the sustainability divisions of each operating company as well as the human resources divisions. The issues raised in the meeting are reported to the bi-annual Group Sustainability Committee. The Executive Committee and the Board of Directors review them appropriately and incorporate them into business management.



## Implementing Human Rights Due Diligence

We started the human rights due diligence in FY2019 and it forms our commitment to human rights based on the Meiji Group Human Rights Policy. We make constant efforts to communicate with external stakeholders by: assessing the impact on human rights caused by the Meiji Group's corporate activities and identifying issues; incorporating these evaluation results into procedures and implementing them for meaningful improvements; follow-up evaluations to review effectiveness; and timely and appropriate information disclosure. By continuous improvement through these processes, we will achieve both respect for human rights and sustainable businesses growth.



## Identifying Human Rights Risks and Prioritizing

In FY2019, we reviewed our entire value chain in the Food and Pharmaceutical Businesses and identified the existing human rights risks. We evaluated risks objectively using external evaluators.



We chose three high priority issues in FY2019. We established subcommittees for each issue, discussed specific measures, and understood the current situation.





## Developing a Responsible Supply Chain

Meiji Group conducts procurement activities that consider human rights and the global environment under the "Meiji Group Procurement Policy."

We are working together with our business partners to implement preventive and mitigation measures for incidental risks with the aim of realizing responsible procurement.

- ▶ Procure Raw Materials with Consideration Toward Human Rights and the Environment

## Responding to human rights related laws and regulations in each country and region

In expanding our business globally, Meiji Group will comply with the laws and regulations regarding the working environment and human rights established in each country, and will act in good faith in all business activities.

### UK Modern Slavery Act 2015

- ▶ Modern Slavery Act Statement 2019 (PDF:298KB)

### California Transparency in Supply Chain Act

- ▶ California Transparency in Supply Chains Act Statement (PDF:222KB)

## Human Rights Education and Training

We engage in education and training activities related to respect for human rights and prohibition of discrimination, prohibition of forced and child labor, prohibition of harassment, safe and healthy workplaces, respect for fundamental rights of employees, and more, based on the Meiji Group Policy on Human Rights.

### Approach

#### In-company Training

In Japan, we provide internal training related to general sustainability principles and human rights for new employees and those employees promoted to management positions in Meiji HD, Meiji, Meiji Seika Pharma, and KM Biologics and employees of domestic group companies. Training is based on the Meiji Group Policy on Human Rights. We also conduct internal human rights training at overseas group companies.

### Results of Human Rights Trainings

	FYE 3/2017	FYE 3/2018	FYE 3/2019	FYE 3/2020
Human Rights Training Participation rate	100%	100%	100%	100%
Number of new employees	211	237	214	211
Number of newly promoted managers	164	194	158	115
Participants at domestic group companies	-	520	528	29
Participants at overseas group companies	-	-	-	12

## Stakeholder Engagement

### Promote Stakeholder Engagement

We take every opportunity and use every means to engage in communications with important Meiji Group stakeholders (our customers, employees, business partners, shareholders and investors, global environment, society). In this way, we answer the expectations of our stakeholders and fulfill our social responsibilities.

## Approach

### Employee Engagement

To achieve the Meiji Group 2026 Vision and be a company that can grow sustainably, we believe improving employee engagement is essential. Therefore, we conducted the “Employee Opinion Survey” in 2019 and 9,740 employees responded to the survey. The results revealed that the Meiji Group’s engagement score is higher than the average score of other companies and that our organization is in a good state. However, there are some issues, such as the “Sense of togetherness within the Group” and “Our autonomous and precedent-setting initiatives toward the future.” Based on this survey results, we will improve employee engagement through education and training. Also we will strive to strengthen employees’ sense of ownership and responsibility in achieving the 2026 Vision and meeting tough challenges.



### Having a Sense of Ownership over the Group’s Future: Going Above and Beyond

Following the results of the Survey, we have established “having a sense of ownership over the Group’s future: going above and beyond” as our challenge for organizational reform, and we have spread awareness of it throughout the Group. We have set three specific tasks and are working hard to achieve them: improve communication, reform management, and increase employee motivation.

#### 1 Improve Communication

Enhancing Group-wide communication

#### 2 Management Reform

Enhancing our function as a communication hub that links management to workplace and workplace members to each other

#### 3 Employee Motivation

Provide opportunities for every employee (especially young employees and leaders) to engage in challenging work

### Presentation Session for Cases Demonstrating Corporate Philosophy/Action Guidelines held to encourage employees to take the initiative

KM Biologics holds a Presentation Session for Cases Demonstrating Corporate Philosophy/Action Guidelines every year. Employees take the lead in introducing activities that embody our Corporate Philosophy and Action Guidelines, and share the results with all the employees. In the 2020 Session, over 100 activities were entered from various departments. The top award was given for the task improvement activities by part-timers. They took the initiative in preventing incorrect operations and improving tasks by enhancing tools and apparatus. These sessions increase not only employee motivation, but also the company’s competitiveness.



Top award-winning members of the Quality Control Dept. at Kikuchi Factory

### Communicate with Shareholders and Investors

We hold briefing meetings, IR events, and publish an informative IR website to keep our shareholders and investors up to date on the direction and strategies of the Meiji Group.

▶ IR Activities (PDF:351KB)

## External Dialogues

We hold dialogues without outside experts, reflecting their opinions and recommendations in our vision, upcoming fiscal year plans, and business tactics.

## Environmental Communication

Each plant and research laboratory conducts reporting seminars and study groups to highlight our environmental initiatives for local citizens, local governments, elementary schools, and middle schools. In addition to covering our initiatives for water and air pollution and CO<sub>2</sub> reduction, we also listen to feedback to incorporate into future activities.

## Participation in Trade and Environmental Organizations

As of September 2020

Trade Organization	Activities	Role
Japan Dairy Association	Provide milk influencers and the people concerned with dairy farming and business with the information, which leads to the solution to common challenges of the dairy farming and business and to the value improvement of milk and dairy products.	Director
Japan Dairy Industry Association	Provide information related to milk and milk products; environmental measures, etc.	Vice-Chair
Japanese Association of Fermented Milks and Fermented Milk Drinks	Provide information related to hygiene and quality of probiotics; start and operate a consumer consultation desk, etc.	Vice-Chair
Japan Milk Fair Trade Conference	Fairness certification marks/guarantees; consumer awareness promotions, etc.	Vice Committee Chair
Japan Ice Cream Association	Provide information for improved hygiene and quality related to ice cream; environmental measures, etc.	Vice-Chair
All Nippon Kashi Association (ANKA)	Provide stable supply of raw materials for sweets; initiatives to expand demand for sweets; normalize business practices; environmental measures, etc.	Chair
Chocolate and Cocoa Association of Japan	Promotional activities to spread awareness and encourage consumption of chocolate and cocoa; initiatives related to raw materials; share results of information collection and surveys, etc.	Vice-Chair
Japan Chocolate Fair Trade Conference	Chocolate and Cocoa Association of Japan activities: 1) To increase the consumption of Chocolate and Cocoa in Japan. 2) Provide information about raw materials of Chocolate and Cocoa. 3) Collect information and investigate its substance about Chocolate & Cocoa and its distribution.	Vice-Chair
Japan Biscuit Fair Trade Conference	Draft and manage fair competition rules serving as voluntary rules to prevent unethical gifts and fraudulent labeling related to biscuits.	Vice Committee Chair

Trade Organization	Activities	Role
Japan Care Food Conference	Establish standards to encourage confidence in care foods; conduct promotional activities; contribute to the health of citizens; contribute to the healthy growth of the industry.	Vice-Chair
Fair Trade Council of the Ethical Pharmaceutical Drugs Marketing Industry	Promote awareness, offer consultations, and provide guidance for fair competition rules related to pharmaceutical drugs.	Director
Federation of Pharmaceutical Manufacturers' Associations of JAPAN	The Federation investigates and studies necessary matters for the development of the pharmaceutical industry, and collects, complies, and implements impartial suggestions provided by the industry. The Federation acts as the coordinator to assist in the healthy development of the pharmaceutical industry and strives to improve the overall quality of life of all citizens.	Director
Japan Pharmaceutical Manufacturers Association (JPMA)	JPMA has been contributing to advancing global healthcare through the development of innovative ethical drugs, facilitating sound development of the pharmaceutical industry through proactively establishing policies and recommendations in response to globalization and enhancing public understanding of pharmaceuticals.	Director
Japan Association of Vaccine Industries	JAVI aims to promote appropriate vaccination by sharing information on vaccines and vaccination to increase public awareness and allow users to understand the facts before receiving vaccination.	Director
Japan Association of Blood Preparations	JABP's goal is to contribute to public health and social welfare through the promotion of the blood plasma product industry by developing the safety, efficacy and quality of blood plasma products and ensuring their appropriate use by health care providers and the public.	Director
Japan Veterinary Products Association	Japan Veterinary Products Association (JVPA) is a public interest incorporated association for development, improvement and spread of pharmaceuticals, quasi-drugs and medical devices used for animals, aiming at contribution to the improvement of animal health.	Director

## Meiji Group Participation in Industry Group Environmental Committees

As of September 2020

Japan Dairy Industry Association	Environmental Committee
All Nippon Kashi Association (ANKA)	Environmental Committee
Japan Frozen Food Association	Environmental Subcommittee
Japan Food Industry Association	Environmental Committee
Kanto Forestry and Fisheries Environment Council	

## Participation in Recycling Industry Committees

Committee for Milk Container Environmental Issues	General Affairs Committee, Event Committee
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Plastic Packaging Recycling Council	Planning Committee, 3R Promotion Special Committee
Paper Packaging Recycling Council	Technical Committee
LL Paper Pack Recycling Study Group	Managing Committee

## Communicate with Our Customers

### Food Segment

Our Customer Service Center strives to ensure customer trust and satisfaction through prompt, honest, fair, and appropriate service. The center receives a wide range of inquiries regarding products and services. We use this customer feedback to develop new, and improve existing, products and services.

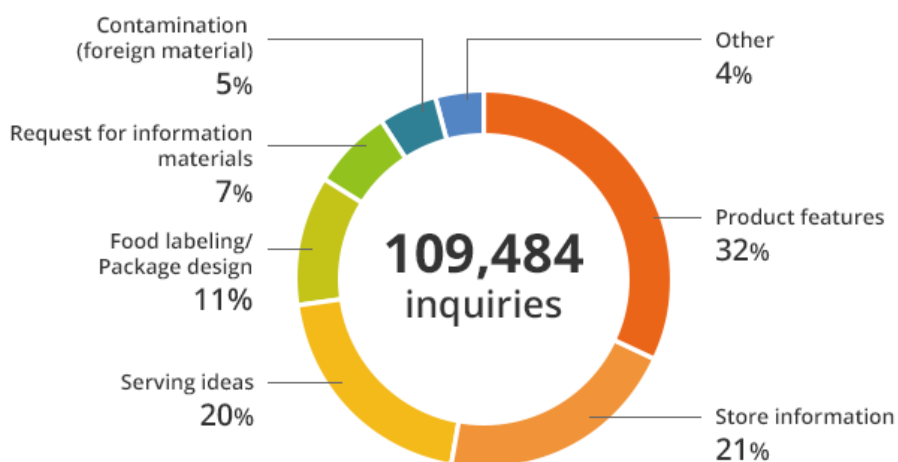
### Approach

#### Customer Service Center

Our Customer Service Center uses a proprietary system to record and analyze customer feedback. The center strives to respond politely and provide useful information to allow customers ease of mind in using our products. The center also shares information with related departments to develop and improve products and services for greater customer satisfaction.

### Evidence

Inquiries to the Customer Service Center by Subject (FYE March 2020)



### Topic

Reflecting Customer Feedback to Improve Products

<Products>Frozen Food, Meiji Pizza & Pizza (2PC)

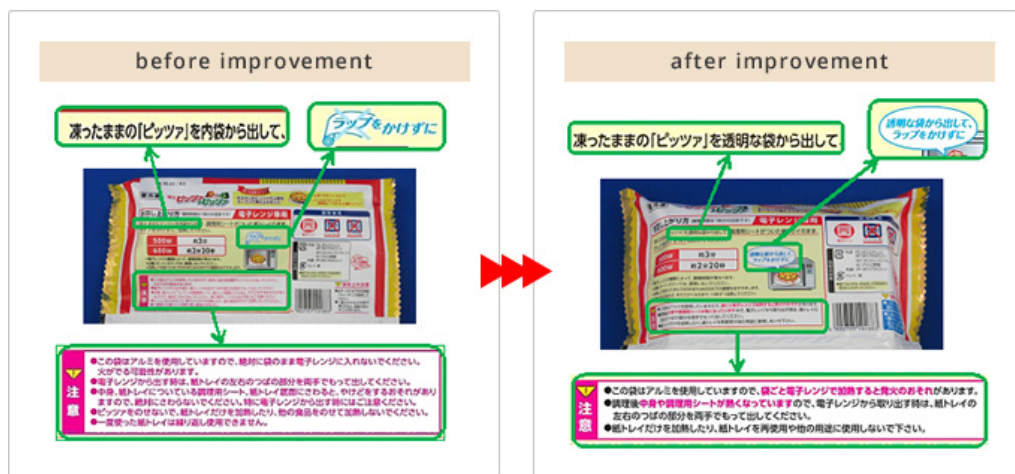
<Customer Feedback> Exterior back label (how to consume) is confusing.

1. Label on the back says remove the frozen "pizza" from the interior bag. However, the interior bag is clear; I almost put it in my microwave.
2. Caution! label text is all in red, making it difficult to read. Hard to see which point is the real point of caution.

<After Improvement>

1. Modified explanation. Changed "interior bag" to "interior clear bag." Changed pull-out text next to the picture of the microwave to say, "remove from clear bag; do not wrap in plastic" (vs. "do not wrap in plastic" before change).
2. Caution! label now in black text, using red text for important points only.

<Exterior back (top)>

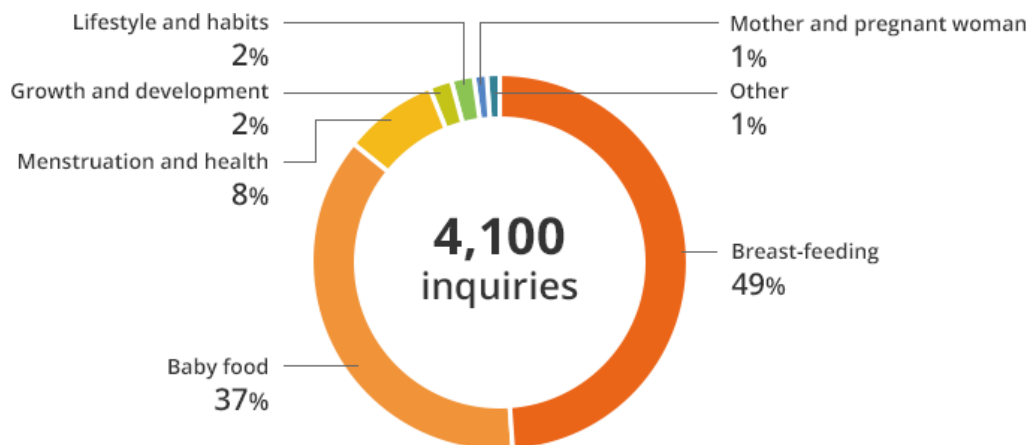


## Counseling Office for New Mothers

Meiji's Counseling Office for New Mothers was established approximately 40 years ago. Managerial dietitians and dieticians at our counseling office offer valuable advice for new mothers, family members, and other persons engaged in childcare.

## Evidence

Breakdown of Inquiries to the Counseling Office for New Mothers by Subject (FYE March 2020)



## Adequate Labeling is for Customers Simple to Understand

The Meiji Group abides by the regulation and label products which is for customers simple to understand. The Meiji Group confirms the label on products adequate.



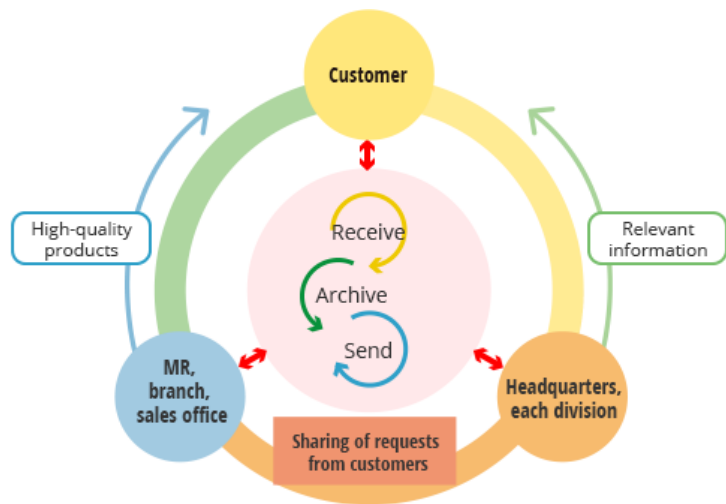
Red color	: Trademark Act
Orange color	: fair competition code (drinking milk)
Peach color	: FSC certified
Green color	: food labeling system, food labeling standards
Purple color	: Measurement Act
Olive	: Patent Act
Black	: Act on the Promotion of Effective Utilization of Resources
Aqua	: Product Liability Act

## Pharmaceuticals Segment

## Drug Information Center

We have developed a system to make best use of customer feedback in the Drug Information Center. We provide attentive and high-quality responses to healthcare professionals, patients, their families, and caregivers.

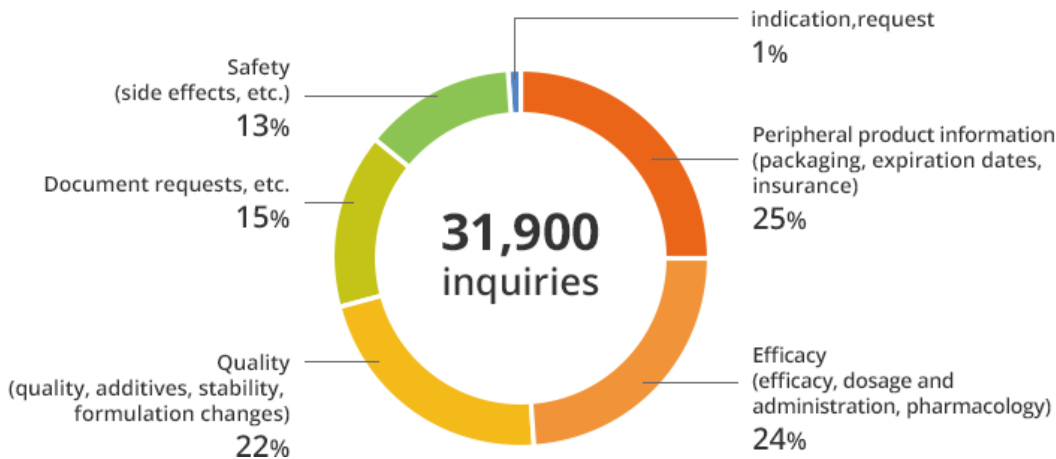
System for using customer feed back



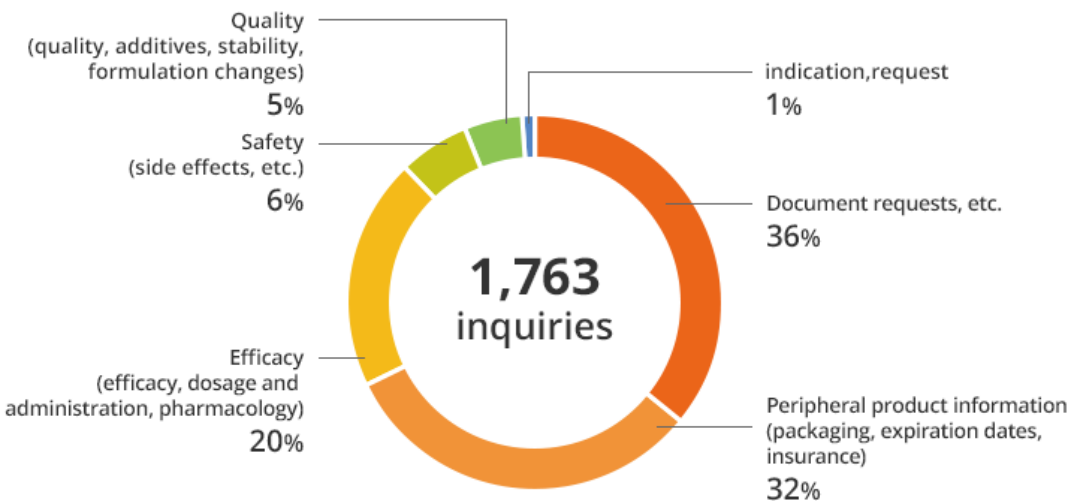
Evidence

Breakdown of Prescription Pharmaceutical Inquiries by Subject (FYE March 2020)

■ Meiji Seika Pharma Co., Ltd



■ KM Biologics Co., Ltd



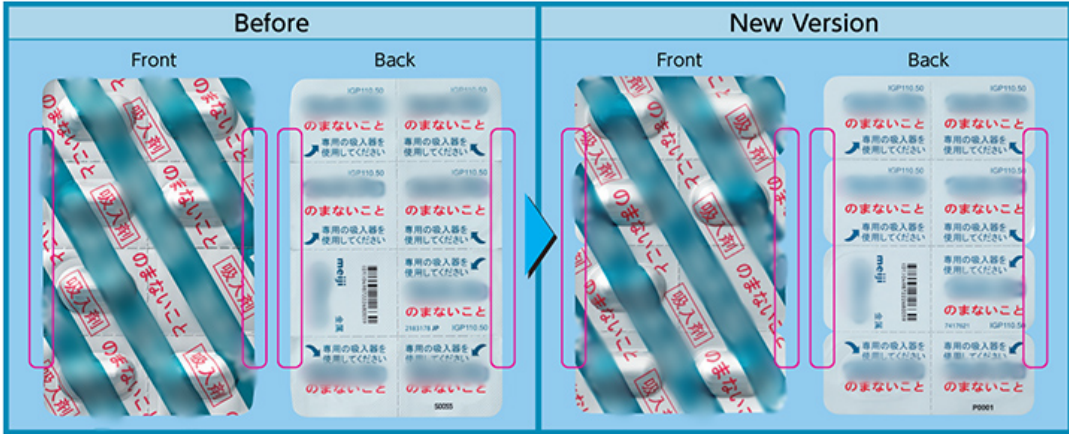
Topic

Improved aluminum sheet used for packing inhalation capsules



We incorporated patient feedback, changing the specification for cutting V-notches in the aluminum sheet to improve usability.

We develop new products to ensure greater levels of customer satisfaction.



**KM Biologics Co., Ltd.: Printed Content of Japanese Encephalitis Vaccine Package has been Improved**

<Customer feedback>

We have received queries from some customers (medical staff) regarding the Japanese encephalitis vaccine, such as: "Is it correct to administer 0.25 mL to children under 3 years old?", "It is difficult to tell from the label on the individual packaging box whether it contains 0.5 mL or 0.25 mL product", or "Is it okay to use one vial for two children under 3 years old?"

<What has been changed?>

Originally, the dosage and handling precautions had been described only in the package insert. In order to clarify "the vaccination dosage for children" and to avoid "one vial for two children" usage from the viewpoint of ensuring sterility, notices saying "administer 0.25 mL to children under 3 years old" and "strictly avoid reuse of residual vaccine fluid in the vial" were added on the top of the individual packing box and the inoculation volume by age was specified on the back side of the box.



**Initiatives for Appropriate Information Disclosure**

The Meiji Group complies with laws and corporate ethics in advertising and promotion activities, providing information based on fairly stated content and phrasing to prevent falsehoods or exaggerations. We conduct activities report based on our Pledge to be a customer-oriented company.

**Promote Social Contribution**

As a member of society, the Meiji Group incorporates a variety of sustainability initiatives in our corporate behavior charter. We contribute to society by developing special infant formulas and drugs for rare diseases, as well as providing support for areas struck by disasters.

## Approach

### Social Contribution Activities in each Country, Region, Business Location

#### Participation in Local Cleanup Activities and Events

We are aware of our responsibilities as a good corporate citizen. Therefore, we regularly clean up and maintain the areas surrounding our facilities. Also, we actively participate in municipal authority activities and events aimed at beautifying local environments.



## Topic

### Shareholder Benefits

We offer a gift selection option for shareholder benefits. Shareholders have the option of donating an equivalent value of shareholder benefits to a charity organization, and the company matches this gift. In FYE March/2018, we donated a total of 12.04 million yen in chocolate, biscuits, and other items to 250 organizations (charities for Kumamoto Earthquake and Great East Japan Earthquake survivors, disabled children, etc.) through the Japan NPO Center.

### Support for Disaster Areas, Developing Countries

We work in cooperation with NPO entities to provide support for recovery in the aftermath of the Great East Japan and Kumamoto Earthquakes.

## Evidence

### Disaster Area Support

The northeastern part of Japan was hit by a devastating earthquake on March 11, 2011, the Great East Japan Earthquake. In southern Japan, a strong earthquake centered in Kumamoto Prefecture in Kyushu occurred in the evening of April 14, 2016, followed by a second even stronger earthquake in the early morning of April 16, 2016. The Meiji Group gives donations, infant formula, confectioneries, and other items to those in disaster areas. Other support activities include holding such events as nutritional seminars to maintain the health of evacuees.

The Meiji Group participates in the support projects of the Reconstruction Agency. To support the restoration of the disaster areas of the Kumamoto Earthquake and the Great East Japan Earthquake, group companies held a market in the Meiji Group's head office building in January 2018. A total of 310 employees took part in the market in 2018. Volunteers cut grass around temporary houses and moved household valuables to safety near Mashiki, Kumamoto. Volunteers helped prepare and clean up after a memorial event in Morioka, Iwate. We provided nutrition education to a total of 162 citizens in devastated areas in seven different seminars during the year.



## Social Contributions Through our Products

We contribute to Society through development and manufacture of rare diseases drugs, and manufacture and stable supply of special infant formula.

### Topic

#### Rare Diseases Drug for Dravet's Syndrome Treatment, *DIACOMIT*®

Dravet's syndrome is an intractable form of epilepsy occurring in infancy. The disease develops in one infant in every 40,000. The syndrome is a severe disease that has a major impact on patients and their families because it causes seizures, delays physical and mental development, and has a high mortality rate.

As there was no effective drug for Dravet's syndrome treatment available, We launched *DIACOMIT*® Dry Syrup (oral suspension) and *DIACOMIT*® Capsule in 2012. We make efforts to provide accurate and timely information on the effectiveness and safety of this drug to healthcare professionals for the correct dosage to patients. Patients, their families, healthcare practitioners, and the government have high expectations for *DIACOMIT*®, and they regularly express their gratitude to us for the drug.



### Voices

#### Meiji Group's contribution for children with intractable diseases



Yushi Inoue, M.D.  
Director of Hospital Shizuoka  
Institute of Epilepsy and  
Neurological Disorders  
National Hospital Organization

A drug for the rare disease Dravet's syndrome, *DIACOMIT* has been prescribed to approximately 500 children since launch in 2012.

Covering all cases, we have collected high-quality post-marketing surveillance, a rarity for many drugs. Enlightenment tools have been developed to enable information provision that benefits illness understanding and treatment. Recently, I have the impression that it has become less difficult to manage the severe seizures associated with this illness, which may be attributable to the popularity of *DIACOMIT*.

Special formulas are vital to the lives of children with



intractable diseases. We are grateful that the company is responded to social needs by continuing to offer these products.

### Raising Awareness of Photodynamic Therapy (PDT) **LASERPHYRIN®** for Injection

Photodynamic therapy (PDT) is a topical treatment that entails the injection of a photosensitizing agent and the use of low-power laser light to irradiate lesions. The photosensitizing agent has a high affinity with tumors, and the laser light causes tumor tissue degeneration or necrosis. PDT is a treatment method that does not affect normal tissue and mitigates the physical impact on patients. We promote the combination of PDT **LASERPHYRIN®** for Injection and laser equipment for PD laser and PD laser BT.



Photodynamic laser device

Photodynamic therapy (PDT) **LASERPHYRIN®** for Injection was approved for indications of early lung cancer and malignant brain tumor treatment. This treatment was approved for indications of recurrent/residual esophageal cancer in 2015. Prior to this, there was no established standard therapy, and prognoses for this recurrent/residual esophageal cancer were not encouraging. We will continue to contribute to the field of medicine, promoting PDT and providing a stable supply of the drug and laser equipment.

### Special Infant Formula Helps Save Babies' Lives

We manufacture and sell special infant formulas for babies with a variety of metabolic disorders. Often, babies are born with congenital metabolism disorders (also known as inborn metabolism errors). These babies require special nutritional management using special formulas suited to their particular disorder. We are committed to the production and supply of these special formulas. We manufacture and supply 20 types of special formula for a variety of metabolic disorders. These products include officially registered formulas, as well as formulas designed for treatment of non-congenital metabolic disorders.



Our lineup of special formulas (registered special formulas)

As a leading manufacturer of infant formulas, it is our responsibility to ensure the healthy development of babies. We will continue to utilize the technologies and expertise amassed through creation of our products to better fulfill this mission.

### Infant Formulas for National Council of Homes for Infants

As a leading company in infant formulas, we wanted to help promote healthy growth of infants and toddlers, and therefore we started donating Meiji Hohoemi in June 2019 to infant homes and orphanages nationwide through the National Council of Homes for Infants. We donated Meiji Hohoemi.



Infant home, Tokyo Keimei Gakuen Nyuji-bu

### Donation

We want our business activities to benefit society. Every year, we donate a portion of our Meiji Milk Chocolate sales during January and February to a program that improves child refugee nutrition through the UN Refugee Agency (UNHCR). Between 2009 and 2018, we donated approximately ¥67.3 million from sales.

We also support the activities of Japan Hospital Clowns Association, a nonprofit organization. This organization brings smiles to children fighting diseases, children's families, and others involved in the children's lives.

### Donating to the Children's Future Support Fund

Poverty in children is a major social issue and it is said that 1 in 7 children under 17 years old lives in poverty (according to the Comprehensive Survey of Living Conditions conducted in 2016 by Ministry of Health, Labor and Welfare). The Cabinet Office earmarked measures against child poverty as a future investment. The office is collecting donations from companies and individuals and other resources under the Children's Future Support Fund and is also managing the Future Support Network Project to support groups and organizations nationwide that help provide academic support and food for children. The Meiji Group has pledged its support to this cause since 2017 and donates every year to the Children's Future Support Fund.



### Employee Communication Initiative for A Richer Society

Meiji Group established the Meiji Happiness Fund, an in-house fund-raising scheme, in March 2020. Employees of Meiji Group voluntarily participate in this activity, which aims to raise employee awareness about sustainability and have employees feel a sense of ownership over social issues. In April 2020, most schools closed due to the COVID-19 pandemic. During this time, to help families who needed food assistance, we donated approximately 100,000 confectioneries through the Meiji Happiness Fund and a donation from Meiji Holdings to 30 food banks belonging to the All-Japan Food Bank Promotion Council. This is one of the initiatives used to raise employee awareness about social issues included in the SDGs aimed at eliminating poverty and hunger that Meiji is addressing.



We donated confectioneries to Food Bank Yamanashi for Children's Day on May 5, 2020

# Sustainable Procurement

## SDGs



## Sustainable Procurement

### Social Issues

- ✓ Procure Raw Materials With Consideration Toward Human Rights and the Environment
- ✓ Initiatives for Sustainable Procurement

#### Target

Improve traceability of cocoa

#### FYE 3/2020 Performance

✓ The same usage amount as FYE 3/2019<sup>\*1</sup>

#### New Target

Increase procurement ratio of sustainable cocoa beans<sup>\*2</sup> to 100% by FYE 3/2027<sup>\*3</sup>

<sup>\*1</sup> Meiji Co., Ltd. and its group companies in Japan

<sup>\*2</sup> Cocoa beans produces in the regions where Meiji has implemented supporting program for farmers

<sup>\*3</sup> Meiji Co., Ltd. and its group companies.

● New KPI and target from FYE 3/2021

#### Target

Use 100% of RSPO (Roundtable on Sustainable Palm Oil) - certified<sup>\*2</sup> palm oil by FYE March 2024

#### FYE 3/2020 Performance

✓ Approximately 10%<sup>\*1</sup>

#### New Target

Use 100% RSPO certified<sup>\*2</sup> palm oil by FYE 3/2024<sup>\*3</sup>

<sup>\*1</sup> Meiji Co., Ltd. and its group companies in Japan

<sup>\*2</sup> Mass balance supply chain model

<sup>\*3</sup> Meiji Co., Ltd. and its group companies.

● New KPI and target from FYE 3/2021

#### Target

Use paper raw materials with 100% forest certified (FSC<sup>®</sup>, PEFC) and/or recycled paper by FYE 3/2021<sup>\*1</sup>

#### FYE 3/2020 Performance

✓ 60.3%<sup>\*2</sup>

<sup>\*1</sup> Product containers and packaging produced in Japan

<sup>\*2</sup> Meiji Group in Japan

# Procure Raw Materials With Consideration Toward Human Rights and the Environment

## Development of Responsible Supply Chain

### Our Policy on Raw Material Procurement

In recent years, there has been international demand for fair and free competition, fair transactions, and responsible procurement. Therefore, we should fulfill our corporate social responsibility throughout the supply chain, including both the Group and our business partners. Also, we should address social issues such as child labor, forced labor, and environmental degradation. In the Meiji Group Procurement Policy, we commit to procurement that considers human rights and the global environment. We will develop responsible procurement with our business partners and strive to prevent and reduce risks.

### Establishment of Supplier Code of Conduct

We established the Meiji Group Supplier Code of Conduct for our business partners in June 2020. We will work to build a stronger and more responsible supply chain by sharing our policy to suppliers.

 [Meiji Group Supplier Code of Conduct \(PDF:156KB\)](#)

#### Supplier Code of Conduct

##### 1. Human Rights and Labor

Respecting the rights of employees, prohibition of forced labor and child labor, etc.

##### 2. Safe and Hygienic Workplace Environments

Protection for employees, ensuring safety, etc.

##### 3. Fairness

Preventing corruption, protection of intellectual property rights, etc.

##### 4. Environmental Friendliness

Reducing greenhouse gas emissions, effective water usage, etc.

##### 5. Sustainable Procurement

Environmentally friendly raw materials procurement, etc.

##### 6. Development of Relief System and Prohibition of Retaliation

Customer service line for complaints and reports

##### 7. For Pharmaceutical Companies

Compliance with pharmaceutical-related laws

### Sustainable Procurement Survey

From October 2020, we will conduct the Sustainable Procurement Survey to understand the current status and identify issues in our supply chain. In fiscal 2020, we plan to implement this for about 70 of the suppliers that the head offices of each operating company of the Meiji Group directly deal with. After that, we plan to expand the target companies and expand the scope to domestic and overseas group companies. The survey results will be shared with suppliers, and we will work with them to address the identified issues.

## Procurement of Cocoa

The stable procurement of high quality cocoa beans is an important issue for us as the global demand for cocoa expands. We implement procurement with consideration toward human rights and the environment, cooperating with suppliers in accordance with the Meiji Group Procurement Policy and the Cocoa Procurement Guideline.



Also, Meiji Group supports cocoa-producing nations and farmers through the Chocolate and Cocoa Association in Japan, World Cocoa Foundation, and SMS-ECOM. In 2006, we began our own Meiji Cocoa Support program and have been deepening partnerships with cocoa-producing nations.

- [Meiji Group Procurement Policy \(PDF:14KB\)](#)
- [Cocoa Procurement Guideline \(PDF:11KB\)](#)

### Sustainable Cocoa Bean Procurement

Since 2006, Meiji has been conducting the Meiji Cocoa Support program, which deepens partnerships with cocoa farmers overseas and supports the high-quality and sustainable production of cocoa beans. We have decided to expand the Support program and established a new target of 100% procurement of sustainable cocoa beans (cocoa beans produced in regions where we provide support) by FY2026. As cocoa bean production regions and farmers are confronted with deforestation, child labor, and lack of cultivation techniques, we will solve these issues by achieving this procurement target and contribute to sustainable cocoa bean production.



Lessons at cocoa farm

#### Link

- [Chocolate and Cocoa Association of Japan](#)
- [World Cocoa Foundation](#)
- [SMS-ECOM](#)
- [Sustainability Video \(Meiji Cocoa Support\)](#)

### Approach

#### Support Cocoa Farmers through Meiji Cocoa Support

Since 2006, the Meiji Group has supported the sustainable production of cocoa, working to improve the operating environment of cocoa farmers. Our employees visit cultivation sites to speak directly with cocoa farmers and confirm local needs before determining a support plan. We conduct seminars on cultivation technology and insect-pest control and supply seedlings to increase yield. Additionally, we support community and infrastructure development by building wells, donating school supplies, and supporting environment-friendly farming practices. We teach our own fermentation technology to promote the production of high-quality cocoa, which in turn increases farmer income.

#### Tackling Deforestation in our Cocoa Supply Chain

The governments of Côte d'Ivoire and Ghana and the world's leading cocoa and chocolate companies signed landmark agreements in November 2017 to end deforestation and promote forest restoration and protection in the cocoa supply chain.

This new public-private partnership – called the Cocoa & Forests Initiative (CFI) – has been organized by the World Cocoa Foundation (WCF), IDH - the Sustainable Trade Initiative, and the Prince of Wales's International Sustainability Unit (ISU). The Prince of Wales launched CFI in March 2017 in London. Thirty-three companies, accounting for about 85% of global cocoa usage, have joined CFI.

We implement an initial action plan from one part of Meiji Cocoa Support that spells out the specific actions it will take in 2018-2022 to deliver the commitments set out in the Framework. The Meiji's Cocoa & Forests Action Plan focuses on three pillars: forests protection and restoration; sustainable cocoa production and farmers' livelihoods; and community engagement and social inclusion.

- [2020 Progress Report for Ghana \(PDF:1010KB\)](#)
- [2018-2019 Progress Report for Ghana \(PDF:3190KB\)](#)
- [Tracking Table for Ghana \(PDF:121KB\)](#)
- [Meiji's Initial Action Plan Narrative \(PDF:282KB\)](#)

➤ [Meiji's Initial Action Plans for Ghana \(PDF:161KB\)](#)

## Link

■ [Cocoa & Forests Initiative](#)

### Started Meiji Cocoa Support in Madagascar, the Ninth Country to Receive Support

We have conducted Meiji Cocoa Support in eight countries—Ghana, Peru, Ecuador, Venezuela, Mexico, the Dominican Republic, Brazil, and Vietnam—and expanded these activities to include Madagascar in 2019. This was supported by Japan International Cooperation Agency (JICA) as a “Popularization, verification, and business creation project” related to creating the foundation for a sustainable cocoa industry. We will develop a system to produce and purchase high-quality cocoa, applying the know-how we have accumulated thus far, and help the cocoa business in Madagascar to become sustainable.

#### Support Cocoa Farmers Through Meiji Cocoa Support



## ■ Procurement of Palm Oil

Palm oil, taken from oil palm trees cultivated in the tropics, is widely used in food processing. We implement procurement with consideration toward human rights and the environment, cooperating with suppliers in accordance with the Meiji Group Procurement Policy and the Palm oil Procurement Guideline.

### Approach

- [Meiji Group Procurement Policy \(PDF:14KB\)](#)
- [Palm oil Procurement Guideline \(PDF:103KB\)](#)

### Systematic Shift toward Certified Palm Oil

Meiji Co., Ltd. joined the Roundtable on Sustainable Palm Oil (RSPO) in March 2016. Meiji Group, including overseas subsidiaries, is aiming to use 100% certified palm oil that includes Roundtable on Sustainable Palm Oil (RSPO)-certified (mass balance supply chain model) palm oil by FY2023. We started using certified palm oil at eight factories in Japan in FY2019. In addition, we are visited plantations in Malaysia, a palm oil-producing country, to achieve our targets.



We visited plantations in Malaysia, a palm oil-producing country, twice in FY2019

## Link

■ [RSPO \(Roundtable on Sustainable Palm Oil\)](#)

## ■ Procurement of Paper

Following the Meiji Group Procurement Policy and the Paper Procurement Guideline, we are working with our suppliers to procure paper raw materials for product and office use in ways that care for human rights and the environment.

- ▶ [Meiji Group Procurement Policy \(PDF:14KB\)](#)
- ▶ [Paper Procurement Guideline \(PDF:48KB\)](#)

## Approach

### Expand Use of Environmentally Friendly Paper Through the Paper Procurement Guideline

We are expanding the range of eco-friendly papers (including paper with FSC®\* or other certifications and post-consumer paper) that we use for product containers, packaging, printing, and copying. By fiscal 2020, we aim to use only eco-friendly raw materials for paper.

## Topic

### ■ Various Products

We use eco-friendly FSC®-certified paper for products such as Meiji Oishii Gyunyu 900ml (a drinking milk product), chocolate snacks, Kinoko no Yama and Takenoko no Sato, Strawberry Chocolate and (SAVAS) MILK PROTEIN Fat 0. We are expanding the range of products.



### ■ Various Printings

We use eco-friendly FSC®-certified paper for company guidebooks and various reports.

\* FSC®: The Forest Stewardship Council. An independent non-profit that operates an international forest certification system to spread responsible forest management around the world.

## Link



## ■ Procurement of Raw Milk

We implement procurement with consideration toward human rights, environment and animal welfare, cooperating with suppliers in accordance with the Meiji Group Procurement Policy and the Raw Milk Procurement Guideline.

- ▶ [Meiji Group Procurement Policy \(PDF:14KB\)](#)
- ▶ [Raw Milk Procurement Guideline \(PDF:131KB\)](#)

## Approach

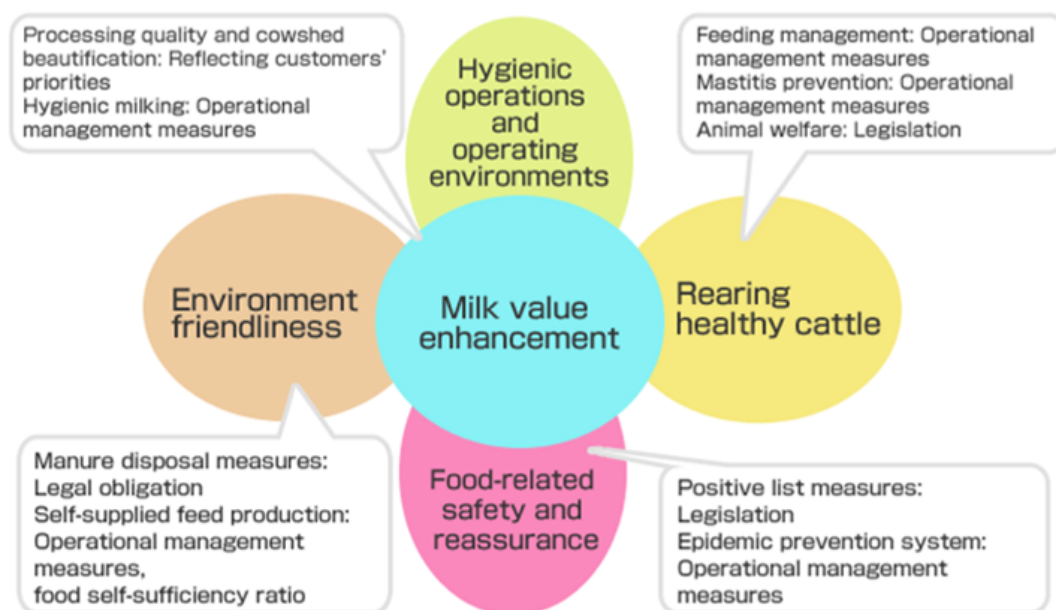
### Initiative in Accordance With the Raw Milk Procurement Guideline

We established the Raw Milk Procurement Guideline in October 2019 and upheld feeding management that considers the “Five Freedoms” animal welfare policy. In addition to responding to ethical considerations, we will drive the sustainable development of dairy farming and the dairy industry in cooperation with relevant parties.

### Drinking Milk and Dairy Products Created Through Cooperation with Dairy Farmers

Raw milk, the raw material used to make drinking milk, is milked from healthy cows. The quantity and quality of raw milk is greatly influenced by temperature, humidity and feed. Our dairy managers

work closely with local farmers and agricultural cooperatives to ensure stable access to high-quality raw milk. Hygiene is critical to the production of good-quality raw milk.

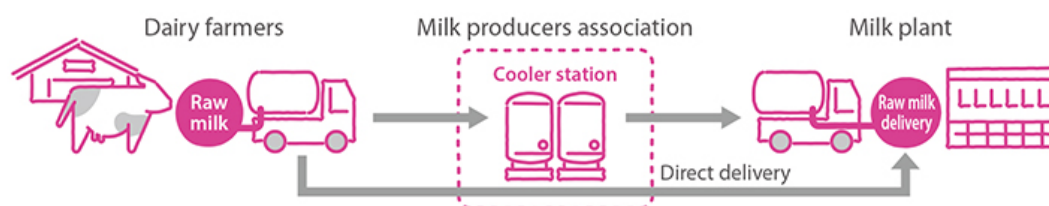


## Approach

### Partnership with Domestic Dairy Farmers to Ensure Stable Raw Milk Procurement

By closely working with dairy farmers, the Meiji Group is supporting stable and high quality milk production in order to deliver our customers delicious and quality milk.

#### Raw milk delivery and quality control



### Initiatives for stable procurement of premium quality raw milk

#### Production sites

- Check feed and environment for breeding cows
- Hold seminars for the milk producers association on raw milk flavor

#### Receiving at plants

- Train taste testers and ensure thorough incoming inspections

#### Research laboratory

- Physical and chemical analysis of properties and ingredients for maintaining and improving quality
- Conduct taste assessment and disseminate information
- Technology development for more accurate and quicker inspections

### Support dairy farmers using our unique operations support for producers

In domestic dairy farming, there are concerns about the raw milk production base weakening, and dairy farmers are having problems, such as a lack of labor force and/or training that labor force. To address these issues, the Meiji Group is currently pouring resources into the Meiji Dairy Advisory (MDA), which is our own farm management support program designed to help improve farms' productivity.

The goals of the MDA are to increase work efficiency and to improve work satisfaction for the

employees. For management, the goals are to raise the productivity of the farm overall and to attract and secure good workers. To be more specific, the Meiji Group has assigned specialized advisory staff and is creating a system that provides continuous and various support. That support includes building a sense of ownership in each employee, reducing waste or loss on the farm and standardizing work processes or tasks. Thanks to the help of the Meiji Feed Co., Ltd., our Group company who is building a close relationship with producers nationwide, this MDA initiative will be developed even more. Accordingly, we hope to secure sustainable dairy production by improving work on farms and developing management skills.

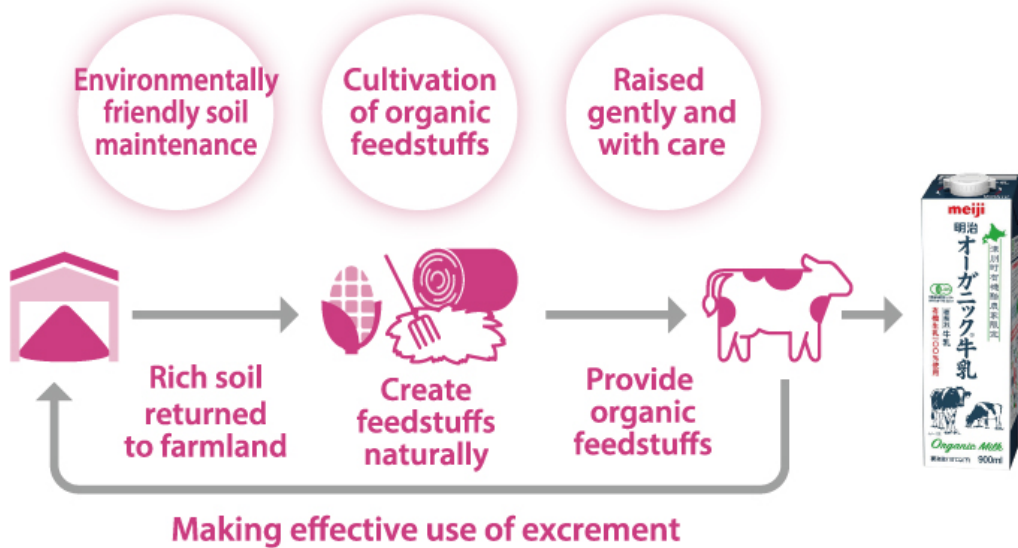


Discussion on production base support

**Meiji Organic Milk**

Meiji Organic Milk, our special milk product, is certified under Japan Agricultural Standard (JAS) for Organic Agricultural Products. We use only raw milk from cows raised on the basis of organic farming methods at a designated ranch in the town of Tsubetsu, Abashiri District, Hokkaido Prefecture.

Meiji began examining the development of drinking milk that is friendly to both the cows and the environment from 1997. Accordingly, we started developing organic drinking milk in collaboration with dairy farmers in Tsubetsu, where they were practicing environmentally conscious circular dairy farming at the time. After much trial and error, five farmers obtained JAS for Organic Agricultural Products certification in 2006, and we began selling Meiji Organic Milk, our specially prepared drinking milk. The organic farming is the foundation for Meiji Organic Milk; cows are reared with environmentally friendly feedstuffs in a cow friendly environment. The Meiji Group will provide the value of new drinking milk to our customers while supporting dairy farming that is friendly to both the environment and the cows' health.



**Supplier Assessment**

Our goal is to deliver safe and secure products. To this end, we follow the Meiji Group Procurement Policy to ensure the quality and safety of raw materials and packaging. We use a fair and transparent supplier selection process, and practice socially responsible procurement mindful of human rights, the environment, and other considerations. When beginning trade with a new partner, we confirm the raw material and packaging data provided by the supplier and perform quality analysis. We survey and audit the supplier manufacturing plant's production and quality assurance system, production control system, and the supplier's fulfillment of social obligations, including human rights and the environment. Suppliers must meet rigorous planning standards set by each Meiji Group company. In addition, we work with suppliers to improve any problems.

## Approach

### Supplier Audit in Accordance With the Meiji Group Procurement Policy

To strengthen our response to sustainability issues in the supply chain, we conduct supplier audits to monitor activities and initiatives regarding human rights and the environment, based on the Meiji Group Procurement Policy.

#### Number of Supplier Audits

	FYE 3/2017	FYE 3/2018	FYE 3/2019	FYE 3/2020	Total
Meiji Co., Ltd.	105	98	98	80	381
Meiji Seika Pharma Co., Ltd.	80	0	0	3	83

## Initiatives for Sustainable Procurement

### Stable Supply of Agricultural Chemicals and Veterinary Drugs

Our presence in agrochemicals and veterinary drugs contributes to the stable supply of safe and reliable agricultural, livestock, and marine products, as well as improves productivity around the world.

## Approach

### Environmentally Friendly Herbicide ZAXA

We develop and sell environmentally friendly agricultural chemicals. ZAXA is a highly-effective long-lasting herbicide suitable for a variety of plants. The main constituent of ZAXA is a type of amino acid commonly found in nature. As a result, this herbicide has minimal effect on soil and is highly safe for livestock. The active ingredients in Meiji Eco Series pesticides and fungicides are also derived from natural sources. The leading product in this series, Harmomate Water-soluble Powders, meets Japan Agricultural Standards for use in organic cultivation.



### R&D on New Agricultural Chemicals and Veterinary Drugs That Protect the Environment

Our research and development of agricultural chemicals and veterinary drugs produces ground-breaking products that are eco-friendly and very safe. These products additionally contribute to human prosperity by developing global agriculture and stabilizing food production.

## Approach

### R&D of Agricultural Chemicals

#### Afidopyropen / ME5343 (insecticide)

Afidopyropen provides highly effective control of insect pests such as aphids, whiteflies and psyllids which have developed serious resistances to the existing insecticides. Furthermore, Afidopyropen is highly safe for mammalian and natural environments. Therefore, Afidopyropen can be one of the most important tools for pests control in the next generation.

Afidopyropen was discovered through a collaboration between Meiji and Kitasato Institute, Prof. Satoshi Omura group. Based on a license agreement between Meiji and BASF in May 2010, BASF is

developing exclusively in all countries except for parts of Asia.

Afidopyropen was registered in Australia, India and the United States in 2018, and in Canada and China in 2019. Afidopyropen's registration will also be approved in Mexico and Argentina in the near future.

#### **Link**

 News release (PDF:64KB)

#### **Fenpicoxamide / ME5223 (fungicide)**

Fenpicoxamide is a silver bullet against wheat leaf blight, which is highly resistant to many fungicides, and rapidly degrades in the environment while maintaining its long-lasting effect. Through a co-development with Dow AgroSciences, Fenpicoximide was registered in France, 2020. Fenpicoxamide will also be approved in other European countries in coming years.

#### **Flupyrimin / ME5382 (insecticide)**

Flupyrimin is not only highly effective for sucking pests and chewing pests but also highly safe for beneficial insects such as bees and has a low environmental impact. Flupyrimin was registered in Japan in 2019 and is contributing to rice cultivation along with Oryzematé. In India, Flupyrimin is also expected to save labor with one-shot protection against plant hoppers and stem borers. Flupyrimin's registration was submitted to an authority in India in 2019.

#### **Link**

 News release (PDF:48KB)



# Governance



▶ Corporate Governance



▶ Compliance



▶ Risk Management

# Compliance

Meiji Group complies with the laws, regulations and social rules of each country in order to ensure all transactions are proper and to promote fair, transparent, and free competition. To increase awareness and strengthen compliance further, we established internal regulations based on our Corporate Behavior Charter and work to improve internal training. We conduct business holding ourselves to high ethical standards and shall continue to develop to be a company trusted by society.

## Management System

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Meiji Group has Compliance Regulations as well as related rules and committees in place, and implements/introduces a whistle-blowing system.

At Meiji Co., Ltd., our approach is based on the idea that risk management and compliance are closely related to one another, and we have set up a Compliance & Risk Management Committee to promote a variety of activities and programs. We promote activities to nurture and foster compliance awareness to ensure that compliance is the cornerstone of our operations and that those operations are conducted fairly and faithfully. Meiji Seika Pharma Co., Ltd. has established the Compliance Program Guidelines and the Meiji Seika Pharma Code of Practice. As professionals who work in a business and with products that concern the health and lives of people, we require all executives and employees to act in accordance with high ethical standards.

KM Biologics Co., Ltd. has established a Compliance Committee and a Risk Management Committee chaired by the president to promote compliance and manage risks. The "Compliance Program Guidelines" stipulate that as a person engaged in a life-related company that handles products related to people's health, we should act with a high degree of ethics, including bioethics, as well as legal compliance. Also, The KM Biologics Co., Ltd. is accelerating the project to win back trust in order to raise compliance awareness among workers on site. We implemented a structural reform in order to strengthen the auditing function, ensure independent auditing, clarify responsibilities and authority by introducing Meiji-style plant management systems and clarify the reporting and communication routes. These reforms will help the organization identify and address issues early on. As a member of the Meiji Group, we will establish compliance system with higher standards.

## Approach

### Contact Information for the Compliance Counseling Desk

Meiji Group provides contact information for our compliance counseling desk to respond to whistleblowing and provide consultation via various methods (including telephone, postal mail, e-mail, etc.). Meiji Group outlines privacy protection in internal regulations to ensure that whistleblowers and people seeking consultation are not subjected to any unfair treatment.

### Compliance Awareness

Employees carry our Compliance Card, which includes the Corporate Behavior Charter and the contact details for our compliance counseling desk. The Meiji Group ensures strict adherence to the Corporate Behavior Charter. At the same time, the group cultivates and entrenches compliance awareness by

enhancing in-house education and training and disseminating information through our intranet.



Compliance card carried by Meiji Group employees

## An Ethical and Transparent Pharmaceuticals Company

Pharmaceuticals segment has established a Code of Practice for all officers and employees. As a pharmaceuticals company, Meiji Seika Pharma is committed to meeting society's expectations through the highest standards of ethics and transparency. The company promotes accountability through ongoing dialogue with associated researchers, healthcare practitioners, and patient groups. Pharmaceuticals segment has also established Guidelines on Transparency of Relationships between Corporate Activities and Medical Institutions. Based on these guidelines, the company discloses details of the academic research grants it provides. These disclosures help illustrate the ways in which we contribute to progress in the life sciences, while adhering to the highest ethical standards.

## Anti-Corruption

The Meiji Group formulated the Meiji Group Anti-Corruption Policy in March 2019 in order to remain a transparent and sound corporate group that is trusted by society. In May 2019, we became a signatory to the UN Global Compact and we comply with Principle 10: Business should work against corruption in all its forms, including extortion and bribery. We translated this policy into English, Chinese, Spanish, Thai, Indonesian and Hindi to raise employee awareness, not only in Japan but overseas as well. We will continue internal training and other efforts to improve employee understanding.

▶ [Meiji Group Anti-Corruption Policy \(PDF:14KB\)](#)

## Tax Compliance

Regulatory compliance and risk management are becoming increasingly important as the Meiji Group becomes more globalized and conducts more international transactions, and tax authorities in each country strengthen taxation. We therefore pay taxes properly and comply with Transfer Pricing Guidelines. We formulated the Meiji Group Tax Policy in March 2019 to comply with the tax laws and regulations of each country and region in which we conduct business. We communicate this information to relevant departments and Group companies, make the information publicly available, pay appropriate taxes and minimize tax-related risks. Our tax staff attend external training to increase their knowledge about taxation.

▶ [Meiji Group Tax Policy \(PDF:14KB\)](#)

# Risk Management

The Meiji Group recognizes that risk management is not just for responding when emergencies or disasters occur and they severely impact business activities. It is also important for taking measures that help to control and mitigate risks.

In addition, as a company responsible for "food and health" that is directly linked to people's lives, we are maintaining and improving our business continuity plan (BCP) so that pharmaceuticals, powdered milk, liquid food, etc. can be delivered to those who need it even in an emergency.

## Risk Management System

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Meiji Group has developed risk management systems that are suited to the Food and Pharmaceutical businesses. We have created systems for quickly sharing risk information across the company, which includes risks common to all our businesses and risks that impact on the whole Group, and we strive to identify, evaluate and treat risks promptly.

### Approach

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#### Business Continuity Plans

We are in the process of further strengthening our business continuity plans and developing our systems. In the event of a major earthquake, pandemic or other large-scale disaster, our obligation as a corporate group involved in Food and Health is to restore operations as quickly as possible so that we can fulfill our mission to supply necessary pharmaceuticals and food products. We carry out ongoing disaster awareness measures, and conduct regular drills for our employee safety confirmation systems. We are also implementing improvements throughout the value chain. These improvements include establishing robust operational and infrastructural systems, earthquake-proofing facilities, increasing the number of production sites, decentralizing supply sources, and establishing IT system backups.

#### Meiji Group Business Management Risks

We appropriately identify risks from a companywide business management perspective, and we develop countermeasures according to the impact of those risks. In this way, we not only minimize risks, but we also achieve sustainable growth and gain new growth opportunities. We outlined the three visions -the Business Vision, Sustainability Vision and Management Vision- in the Meiji Group 2026 Vision. We have identified the Meiji Group Business Management Risks according to those three Visions. The Executive Committee combines these business risks with the Group visions and evaluates and confirms them. We thus build a risk management system that also adapts to changes in the business environment.

### Link

 [Business Risks](#)

#### Information Security

We have established a variety of information security policies and rules which aim to protect our intellectual property and strengthen the management of personal, confidential, and other sensitive information. We train employees thoroughly in information security, and we strive to remain abreast of advances in IT technology.

We are committed to providing stakeholders with all necessary information. Help desks and

websites are available for customers at each of our businesses, and information is disclosed to shareholders and investors through investor relation activities and specialized websites.

### **Reducing Risk Associated with Social Networking Services**

The Meiji Group has established various rules to reduce risk associated with social networking services. Moreover, we draw employee attention to such risks via an in-house portal site.

### **Privacy Protection**

We appreciate the importance of customer privacy. We comply with relevant laws and standards for the protection of personal information, and we have established a Group Personal Information Protection Policy.

#### **Link**

 [Privacy Policy](#)

### **Intellectual Property**

Intellectual property has grown increasingly important in recent years due to growing awareness of intellectual property issues in society and a variety of new government measures. We acquire intellectual property rights for the new products and technologies we research and develop. These rights make it possible for us to continue supplying customers with high added-value products.

# Policies

## Policies

 Chinese

The Meiji Group has established the following policies pursuant to the Meiji Group Corporate Behavior Charter.

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### Meiji Group Policy on Human Rights



The Meiji Group Philosophy includes our desire to offer a wide range of products and services vital to the daily lives of all people around the world. In so doing, we widen the world of Tastiness and Enjoyment, meeting all expectations regarding Health and Reassurance, striving to be a corporate group that is essential not to the lives of people in Japan, but also to the lifestyles of people all across the globe.

Our Corporate Behavior Charter includes respect for human rights. We recognize that all people are born free and with equal dignity and rights. We act fairly and faithfully to uphold this Policy on Human Rights in all our business activities.

We engage in the greater pursuit of initiatives related to human rights, striving to accomplish our duties in this respect.

#### 1. Our Fundamental Position on Human Rights

We support and respect international rules related to human rights based on the Guiding Principles on Business and Human Rights. These rules include United Nations International Bill of Human Rights (based on the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights), the core labour standards of the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work (defining basic human rights at work), the Ten(10) Principles of the UN Global Compact, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the ethical principles of the Declaration of Helsinki, and the guidelines of the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH).

As a member of the international community, Meiji Group respects fundamental human rights and seeks to avoid any complicity in the violation of human rights under any circumstances.

We comply with the laws and regulations of each country and region, respect local cultures, and have zero tolerance for discrimination based on ethnicity, gender, sexual orientation, gender identity, age, nationality, language, religion, disability, social origin, property, or any other personal status.

Further, we will not do any statements or acts that violate human rights, including sexual harassment, power harassment, etc.

We comply with the laws and regulations of each country and region. In the event of inconsistencies between international laws and local laws related to human rights, we comply with local laws while pursuing methods and means that incorporate the greatest respect to international laws.



This Policy complements the Meiji Group Corporate Behavior Charter, properly reflecting the spirit and intent of that policies and guidelines.

Under this Policy, we create individual procurement guidelines for materials having a potentially significant impact on human rights. In this way, we conduct materials procurement that is sensitive to human rights.

## 2. Applicable Scope

This Policy applies to all officers and employees of Meiji Group. Further, we ask all entities (“Partners”) in the value chain related to Meiji Group products and services to comply with this Policy.

## 3. Accomplishing Our Duty to Respect Human Rights

We strive to prevent violations of human rights in our organization. In the event we determine that our business activities have had a negative impact on human rights, we implement rational and appropriate measures to correct said violation, taking responsibility to accomplish our duty to respect human rights. We engage in the following initiatives to accomplish our duty in this respect.

- Human Rights Due Diligence

Meiji Group has established a Group Human Rights Meeting to identify and assess human rights risks in the value chain related to products and services offered by us. This meeting determines priority issues (risk-based approach), conducting its business in an orderly and steady manner. As necessary, the meeting establishes a subcommittee charged with preventing or alleviating any negative impact that Meiji Group has had on human rights in society.

- Executive Managing Officer

Under the orders of the president (chief executive officer) of Meiji Holdings Co., Ltd., the ultimate parent company of Meiji Group, the executive officer of the Sustainable Management Department, a supervisory department within Meiji Holdings, serves as the executive in charge of this Policy. The executive managing officer implements this Policy, appropriately collaborating with each president of our main operating companies, namely, Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd. and KM Biologics Co., Ltd.

- Education, Training, and Communication

We incorporate this Policy into all aspects of our business activities, providing ongoing education and training related to human rights for officers and employees to ensure the effective implementation of this Policy. Further, we will communicate necessary information to our Partners.

- Responding to and Providing Relief in Connection With Claims

We operate an internal reporting system and respond to claims received, striving to prevent violations of human rights, detect any violations in the early stages, and prevent any recurrence. We provide relief as necessary through appropriate procedures.

- Information Disclosure

We provide timely disclosure of our progress and results related to human rights initiatives through our corporate websites and other means.

- Dialogues and Discussions

As we implement this Policy, we make frequent use of expertise and advice provided by outside, independent experts. In addition, we conduct serious dialogues and discussions with our stakeholders.

Established in April 2016  
Amended in February 2020

 [Meiji Group Policy on Human Rights \(PDF:184KB\)](#)

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## Meiji Group Policy on Occupational Health and Safety

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The Meiji Group's first priority is safety. With this in mind, we ensure workplace safety.  
We commit to help maintain and improve employees' health.

### 1. Legal and Regulatory Compliance

We comply with all laws and corporate rules related to occupational health and safety in the workplace.

### 2. Prevention of Work-Related Accidents

We identify and assess sources of danger in the workplace and reduce or eliminate risks to prevent work-related accidents.

### 3. Physical and Mental Health Maintenance

We provide safe, comfortable workplace environments and support employees' sound physical and mental health.

### 4. Health and Safety Education for Employees

We regularly offer in-house training on occupational health and safety as well as traffic accident prevention. We encourage employees to be aware of the importance of occupational health and safety.

Established in April 2017  
Amended in February 2020

 [Meiji Group Policy on Occupational Health and Safety \(PDF:10KB\)](#)

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## Meiji Group Procurement Policy

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We, Meiji Group, seek to provide our customers with high-quality, safe, and secure products. We commit to fair and transparent transactions and maintain compliance with all laws and regulations, working in cooperation with our partners to ensure that all procurement activities fulfill our social responsibilities, including those related to human rights and the environment.

### 1. Legal and Ethical Compliance

We comply with the laws and regulations of each country and region in which we operate and engage in fair, transparent, and proper procurement activities. We fulfill the terms of our contracts with partners in good faith and appropriately manage all confidential and personal information related to procurement transactions.

### 2. Product Quality and Safety

In our procurement activities, we place the highest priority on quality and safety in order to bring peace of mind to everyone who selects our products.

### 3. Fair and Transparent Selection of Suppliers

We commit to select suppliers in a fair and transparent manner. We evaluate potential suppliers based on product quality and safety, as well as price, delivery time, and their track record in providing stable supplies.

### 4. Protection of Human Rights and the Environment

In line with the Meiji Group Policy on Human Rights and the Meiji Group Environmental Policy, we integrate human rights and global environmental considerations in developing

and executing procurement activities.

## 5. Mutual Trust and Collaboration with Suppliers

We work to build cooperative, trusting relationships with suppliers, thereby striving to reduce procurement-related risks, and we pursue initiatives to be of benefit to the broader society.

## 6. Anti-Corruption

In line with the Meiji Group Anti-Corruption Policy, we prohibit the offering or receiving inappropriate benefits (money, gifts, entertainment, or other property benefits) exceeding a scope deemed proper according to social convention, striving to prevent corrupt practices.

Established in April 2016

Amended in February 2020

 Meiji Group Procurement Policy (PDF:14KB)

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## Cocoa Procurement Guideline

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The Meiji Group procures cocoa according to the Meiji Procurement Policy, working with suppliers to engage in socially responsible activities (human rights, environment, etc.).

### Scope of Application

Cocoa used in the production of consumer-use and industrial-use products

### Principles for Action

1. We comply with the laws and regulations of cocoa-producing countries and regions, engaging in cocoa procurement via appropriate procedures.
2. We engage in sustainable cocoa procurement in accordance with the Meiji Group producer support program (Meiji Cocoa Support) and in cooperation with the World Cocoa Foundation.
  - a. Ensuring labor conditions are appropriate and respect human rights (monitoring for child labor, forced labor, etc.)
  - b. Ensuring the preservation of environmentally important areas (ecosystems, natural forests) in cocoa-producing regions
3. We notify suppliers that they are required to comply with the Cocoa Procurement Guideline. We take action as deemed necessary if we suspect suppliers of non-compliance.
4. We publish an annual report on our cocoa procurement activities.

Established in September 2019

Amended in February 2020

 Cocoa Procurement Guideline (PDF:11KB)

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## Palm Oil Procurement Guideline

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We, Meiji Group, support the NDPE Policies of No Deforestation, No Peat and No Exploitation. We work with the suppliers for socially responsible palm oil procurement activities based on our “Meiji Group Procurement Policy”.

### Scope of Application

Palm oil and palm kernel oil contained in oils and fats used in our products manufacturing at our plants

## Principles for Action

1. We work with the suppliers to procure sustainable palm oil meeting the following conditions:
  - a. Compliance with laws and regulations in palm oil producing countries/regions, and proper procedures.
  - b. No development to be conducted in forests with high conservation value or high carbon storage, or peatlands.
  - c. No burning for development or reforestation.
  - d. No child labor, forced labor or slave labor.
  - e. Respect for the rights of all laborers, including contract workers, temporary workers and migrant workers; ensured safety and security of working environments. and,
  - f. Respect for the legal or customary rights of indigenous or local peoples related to the ownership and/or use of land; acquired or ensured the rights to land intended for business purposes properly, by free will of, and through agreements with affected parties based on adequate information provided beforehand.
2. To achieve the provisions described in Article 1 above, we give preference to procuring RSPO-certified palm oil, which is certified as being produced under proper management. Further, we strive for traceability, working in cooperation with various stakeholders, including suppliers, the RSPO, NGOs, experts and third-party entities.
3. We inform our suppliers of these guidelines and take proper action in response to any issues.
4. We publish an annual report of our progress toward the 100% procurement of sustainable palm oil.

Established in September 2019

Amended in February 2020

Amended in January 2021

 [Palm Oil Procurement Guideline \(PDF:103KB\)](#)

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## Paper Procurement Guideline

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The Meiji Group supports zero deforestation, and procures paper according to the Meiji Procurement Policy, working with suppliers to engage in socially responsible activities.

### Scope of Application

- Paper used in Meiji Group products and packaging
- Office paper, including photocopier paper, printed matter and product brochures

## Principles for Action

1. We give priority to the use of environmentally friendly FSC<sup>\*1</sup>, PEFC<sup>\*2</sup>, and other forest certified and/or recycled paper.
2. When using non-certified/non-recycled paper, Meiji (alone or in conjunction with third parties) selects paper in compliance with a. through d. below:
  - a. All wood used is produced in compliance with laws and regulations of the country of production.
  - b. Laborers involved in cutting and harvesting labor under conditions that are appropriate and respect human rights.
  - c. Cutting and harvesting activities respect the land rights of indigenous peoples and others.
  - d. Produced under conditions that preserve environmentally important areas (ecosystems, peatlands, and natural forests) in production regions.

3. We notify suppliers that they are required to comply with the Paper Procurement Guideline.  
We take action as deemed necessary if we suspect suppliers of non-compliance.
4. We publish an annual report of our environmentally friendly paper usage and related initiatives.

\*1 FSC (Forest Stewardship Council)

\*2 PEFC (Programme for the Endorsement of Forest Certification Schemes)

Established in September 2019

Amended in February 2020

 [Paper Procurement Guideline \(PDF:48KB\)](#)

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## Raw Milk Procurement Guideline

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The Meiji Group are working on procurement of raw milk according to Meiji Group Procurement Policy, cooperating with the suppliers to engage in socially responsible activities which include human rights, environment and animal welfare.

### Scope of Application

Raw milk used in the production of consumer-use and industrial-use dairy products

### Principles for Action

1. We comply with the laws and regulations of raw milk-producing countries and regions, and procure raw milk produced via appropriate procedures.
2. We contribute improvement in operating efficiency and managerial skill of the producers and engage in sustainable procurement of raw milk, in accordance with Meiji Group's own producer management support activity and in cooperation with such producers.
3. We believe that dairy cattle nurturing management conscious of "Five Freedoms" which are the guidelines regarding animal welfare, is both ethical and also applies to methods aimed at contributing to the development of the dairy industry. We promote combined business initiatives in cooperation with the relevant parties. That is to say, we make effort to contribute to feeding management, rearing healthy cattle, hygienic operations and operating environments.
4. We ensure that the suppliers know about this guideline, and take actions as deemed necessary if we suspect such suppliers of non-compliance.
5. We publish an annual report on our raw milk procurement activities.

Established in October 2019

 [Raw Milk Procurement Guideline \(PDF:131KB\)](#)

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## Meiji Group Supplier Code of Conduct

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### Introduction

We, Meiji Group, are aware of the need for legal compliance, fairness, transparency, and the prevention of corruption, etc. in keeping with Meiji Group Procurement Policy. As such, we have worked with our suppliers to ensure that our procurement initiatives consider human rights, the environment, and other aspects of social responsibility.

Meiji Group has now established Meiji Group Supplier Code of Conduct. It is designed to ensure greater certainty that we and our suppliers are fulfilling our responsibilities in the raw materials and services, etc. supply chains we have built together. Our aim is to work more

closely with our suppliers in line with this Code of Conduct to ensure solid supply chains that consider our social responsibility and to continue working for a sustainable society.

## 1. Human Rights and Labor

### a. Respect for International Standards on Human Rights and Labor

Suppliers shall respect international standards on human rights and labor. They shall do so in light of Guiding Principles on Business and Human Rights, adopted by the United Nations as the global standard that all nations, regions, and businesses should respect.

### b. Respect for Employees' Rights

Suppliers shall respect and protect their employees' legal and contractual rights.

"Employees" in this usage refers to regular employees, contract employees, and part-time employees.

### c. Prohibition of Forced Labor, Etc.

- Suppliers shall not make employees perform forced labor, slave labor, or indentured labor. "Slave labor" in this usage refers to labor that a worker is forced to provide and which disregards the worker's personhood; "indentured labor" is labor that a worker provides without pay for a set period of time.
- Suppliers shall ensure that employment conditions follow all labor laws and ordinances that apply in the country or region where business is conducted and shall spell out employment conditions to employees in document form in a language understood by the employees.

### d. Prohibition of Child Labor

Suppliers shall not hire children as employees. "Children" in this usage refers to persons who have not reached the minimum employment age as prescribed by law.

### e. Prohibition of Discrimination and Harassment

- Suppliers shall comply with the laws and regulations of each country or region, and respect local cultures, and have zero tolerance for discrimination based on ethnicity, gender, sexual orientation, gender identity, age, nationality, language, religion, disability, place of origin, property, or any other personal status.
- Suppliers shall not do any statements or acts that violate human rights, including sexual harassment, power harassment, etc.

### f. Fair Treatment

Suppliers shall treat employees fairly based on appropriate personnel evaluations.

### g. Respect for Freedom of Association and Collective Bargaining Rights

Suppliers shall respect employees' freedom of association and collective bargaining rights and shall practice appropriate communication with employees to resolve problems relating to the workplace and employment conditions.

### h. Payment of Wages

- Suppliers shall pay employees at least the minimum wage as well as overtime wages and other extra pay in keeping with the wage laws and ordinances that apply in each country or region.
- Suppliers shall enable employees to know the rules concerning their own wages.

### i. Compensation of Foreign Workers

As far as it is reasonable to do so, suppliers shall treat foreign workers the same as other employees in each country or region.

## 2. Safe and Healthy Working Environment

### a. Protection of Employees

- Suppliers shall identify and assess sources of danger in the workplace and in any home the supplier provides to the employee, and endeavor to eliminate or reduce



risks to prevent work-related accidents.

- Suppliers shall endeavor to protect employees from too much hard physical work. In addition, suppliers shall provide employees with access to safe drinking water.

b. Ensuring Safety of Work Processes

Suppliers shall ensure the safety of employees by identifying and assessing risks in work processes and taking preventive measures so those risks do not materialize.

c. Preparing for and Responding to Emergencies

Suppliers shall identify and assess potential emergencies, such as fire or natural disaster, etc. in the workplace and in any home the supplier provides to the employee, and minimize the impact of such emergencies by preparing emergency plans and response procedures.

d. Sharing of Hazard Information

Suppliers shall conduct trainings and drills to protect employees from occupational accidents and other dangers.

### 3. Fairness

a. Prevention of Corruption

- Suppliers shall not engage in or allow unlawful behavior, including bribery and the use of antisocial forces.
- Suppliers shall not give or accept improper benefits (money, gifts, entertainment, or other property benefits of value) beyond a scope deemed proper according to social convention.
- Suppliers shall not maintain relationships with antisocial forces that threaten the order and safety of civil society.

b. Fair trade

Suppliers shall comply with the relevant laws and ordinances in business activities and shall not practice unfair and uncompetitive trade, such as dumping, demanding unfairly low prices, or collusion, etc.

c. Disclosure of Conflict of Interest

Suppliers shall disclose to Meiji Group any situation appearing to be a conflict of interest in their relations with us. Suppliers shall also disclose any interest relating to Meiji Group officers or employees or their family members.

d. Protection of Intellectual Property Rights, Confidential Information, and Personal Information

- Suppliers shall not violate the intellectual property rights of Meiji Group or of third parties.
- Suppliers shall appropriately manage any inside information handled by the supplier or Meiji Group and confidential information and personal information learned in the course of operating activities and shall not use such information for any illicit purpose.

e. Animal Welfare

Suppliers shall aim to realize the “five freedoms” basic principle of the World Organisation for Animal Health (OIE).

### 4. Consideration of the Environment

a. Compliance with Environment-related Laws and Regulations and Operation of Environmental Management System

- Suppliers shall comply with environment-related laws and regulations.
- Suppliers shall prepare appropriate environmental management schemes and take initiatives to protect the environment.

- b. Maximizing Resource Efficiency by Using Resources Effectively  
Suppliers shall endeavor to efficiently use and recycle resources, energy, and water.
- c. Reducing Environmental Impact by Reducing Greenhouse Gas Emissions  
Suppliers shall endeavor to reduce emissions of CO<sub>2</sub> and use renewable energy; shall set targets for reducing emissions of greenhouse gases like CO<sub>2</sub> as required by the Paris Agreement and other covenants; and shall take initiatives to reduce emissions accordingly.
- d. Reducing of Environmental Impact by Reducing Fluorocarbons (CFCs, HCFCs, HFCs, etc) Emissions  
Suppliers shall endeavor to protect the ozone layer and help prevent global warming by reducing usage and limiting leaks of fluorocarbons (CFCs, HCFCs, HFCs, etc).
- e. Effective Use and Proper Management of Water Resources
- Suppliers shall endeavor to use water efficiently and reduce water usage.
  - Suppliers shall endeavor to manage water intakes and discharges appropriately and to reduce the environmental impact of the same.
- f. Proper Handling of Wastes and Hazardous and Dangerous Substances
- Suppliers shall endeavor to handle waste appropriately, limit how much waste is generated, and reuse and recycle it.
  - When disposing of hazardous and dangerous substances with the potential for environmental harm, or when emitting such substances to the atmosphere or as drainage, suppliers shall endeavor to control and treat such substances properly and limit their emissions.
- g. Development and Use of Eco-Friendly Containers and Packaging
- Suppliers shall endeavor to minimize packaging and shipping materials such as product containers and packaging, boxes in which products are packed, and shipping pallets, for example by redesigning them.
  - Suppliers shall endeavor to reuse containers and packaging and use easily recycled containers, packaging, and packing and shipping materials.
- h. Biodiversity Conservation  
Suppliers shall pursue biodiversity conservation by protecting ecosystems in all business activities.

## 5. Sustainable Procurement

- a. Consideration of the Environment When Procuring Raw Materials  
Suppliers shall endeavor to learn the impacts of raw materials procurement on local people, the environment, and ecosystems, and shall use no illegally extracted or cultivated biological resources.
- b. Procurement of Paper That Considers Sustainability  
Suppliers shall endeavor to support the elimination of forest destruction and prioritize use of environmentally friendly forest certified and/or recycled paper.
- c. Procurement of Agricultural, Livestock, and Marine Products That Consider Sustainability  
Suppliers shall take initiatives to procure agricultural, livestock, and marine products that consider social responsibility. In addition, if there is a certification system for environmental or human rights concerns, suppliers shall endeavor to prioritize use of products with such certification.
- d. Prohibiting Violation of Indigenous People's Rights
- Suppliers' business activities shall respect the land rights, cultures, customs, and religions of indigenous people. In addition, suppliers shall respect rights relating to indigenous people's traditional knowledge and genetic resources, and shall endeavor

to avoid actions that are a one-way exploitation of the benefits of such knowledge and resources. "Genetic resources" in this usage refers to biologically derived materials with genetic functions.

- Suppliers shall not violate indigenous people's healthy lifestyles and access to water.

e. Prohibiting Use of Conflict Minerals, Etc.

In procuring raw materials, etc., suppliers shall not use anything that could potentially be involved in conflict or crime, such as by providing funds for armed groups or criminal organizations.

## 6. Maintaining Remedy and Prohibiting Retaliation

- Suppliers shall maintain systems for taking complaints and reports from employees; suppliers shall protect employees from the threat of retaliation from those they are reporting on and shall take appropriate actions to remedy employees' complaints while protecting their privacy.
- If Meiji Group receives a complaint or report, it will ask the supplier to provide information if necessary to ascertain the facts and may in addition conduct investigations or audits.

### <For Pharmaceutical Businesses>

a. Compliance with Pharmaceutical Laws, Etc.

Because pharmaceuticals are so important to life, suppliers shall endeavor to comply with individual countries' pharmaceutical and health laws and regulations and always provide high-quality drug substances and raw materials.

b. Patient Safety and Access to Information

Suppliers shall minimize the risk of adverse impacts to the rights of patients, test subjects, and donors, including the right to access information directly through a control system.

c. Animal Welfares in Animal Testing

When suppliers conduct animal testing, such testing shall consider the three Rs: replace animal testing with alternative techniques, reduce the number of animals used, and reduce pain.

## In Closing

We, Meiji Group, aim to work with our suppliers to establish socially responsible supply chains based on this Code of Conduct.

As our suppliers, we ask that you begin by understanding this Code of Conduct. Then educate your own staff, practice compliance, and work with your own suppliers to support this Code of Conduct. If you discover any issues in light of this Code of Conduct, we would like to work with you to solve them.

Established in June 2020

Contact point at Meiji Group  
Sustainable Management Department  
Meiji Holdings Co., Ltd.  
Email: sustainability@meiji.com

 Meiji Group Supplier Code of Conduct (PDF:156KB)

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## Meiji Group Environmental Policy



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Recognizing that our business operations originate from the bounty of nature, we, the Meiji Group, 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 us in a way that protects the environment.

### 1. Compliance with Laws and Regulations

We comply strictly with environment-related laws, regulations and ordinances, stakeholder agreements, industry norms, and our voluntary standards.

### 2. Continuous Improvement of Environmental Conservation Activities

We improve our environmental conservation activities continually throughout our entire supply chain.

### 3. Reduction of Environmental Impact

- We pursue energy conservation toward a decarbonization, striving to reduce emissions of CO<sub>2</sub> and other greenhouse gases against climate change.
- We use water effectively and manage water quality appropriately, treating this valuable and limited resource with respect.
- We reduce waste, reuse resources, and encourage recycling throughout our product lifecycle in general and in all business activities, contributing to achieve a circular economy.

### 4. Biodiversity Conservation

We pursue biodiversity conservation by protecting ecosystems based on a global perspective in all our business activities.

### 5. Appropriate Information Disclosures

We engage with our stakeholders, providing timely and appropriate disclosures of environmental information.

Kazuo Kawamura

President and Representative Director

Meiji Holdings Co., Ltd.

Established in April 2011

Amended in September 2018

Amended in February 2020

 Meiji Group Environmental Policy (PDF:48KB)

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## Meiji Group Water Resources Policy



We, Meiji Group, recognize that our business is based on the abundant gifts of nature and that water resources are an important foundation of our business.

We aim to create a society that co-exists with nature, using water resources effectively in ways that do not impact the global environment. At the same time, we strive for sustainable water resource procurement by working with diverse stakeholders and solving water-related issues.

### 1. Reducing water consumption

We understand that safe, sanitary water resources are distributed unevenly across the world and that risks vary according to country and region. We, using water resources effectively, strive to reduce water consumption (intensity) by at least 20% by fiscal 2030 compared to fiscal 2017.

### 2. Water resource conservation activities

We are fully aware of the importance of water resources, and we are engaged in water source recharge activities and other water resource conservation, aiming to convert 100% of the water we use as raw material for our products.

### 3. Environmental conservation activities

We utilize wastewater treatment systems suitable to the nature of our business operations.  
We properly manage pollution load substances in wastewater discharged into public waters.

### 4. Response to water risks

We work together with local communities to resolve water risks, which include drought, flooding and water pollution caused by global warming, etc.

### 5. Reporting

We report annually on the status of our efforts related to water resources.

Established in September 2020

 [Meiji Group Water Resources Policy \(PDF:232KB\)](#)

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## Meiji Group Plastic Policy

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We, Meiji Group, recognizing that our business operations originate from the bounty of nature, aim to help creating a sustainable society and work to make effective use of global resources. In addition, we cooperate with a variety of stakeholders to ensure the plastics we use do not have a negative impact on the global environment and solve issues regarding use of the plastics.

### 1. Reduce Plastics

We are committed to reducing plastic usage by 25% (compared to FY2017) by FY2030 through design changes to plastic packagings, as well as through the use of alternative materials.

### 2. Recycle Plastics

We work with our business partners in encouraging the recycling of discarded plastics connected to our business activities. In addition, we strive to use easily recyclable plastics and recycled plastics in our products.

### 3. Research and Develop Environmentally Friendly Materials for Plastic Packagings

Together with our business partners, we conduct materials research and development on biomass plastics and other environmentally friendly new materials that minimize our impact on the global environment.

### 4. Engage in Measures to Conserve Environment

We contribute to solutions for global environment issues, including marine plastic pollution, through river and coast cleanup, as well as other beautification activities. At the same time, we strive to raise awareness of environmental conservation activities among our customers, and both our employees and their families.

### 5. Reporting

We issue a report on our initiatives in plastic on an annual basis.

Established in June 2020

 [Meiji Group Plastic Policy \(PDF:13KB\)](#)

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## Meiji Group Biodiversity Conservation Activity Policy

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We, Meiji Group, operate businesses that depend on the business based on the abundant gifts of nature, including raw milk, cacao and lactobacillus, and microorganisms such as antibiotics. We identify the impact of our business activities on biodiversity throughout the entire supply chain, from raw material procurement to waste disposal, preserving and regenerating

biodiversity to ensure that we enjoy the abundant gifts of nature for years to come. We comply with treaties, laws and regulations related to biodiversity, and we contribute to the creation of a society that coexists in harmony with nature.

#### 1. Procure raw materials

We pursue sustainable raw materials procurement that is sensitive to the biodiversity in the place of origin.

#### 2. Reduce impact on biodiversity

- We pursue production and distribution activities that are sensitive to biodiversity.
- We strive to provide products and services and develop technologies that have a low impact on biodiversity.

#### 3. Use biological resources effectively

- We strive to create new value that makes use of the functions and characteristics of biological resources.
- We reduce waste, engage in reuse, and otherwise use biological resources effectively, contributing to the creation of a recycling-oriented society.

#### 4. Improve employee understanding

We improve an understanding of biodiversity among our employees by providing environmental education and encouraging participation in environmental activities.

#### 5. Cooperate with local communities

We pursue environmental education and biodiversity conservation activities, working with local communities to conserve and regenerate the ecosystems surrounding our places of business.

Established in October 2020

 [Meiji Group Biodiversity Conservation Activity Policy \(PDF:136KB\)](#)

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### Meiji Group Tax Policy



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We, Meiji Group, comply with the tax laws and provisions of each country and region in which we operate. At the same time, we accomplish our social responsibility as a corporate citizen to pay taxes properly, contributing to economic and social development.

#### 1. Tax Compliance

We comply with the tax laws, international agreements, social norms, and internal rules determined by each group company, etc., acting fairly and faithfully in accordance with high ethical standards.

#### 2. Minimize Tax-Related Risks

To minimize tax-related risks, we strive to understand the tax laws and administrative systems in every country and region in which we operate, responding as appropriate.

#### 3. Reduce Uncertainties

At times, group companies enter into business transactions for which the tax interpretation is not clear. In these cases, we investigate carefully any tax-related risks, seeking the advice of experts when necessary. In this way, we reduce uncertainties related to taxes.

#### 4. International Mechanisms

We strive to comprehend the objectives behind OECD transfer pricing guidelines, mechanisms based on Base Erosion and Profit Shifting (BEPS), and various policies related to tax havens, responding to the tax systems and requirements the countries and regions in

which we operate. In this way, we aim to ensure the transparency of our international business transactions.

## 5. Transfer Pricing

To ensure the appropriate allocation of profits among the countries and regions in which we operate, we conduct transactions appropriately with related overseas entities in consideration of arm's-length pricing.

## 6. Relationships With Tax Authorities

We cooperate with tax audits and tax administration in the countries and regions in which we operate, striving to maintain positive relationships with tax authorities.

Established in March 2019

Amended in February 2020

 [Meiji Group Tax Policy \(PDF:14KB\)](#)

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## Meiji Group Anti-Corruption Policy

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We, Meiji Group, engage in anti-corruption initiatives to remain a transparent, wholesome corporate group trusted by society, as defined in our Management Attitude.

### 1. Compliance With Laws and Regulations, etc.

We comply with the laws and regulations of each country and region in which we operate, as well as with group internal rules, to prevent corrupt practices. We also note the extraterritorial application of laws and regulations in countries and regions outside of Japan.

### 2. Prohibition Against Bribery, etc.

We prohibit, whether through direct or indirect means, the granting, proposing, or promising of bribes to government officials or equivalent persons, holding improper relationships with business partners or others, or engaging in relationships with antisocial forces.

We prohibit the offering or receiving of inappropriate money, gifts, entertainment, or other property benefits exceeding a scope deemed proper according to social convention.

### 3. Cooperation With Audits and Investigations

We provide full cooperation and appropriate responses to financial-related audits, etc. conducted by external financial statement auditors and group internal audit departments, as well as investigations conducted by relevant government authorities, etc.

### 4. Improvement of System

To prevent or detect corrupt practices as quickly as possible, we strive to improve a system for officers and employees to seek consultation or to submit notice of acts in violation of this policy or acts which may be in violation of this policy. We do not punish person seeking consultation or submitting notice in connection with its action.

### 5. Education and Training for Anti-Corruption

We provide appropriate education and training related to this policy and anti-bribery rules, etc. to officers, employees and business partners or others, striving to prevent corrupt practices.


### 6. Disciplinary Action, etc.

We take strict disciplinary action against officers or employees who violate this policy, in accordance with employment rules and other group internal rules. We also take appropriate measures against business partners or others who violate this policy.

Established in March 2019



Amended in February 2020

 [Meiji Group Anti-Corruption Policy \(PDF:14KB\)](#)

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## Meiji Group Social Contribution Activities Policy

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To contribute solutions to social issues of local communities and ensure the sustainable development thereof, we, Meiji Group, engage actively in social contribution activities, supported by a sense of social participation embraced by every employee. Our social contribution activities focus on three concepts: 1. Nurture people; 2. Support society; and 3. Continue the world to the future.

### 1. Activities to nurture people

We pursue activities in nutrition, food culture and sports to support the healthy growth and intellectual development of children and youth who will be leaders of the future.

### 2. Activities to support society

We pursue activities needed to support the healthy and stable lives of people in local communities affected by or involved in our business activities.

### 3. Activities to continue the world to the future

We engage in activities to preserve the natural environment, conserve biodiversity, and encourage resources recycling, looking ahead to the sustainable development and future of the Earth. We also engage in activities that support research and development tied to the creation of new health value.

Established in January 2021

 [Meiji Group Social Contribution Activities Policy \(PDF:100KB\)](#)

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## Meiji Group Food Nutrition Labeling Policy

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We, Meiji Group, recognize that people need correct and useful information provided clearly and simply. Our food nutrition labeling policy is designed to help people have clear information about our food products, to make right choices and to support health daily life.

### 1. Back of Pack Information

We provide nutrition information on back of pack on all of our food products in all markets worldwide. Nutrition information is provided as per serving/per portion and/or per 100 grams basis (depending upon local regulations) on the following key nutrients-energy (calories), protein, total carbohydrates, fat and salt.

Nutrition labels usually include the nutrient adequacy based on the official daily intake guidance where such guidance is available.

### 2. Front of Pack Information

We provide meaningful information fitting local needs on front of pack on our certain food products at a glance.

### 3. Nutrition Claims

If we make a claim about a healthy function or a nutrition for fortification purposes, we provide information on that nutrient on the label in accordance with local regulations or those set out by Codex for markets where regulatory standards have not been established.

Established in October 2019

Amended in February 2020

 [Meiji Group Food Nutrition Labeling Policy \(PDF:10KB\)](#)

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We, Meiji Group, will engage in responsible marketing communication to children based on this Policy. This our Policy is global and applied to every market of confectionery and ice cream, hereinafter referred to as the “Products”, where we do business.

### 1. Our Fundamental Position

- As to the Products, we will engage in responsible advertising in any media primarily directed to children under the age of 12.
- We direct our advertising for the Products to gatekeepers (adults, parents, guardians), as well as people over the age of 12, whom we empower with information and product choices to make mindful snacking decisions.
- We prohibit all advertising, any type of commercial messaging and in-school marketing for the Products in primary and secondary schools (prior to university level).

### 2. Our policy

- We use best judgment to avoid programs and publications in connection with the Products, that are geared for or have high appeal to children under the age of 12.  
As “programs and publications” mentioned above, the following media is covered : radio, our own websites, DVDs/CDs/games, print media, mobile and SMS marketing, cinema, outdoor marketing, sponsorship and product placement in movies.
- Games and downloads will be geared to gatekeepers (adults, parents, guardians)/persons over the age of 12.
- We prohibit all in-school marketing for the Products in pre-school.
- We do not permit any branded communication for the Products in schools, including branded educational materials or equipment.
- As to the Products, all of communications on packaging and on in-store materials are directed to gatekeepers (adults, parents, guardians).
- We offer products that support, and promote the awareness of, healthy diets and food culture to support the healthy lifestyles.

### 3. Our food marketing standards

In addition to the foregoing and as to the Products, we, Meiji Group, share further guidance set forth below. These standards are consistent with and support the International Chamber of Commerce (ICC) Code of Advertising and Marketing Communication Practice and the ICC Framework for Responsible Food and Beverage Communications, and ensure consistent, responsible depiction of food and lifestyle choices by the customers.

- We show proper serving and portion sizes, as well as consumption, in photography and imagery.
- We display nutrition information and serving sizes in recipes.
- We portray active and safe lifestyle choices.
- We clearly represent eating occasions.
- We reflect diversity of the consumers, in ethnicity, age and gender, as well as size and shape.
- We portray safe behaviors, including safe food handling and kitchen practices.

Established in February 2020



We, Meiji Group, commit to market our products ethically and are ensuring that our practices comply with laws and regulations of the countries where we do business. The purpose of this policy is to provide employees, distributors, and agents with appropriate guidance in the marketing of infant and follow-on formula<sup>\*1</sup>.

### 1. Our Fundamental Position


- We acknowledge the importance of, and commit to the principles of, the WHO Code and subsequent relevant WHA resolutions.
- We support the WHO's global public health recommendation calling for exclusive breast-feeding for the first six months of life, followed by the introduction of safe and appropriate Complementary Foods thereafter.
- We encourage the importance of breast-feeding, alongside the introduction of safe and appropriate Complementary Foods after six months of age.

### 2. Our policy

- We are committed to ensuring that the practice of breast-feeding is not undermined through Marketing Material on any of our products.
- We will not advertise or promote Infant Formula in any country where we do business.
- We will not advertise or promote Follow-on Formula, in Higher Risk Countries<sup>\*2</sup>.
- We support and advocate responsible Marketing practices that promote good health and safe nutrition for all infants and young children.
- We work with Partners, trade associations, industry groups and multiple stakeholders to promote responsible and ethical Marketing practices.
- We work with retail customers and Partners, acting on behalf of Meiji involved in bringing our products to the market to establish awareness and emphasize the importance of abiding by relevant laws, the WHO Code and this BMS Policy.
- We comply with all applicable local laws and regulations in the countries where we do business.
- We respect the role of national governments to develop health policies that are appropriate to their social and legislative frameworks.

<sup>\*1</sup> Follow-on Formula means, for the purpose of this BMS Policy, a formula product intended for, and marketed for, infants from six to twelve months of age.

<sup>\*2</sup> A list of Higher Risk Countries is included in Appendix A at the following website.

 [https://research.ftserussell.com/products/downloads/F4G\\_BMS\\_Criteria.pdf](https://research.ftserussell.com/products/downloads/F4G_BMS_Criteria.pdf)

Established in February 2020

 [Meiji Group Policy for the Marketing of Breast-Milk Substitutes \(BMS Policy\)](#) (PDF:50KB)

## Pledge of Health and Productivity Management

The Company published its Pledge of Health and Productivity Management in April 2018. The Company aims to create a comfortable workplace for employees to be healthy and active, both physically and mentally. This pledge applies to domestic Meiji Group companies and their officers and employees.



Mental and physical health are fundamental to our employees and their families in enriching employee lives and allowing them work to their full potential. Mental and physical health are also fundamental to the company to increase productivity and corporate value.

We at the Meiji Group aim to be a comfortable place to work, fostering dynamic employees who are healthy in mind and body.

1. Employees mindfully manage their own health and the health of their families.
  2. The company actively supports employees as they work to build their health management skills.
  3. The company endeavors to establish a workplace where employees can work in confidence, both physically and mentally.
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# Download Report

## Download Integrated Reports

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In September 2018, the Meiji Group issued our first integrated report, which will take the place of the annual reports published in prior years.

[▶ Integrated Report](#)

## Download Sustainability Reports

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- [▶ Sustainability Report 2019 \(PDF:13376KB\)](#)
- [▶ Sustainability Report 2018 \(PDF:4082KB\)](#)
- [▶ Sustainability Report 2017 \(PDF:2183KB\)](#)
- [▶ Sustainability Report 2016 \(PDF:1551KB\)](#)
- [▶ Sustainability Report 2015 \(PDF:1195KB\)](#)
- [▶ Sustainability Report 2014 \(PDF:5938KB\)](#)

# Collaborating With UN Agencies and Other Relevant Organizations

We collaborate with UN agencies and other relevant organizations.

## The United Nations Global Compact

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The Meiji Group signed on to the United Nations Global Compact in April 2019.

The UN Global Compact is a voluntary initiative in which businesses demonstrate creative leadership and act as upstanding members of society by participating in this global framework aimed at realizing sustainable growth. Our participation in the Global Compact is a way to clarify our corporate stance on the ten principles in four areas (human rights, labour standards, the environment and anti-corruption) outlined within the Global Compact.



## The Ten Principles of the UN Global Compact

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### Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

### Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

### Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

The Meiji Group shall fulfill its contribution to the international community in accordance with the ten principles of the UN Global Compact.

■ The United Nations Global Compact

## Sustainable Development Goals (SDGs)

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The Meiji Group plans to contribute to the attainment of Sustainable Development Goals (SDGs) through various business activities and measures to fulfill its corporate social responsibilities.

### SUSTAINABLE DEVELOPMENT GOALS



## Collaborating With UN Agencies and Other Relevant Organizations

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### ■ Stop TB Partnership

We supply kanamycin to tuberculous patients through the Stop TB Partnership

➤ Ensure the sustainable supply of pharmaceuticals

### ■ UNICEF

Medreich contributes to medicine accessibility through UNICEF

➤ Ensure the sustainable supply of pharmaceuticals

### ■ The Nutrition Japan Public Private Platform (NJPPP)

We contribute to nutrition improvement in emerging countries in partnership with NJPPP

➤ Improve nutrition in emerging countries

### ■ UNHCR (UN Refugee Agency)

We donate resources to a child refugee nutrition program through the offices of the UNHCR (UN Refugee Agency)

➤ Promote social contribution, Donation



## **SCAFF (Sustainable Consortium 2030 - for Agriculture, Forestry, Fisheries and Food)**

'SCAFF 2030' is a project led by Japanese Ministry of Agriculture, Forestry and Fisheries, aiming to promote sustainability in production and consumption in order to achieve the United Nations Sustainable Development Goals (SDGs). Meiji Group will engage in promoting sustainable production and consumption through the project.

 SCAFF2030

# ESG Data

Data of ESG (Environment, Society, and Governance) on Meiji Group's sustainability activities.

🔗 ESG Data FYE 3/2020 (PDF:351KB)  
Last Updated: Mar 31, 2021

🔗 ESG Data FYE 3/2019 (PDF:349KB)

## List of Certification Status of ISO14001 and ISO45001

As of Apr 9,2021

	Site	ISO14001	ISO45001
Food Segment			
Japan	Meiji Co., Ltd. and Group Company	★ (PDF:289KB)	
	Meiji Co., Ltd. Wakkanai Plant	★	○
	Meiji Co., Ltd. Asahikawa Plant	★	
	Meiji Co., Ltd. Nishi Shunbetsu Plant	★	○
	Meiji Co., Ltd. Honbetsu Plant	★	○
	Meiji Co., Ltd. Tokachi Plant	★	
	Meiji Co., Ltd. Tohoku Plant	★	○
	Meiji Co., Ltd. Ibaraki Plant	★	
	Meiji Co., Ltd. Moriya Plant	★	○
	Meiji Co., Ltd. Gunma Plant	★*1	○
	Meiji Co., Ltd. Gunma Nutritionals Plant		○
	Meiji Co., Ltd. Gunma Pharmaceuticals Plant		○
	Meiji Co., Ltd. Sakado Plant	★	○
	Meiji Co., Ltd. Saitama Plant	★	
	Meiji Co., Ltd. Toda Plant	★	
	Meiji Co., Ltd. Kanagawa Plant	★	○
	Meiji Co., Ltd. Karuizawa Plant	★	○

	Site	ISO14001	ISO45001
	Meiji Co., Ltd. Tokai Plant	★	○
	Meiji Co., Ltd. Aichi Plant*2	★	
	Meiji Co., Ltd. Kyoto Plant	★	
	Meiji Co., Ltd. Osaka Plant	★	○
	Meiji Co., Ltd. Kansai Plant	★*3	○
	Meiji Co., Ltd. Kansai Ice Cream Plant		○
	Meiji Co., Ltd. Kansai Nutritionals Plant		○
	Meiji Co., Ltd. Kurashiki Plant	★	
	Meiji Co., Ltd. Kyushu Plant	★	○
	Nihon Kanzume, Co., Ltd.	★	
	Donan Shokuhin Co., Ltd.	★	
	Tochigi Meiji Milk Products Co.,Ltd.	★	
	Gunma Meiji Co., Ltd.	★	○
	Chiba Meiji Milk Products Co., Ltd.	★	○
	Meiji Sangyo Co., Ltd.	★	
	Tokai Nuts Co., Ltd.	★	
	Tokai Meiji Co., Ltd.	★	○
	Meiji Chewing Gum Co., Ltd.	★	
	Meiji Oils and Fats Co., Ltd.	★	
	Shikoku Meiji Co., Ltd.*4	★	
	Okinawa Meiji Milk Products Co., Ltd.	★	
Overseas	Meiji Ice Cream (Guang Zhou) Co., Ltd.	○ (PDF:205KB)	○
	Meiji Dairies (Suzhou) Co., Ltd.	○ (PDF:411KB)	
Pharmaceuticals Segment			
Japan	Meiji Seika Pharma Co., Ltd. Odawara Plant	○ (PDF:188KB)	
	Meiji Seika Pharma Co., Ltd. Gifu Plant	○ (PDF:430KB)	○

	Site	ISO14001	ISO45001
	Meiji Seika Pharma Co., Ltd. Bioscience Laboratories	○ <sup>*5</sup> (PDF:201KB)	
	Meiji Seika Pharma Co., Ltd. Pharmaceutical Technology Laboratories (Ashigara)		
	Meiji Seika Pharma Co., Ltd. Pharmaceutical Research Laboratories	○ <sup>*6</sup> (PDF:726KB)	
	Meiji Seika Pharma Co., Ltd. Pharmaceutical Technology Laboratories (Yokohama)		
	Meiji Seika Pharma Co., Ltd. Agricultural & Veterinary Research Laboratories		
	OHKURA Pharmaceutical Co., Ltd. <sup>*7</sup>	○ (PDF:527KB)	
Overseas	Medreich Limited <sup>*8</sup>	○ (PDF:215KB)	○

★ Multi-site Certification as Meiji Co., Ltd. Group

\*1 Certified as Gunma Plant

\*2 Aichi and Shizuoka Plants

\*3 Certified as Kansai Plant

\*4 Kagawa and Matsuyama Plants

\*5 Certified as Ashigara Research Center

\*6 Certified as Yokohama Research Center

\*7 Uji Business Facilities

\*8 Unit 7

# Standard Table

✔ GRI Standard Table    ✔ Sustainability Accounting Standard Board

## GRI Standard Table

This website is compiled with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

### GRI Standard Contents Index

Disclosure Number	Title	Reporting Requirements	Location and Notes
<b>Organizational profile</b>			
102-1	Name of the organization	a. Name of the organization.	<a href="#">▶ Corporate Profile</a> <a href="#">▶ Corporate Profile</a> <a href="#">▶ Corporate Profile</a> <a href="#">▶ Corporate Profile</a> <a href="#">▶ Integrated Report 2019 P106 : Corporate Data</a>
102-2	Activities, brands, products, and services	a. A description of the organization's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	<a href="#">▶ Our Business</a> <a href="#">▶ Products &gt; Lineup</a> <a href="#">▶ Products &gt; Worldwide</a> <a href="#">▶ Integrated Report 2019 P4-5 : Product and Market Presence</a> <a href="#">▶ Integrated Report 2019 P6-7 : History</a> <a href="#">▶ Consolidated Financial Results p5-7 : Below is an overview by segment. (PDF:603KB)</a>
102-3	Location of headquarters	a. Location of the organization's headquarters.	<a href="#">▶ Corporate Profile</a> <a href="#">▶ Integrated Report 2019 P106 : Corporate Data</a>
102-4	Location of operations	a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	<a href="#">▶ Products &gt; Meiji Worldwide</a> <a href="#">▶ Integrated Report 2019 P104-105 : Operating Bases and Group Companies</a>
102-5	Ownership and legal form	a. Nature of ownership and legal form.	<a href="#">▶ Corporate Profile</a> <a href="#">▶ Integrated Report 2019 P106 : Corporate Data</a>

Disclosure Number	Title	Reporting Requirements	Location and Notes
Organizational profile			
102-6	Markets served	a. Markets served, including: i. geographic locations where products and services are offered; ii. sectors served; iii. types of customers and beneficiaries.	<a href="#">➤ Products &gt; Worldwide</a> <a href="#">➤ Integrated Report 2019 P2-3 : At a Glance</a> <a href="#">➤ Consolidated Financial Results p5-7 : Below is an overview by segment. (PDF:603KB)</a>
102-7	Scale of the organization	a. Scale of the organization, including: i. total number of employees; ii. total number of operations; iii. net sales (for private sector organizations) or net revenues (for public sector organizations); iv. total capitalization (for private sector organizations) broken down in terms of debt and equity; v. quantity of products or services provided.	<a href="#">➤ Corporate Profile</a> <a href="#">➤ Human Resources &gt; Promote Diversity and Inclusion, and Provide Training to Employees &gt; Diverse Employees &gt; Number of Employees Overseas (Main Countries)</a> <a href="#">➤ ESG Data &gt; Society</a> <a href="#">➤ Integrated Report 2019 P2-3 : At a Glance</a> <a href="#">➤ Integrated Report 2019 P66-73 : Consolidated Financial Statements</a> <a href="#">➤ Consolidated Financial Results p9-12 : Quarterly Consolidated Financial Statements (PDF:603KB)</a>

Disclosure Number	Title	Reporting Requirements	Location and Notes
Organizational profile			
102-8	Information on employees and other workers	<p>a. Total number of employees by employment contract (permanent and temporary), by gender.</p> <p>b. Total number of employees by employment contract (permanent and temporary), by region.</p> <p>c. Total number of employees by employment type (full-time and part-time), by gender.</p> <p>d. Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.</p> <p>e. Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries).</p> <p>f. An explanation of how the data have been compiled, including any assumptions made.</p>	<a href="#">▶ ESG Data &gt; Society</a>
102-9	Supply chain	<p>a. A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.</p>	<a href="#">▶ Sustainable Procurement</a> <a href="#">▶ Integrated Report 2019 P8-9 : Meiji Group's Process for Value Creation &gt; Strengths and Features of the Meiji Group's Value Chain</a>



Disclosure Number	Title	Reporting Requirements	Location and Notes
<b>Organizational profile</b>			
102-10	Significant changes to the organization and its supply chain	<p>a. Significant changes to the organization's size, structure, ownership, or supply chain, including:</p> <p>i. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions;</p> <p>ii. Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations);</p> <p>iii. Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.</p>	<p>➤ KM Biologics Co., Ltd. (PDF:85KB)</p> <p>➤ Integrated Report 2019 P18 : Establishing the Co-Creation Center</p> <p>➤ FYE 3/2020 2Q Earnings Release Presentation P16 &gt; Closed Hokuriku Factory (PDF:972KB)</p>
102-11	Precautionary Principle or approach	<p>a. Whether and how the organization applies the Precautionary Principle or approach.</p>	<p>➤ Mission and Vision &gt; Group Philosophy</p> <p>➤ Risk Management</p> <p>➤ Environmental Management</p> <p>➤ Policies</p> <p>➤ Appropriate Chemical Substance Management</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Policies &amp; Plan &gt; Environmental Management System</p> <p>➤ Integrated Report 2019 P59 : Risk Management</p>
102-12	External initiatives	<p>a. A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.</p>	<p>➤ Sustainable Procurement &gt; Procurement of Palm Oil &gt; Shift to 100% RSPO-Certified Palm Oil</p> <p>➤ Collaborating With UN Agencies and Other Relevant Organizations</p>
102-13	Membership of associations	<p>a. A list of the main memberships of industry or other associations, and national or international advocacy organizations.</p>	<p>➤ Collaborating With UN Agencies and Other Relevant Organizations</p> <p>➤ Society &gt; Communicate with Stakeholders &gt; Participation in Trade and Environmental Organizations</p>

Disclosure Number	Title	Reporting Requirements	Location and Notes
<b>Organizational profile</b>			
<b>Strategy</b>			
102-14	Statement from senior decision-maker	a. A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	<a href="#">▶ President's Message</a> <a href="#">▶ Integrated Report 2019 P16-21 : Message from the President</a>
102-15	Key impacts, risks, and opportunities	a. A description of key impacts, risks, and opportunities.	<a href="#">▶ Business Risks</a> <a href="#">▶ Risk Management</a> <a href="#">▶ Integrated Report 2019 P10-11 : Meiji Group's Approach to CSR in Our Value Chain</a> <a href="#">▶ Integrated Report 2019 P12-13 : Achieving Our Goals in 2026 Vision</a> <a href="#">▶ Integrated Report 2019 P59 : Risk Management</a>
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behavior	a. A description of the organization's values, principles, standards, and norms of behavior.	<a href="#">▶ Sustainability Management</a> <a href="#">▶ Mission and Vision</a> <a href="#">▶ Policies</a> <a href="#">▶ Integrated Report 2019 P1 : Group Philosophy</a> <a href="#">▶ Integrated Report 2019 P13 : The Meiji Group 2026 Vision</a> <a href="#">▶ Integrated Report 2019 P36 : The Meiji Group's Approach to CSR</a>
102-17	Mechanisms for advice and concerns about ethics	a. A description of internal and external mechanisms for: i. seeking advice about ethical and lawful behavior, and organizational integrity; ii. reporting concerns about unethical or unlawful behavior, and organizational integrity.	<a href="#">▶ Compliance &gt; Management System &gt; Contact Information for the Compliance Counseling Desk</a> <a href="#">▶ ESG Data &gt; Governance &gt; Compliance</a> <a href="#">▶ Integrated Report 2019 P59 : Compliance</a>
<b>Governance</b>			

Disclosure Number	Title	Reporting Requirements	Location and Notes
<b>Organizational profile</b>			
102-18	Governance structure	<p>a. Governance structure of the organization, including committees of the highest governance body.</p> <p>b. Committees responsible for decision-making on economic, environmental, and social topics.</p>	<p>➤ Sustainability Management</p> <p>➤ Integrated Report 2019 P37 : The Group CSR System</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Environmental Mangement System</p>
102-19	Delegating authority	<p>a. Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees.</p>	<p>➤ Sustainability Management</p> <p>➤ Integrated Report 2019 P37 : The Group CSR System</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Environmental Mangement System</p>
102-20	Executive-level responsibility for economic, environmental, and social topics	<p>a. Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental, and social topics.</p> <p>b. Whether post holders report directly to the highest governance body.</p>	<p>➤ Sustainability Management</p> <p>➤ Integrated Report 2019 P37 : The Group CSR System</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Environmental Mangement System</p>
102-21	Consulting stakeholders on economic, environmental, and social topics	<p>Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics.</p> <p>If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body.</p>	<p>➤ Sustainability Management</p> <p>➤ Integrated Report 2019 P37 : The Group CSR System</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Environmental Mangement System</p>

Disclosure Number	Title	Reporting Requirements	Location and Notes
Organizational profile			
102-22	Composition of the highest governance body and its committees	a. Composition of the highest governance body and its committees by: <ol style="list-style-type: none"> <li>executive or non-executive;</li> <li>independence;</li> <li>tenure on the governance body;</li> <li>number of each individual's other significant positions and commitments, and the nature of the commitments;</li> <li>gender;</li> <li>membership of under-represented social groups;</li> <li>competencies relating to economic, environmental, and social topics;</li> <li>stakeholder representation.</li> </ol>	<ul style="list-style-type: none"> <li>➤ Corporate Governance</li> <li>➤ ESG Data &gt; Governance &gt; Independence of Board of Directors</li> <li>➤ Integrated Report 2019 p56 : Corporate Governance Data</li> <li>➤ Corporate Governance Report p10 : II &gt; 1. Organizational Composition and Operation</li> </ul>
102-23	Chair of the highest governance body	a. Whether the chair of the highest governance body is also an executive officer in the organization. b. If the chair is also an executive officer, describe his or her function within the organization's management and the reasons for this arrangement.	<ul style="list-style-type: none"> <li>➤ Corporate Governance</li> <li>➤ Integrated Report 2019 P56 : Corporate Governance Data</li> </ul>

Disclosure Number	Title	Reporting Requirements	Location and Notes
Organizational profile			
102-24	Nominating and selecting the highest governance body	<p>a. Nomination and selection processes for the highest governance body and its committees.</p> <p>b. Criteria used for nominating and selecting highest governance body members, including whether and how:</p> <ol style="list-style-type: none"> <li>stakeholders (including shareholders) are involved;</li> <li>diversity is considered;</li> <li>independence is considered;</li> <li>expertise and experience relating to economic, environmental, and social topics are considered.</li> </ol>	<p>➤ Corporate Governance</p> <p>➤ Integrated Report 2019 P56 : Corporate Governance Data</p>
102-25	Conflicts of interest	<p>a. Processes for the highest governance body to ensure conflicts of interest are avoided and managed.</p> <p>b. Whether conflicts of interest are disclosed to stakeholders, including, as a minimum:</p> <ol style="list-style-type: none"> <li>Cross-board membership;</li> <li>Cross-shareholding with suppliers and other stakeholders;</li> <li>Existence of controlling shareholder;</li> <li>Related party disclosures.</li> </ol>	<p>➤ Corporate Governance</p> <p>➤ Corporate Governance Report p10 : II &gt; 1. Organizational Composition and Operation</p> <p>➤ Corporate Governance Report p7 : I &gt; 2. Capital Structure</p>
102-26	Role of highest governance body in setting purpose, values, and strategy	<p>a. Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.</p>	<p>➤ Sustainability Management</p> <p>➤ Corporate Governance Report p19 : II &gt; 2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions</p> <p>➤ Corporate Governance Report p20 : II &gt; 3. Reasons for Adoption of Current Corporate Governance System</p>

Disclosure Number	Title	Reporting Requirements	Location and Notes
Organizational profile			
102-27	Collective knowledge of highest governance body	a. Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.	<p>➤ Corporate Governance Report p19 : <b>II</b> &gt; 2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions</p>
102-28	Evaluating the highest governance body's performance	<p>a. Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics.</p> <p>b. Whether such evaluation is independent or not, and its frequency.</p> <p>c. Whether such evaluation is a self-assessment.</p> <p>d. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.</p>	<p>➤ Corporate Governance Report p6 : 10. Supplementary Principle 4.11.3 Evaluation of the Board of Directors</p> <p>➤ Integrated Report 2019 P58 : Evaluation of the Board of Directors</p>
102-29	Identifying and managing economic, environmental, and social impacts	<p>a. Highest governance body's role in identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities – including its role in the implementation of due diligence processes.</p> <p>b. Whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental, and social topics and their impacts, risks, and opportunities.</p>	<p>➤ Sustainability Management</p> <p>➤ Integrated Report 2019 P37 : The Group CSR System</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Environmental Management System</p> <p>➤ Integrated Report 2019 P59 : Risk Management</p> <p>➤ Corporate Governance Report p25 : <b>IV</b>. Matters Related to the Internal Control System</p>

Disclosure Number	Title	Reporting Requirements	Location and Notes
<b>Organizational profile</b>			
102-30	Effectiveness of risk management processes	a. Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental, and social topics.	<ul style="list-style-type: none"> <li>➤ Sustainability Management</li> <li>➤ Risk management</li> <li>➤ Integrated Report 2019 P56 : Corporate Governance</li> <li>➤ Integrated Report 2019 P59 : Risk Management</li> <li>➤ Corporate Governance Report p6 : 10. Supplementary Principle 4,11.3. Evaluation of the Board of the Directors</li> <li>➤ Corporate Governance Report p25 : <b>IV</b>. Matters Related to the Internal Control System</li> </ul>
102-31	Review of economic, environmental, and social topics	a. Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.	<ul style="list-style-type: none"> <li>➤ Sustainability Management</li> </ul>
102-32	Highest governance body's role in sustainability reporting	a. The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material topics are covered.	<ul style="list-style-type: none"> <li>➤ Sustainability Management</li> </ul>
102-33	Communicating critical concerns	a. Process for communicating critical concerns to the highest governance body.	<ul style="list-style-type: none"> <li>➤ Sustainability Management</li> <li>➤ Risk management</li> <li>➤ Integrated Report 2019 P59 : Risk Management</li> <li>➤ Corporate Governance Report P20 : <b>IV</b> &gt; 2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions</li> </ul>
102-34	Nature and total number of critical concerns	a. Total number and nature of critical concerns that were communicated to the highest governance body. b. Mechanism(s) used to address and resolve critical concerns.	<ul style="list-style-type: none"> <li>➤ Sustainability Management</li> </ul>




Disclosure Number	Title	Reporting Requirements	Location and Notes
Organizational profile			
102-35	Remuneration policies	<p>a. Remuneration policies for the highest governance body and senior executives for the following types of remuneration:</p> <ul style="list-style-type: none"> <li>i. Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;</li> <li>ii. Sign-on bonuses or recruitment incentive payments;</li> <li>iii. Termination payments;</li> <li>iv. Clawbacks;</li> <li>v. Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees</li> </ul> <p>b. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.</p>	<ul style="list-style-type: none"> <li>➤ Governance &gt; Details of the Compensation of Directors and Audit &amp; Supervisory Board Members</li> <li>➤ ESG Data &gt; Governance &gt; Compensation of Directors Auditors</li> <li>➤ Integrated Report 2019 P57 : Director Remuneration</li> <li>➤ Corporate Governance Report p1 : I &gt; 1. Basic Views &gt; Disclosure Based on the Principles of the Corporate Governance Code</li> <li>➤ Corporate Governance Report p16 : II &gt; 1. Organizational Composition and Operation &gt; Incentives / Director Remuneration</li> </ul>
102-36	Process for determining remuneration	<p>a. Process for determining remuneration.</p> <p>b. Whether remuneration consultants are involved in determining remuneration and whether they are independent of management.</p> <p>c. Any other relationships that the remuneration consultants have with the organization.</p>	<ul style="list-style-type: none"> <li>➤ Governance &gt; Details of the Compensation of Directors and Audit &amp; Supervisory Board Members</li> <li>➤ Integrated Report 2019 P57 : Director Remuneration</li> <li>➤ Corporate Governance Report p1 : I &gt; 1. Basic Views &gt; Disclosure Based on the Principles of the Corporate Governance Code</li> </ul>
102-37	Stakeholders' involvement in remuneration	<p>a. How stakeholders' views are sought and taken into account regarding remuneration.</p> <p>b. If applicable, the results of votes on remuneration policies and proposals.</p>	<ul style="list-style-type: none"> <li>➤ Corporate Governance Report p16 : II &gt; 1. Organizational Composition and Operation &gt; Incentives / Director Remuneration</li> </ul>

Disclosure Number	Title	Reporting Requirements	Location and Notes
<b>Organizational profile</b>			
102-38	Annual total compensation ratio	a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	Not Disclosed
102-39	Percentage increase in annual total compensation ratio	a. Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	Not Disclosed
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	a. A list of stakeholder groups engaged by the organization.	<p>➤ Society &gt; Communicate with Stakeholders</p> <p>➤ Integrated Report 2019 P37 : Feedback from Experts</p>
102-41	Collective bargaining agreements	a. Percentage of total employees covered by collective bargaining agreements.	<p>➤ Human Resources &gt; Employee-friendly Workplaces &gt; Labor Relations</p> <p>➤ ESG Data &gt; Society &gt; Union participation rate</p>
102-42	Identifying and selecting stakeholders	a. The basis for identifying and selecting stakeholders with whom to engage.	<p>➤ Society &gt; Communicate with Stakeholders</p>

Disclosure Number	Title	Reporting Requirements	Location and Notes
<b>Organizational profile</b>			
102-43	Approach to stakeholder engagement	a. The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	<ul style="list-style-type: none"> <li>➤ Sustainability Management</li> <li>➤ Society &gt; Communicate with Stakeholders</li> <li>➤ ESG Data &gt; Governance &gt; IR Activities for Institutional Investors and Analysts</li> <li>➤ Integrated Report 2019 P30-35 : Working Toward Sustainable Cocoa Production</li> <li>➤ Integrated Report 2019 P37 : Feedback from Experts</li> <li>➤ Integrated Report 2019 P40 : Healthier Lives &gt; Promoting Shokuiku Activities (Food and Nutrition Education)</li> <li>➤ Corporate Governance Report p20 : Ⅲ. Implementation of Measures for Shareholders and Other stakeholders</li> </ul>
102-44	Key topics and concerns raised	a. Key topics and concerns that have been raised through stakeholder engagement, including: <ul style="list-style-type: none"> <li>i. how the organization has responded to those key topics and concerns, including through its reporting;</li> <li>ii. the stakeholder groups that raised each of the key topics and concerns.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Sustainability Management</li> <li>➤ Society &gt; Communicate with Stakeholders</li> <li>➤ ESG Data &gt; Governance &gt; IR Activities for Institutional Investors and Analysts</li> <li>➤ Integrated Report 2019 P30-35 : Working Toward Sustainable Cocoa Production</li> <li>➤ Integrated Report 2019 P37 : Feedback from Experts</li> <li>➤ Integrated Report 2019 P40 : Healthier Lives &gt; Promoting Shokuiku Activities (Food and Nutrition Education)</li> <li>➤ Corporate Governance Report p20 : Ⅲ. Implementation of Measures for Shareholders and Other stakeholders</li> </ul>
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	a. A list of all entities included in the organization's consolidated financial statements or equivalent documents.  b. Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	<ul style="list-style-type: none"> <li>➤ Integrated Report 2019 P104-105 : Operating Bases and Group Companies</li> </ul>

Disclosure Number	Title	Reporting Requirements	Location and Notes
<b>Organizational profile</b>			
102-46	Defining report content and topic Boundaries	a. An explanation of the process for defining the report content and the topic Boundaries. b. An explanation of how the organization has implemented the Reporting Principles for defining report content.	<a href="#">▶ Sustainability Management</a> <a href="#">▶ Integrated Report 2019 P1: Contents &gt; Editorial Policy</a>
102-47	List of material topics	a. A list of the material topics identified in the process for defining report content.	<a href="#">▶ Sustainability Management &gt; Meiji Group 2026 Vision &gt; Outline of Vision</a> <a href="#">▶ Integrated Report 2019 P36 : Outline of Vision</a>
102-48	Restatements of information	a. The effect of any restatements of information given in previous reports, and the reasons for such restatements.	Not Disclosed
102-49	Changes in reporting	a. Significant changes from previous reporting periods in the list of material topics and topic Boundaries.	Not Disclosed
102-50	Reporting period	a. Reporting period for the information provided.	<a href="#">▶ Sustainability Management &gt; Editorial Policy &gt; Period Covered</a> <a href="#">▶ Integrated Report 2019 P1 Contents : Using the "Integrated Report 2019"</a>
102-51	Date of most recent report	a. If applicable, the date of the most recent previous report.	Sustainability website : October, 2019
102-52	Reporting cycle	a. Reporting cycle.	Annual
102-53	Contact point for questions regarding the report	a. The contact point for questions regarding the report or its contents.	<a href="#">▶ Contact Us</a>

Disclosure Number	Title	Reporting Requirements	Location and Notes
Organizational profile			
102-54	Claims of reporting in accordance with the GRI Standards	a. The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: i. 'This report has been prepared in accordance with the GRI Standards: Core option'; ii. 'This report has been prepared in accordance with the GRI Standards: Comprehensive option'.	Not Disclosed
102-55	GRI content index	a. The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report. b. For each disclosure, the content index shall include: i. the number of the disclosure (for disclosures covered by the GRI Standards); ii. the page number(s) or URL(s) where the information can be found, either within the report or in other published materials; iii. if applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.	 GRI Standard Table

Disclosure Number	Title	Reporting Requirements	Location and Notes
Organizational profile			
102-56	External assurance	<p>a. A description of the organization's policy and current practice with regard to seeking external assurance for the report.</p> <p>b. If the report has been externally assured:</p> <p>i. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;</p> <p>ii. The relationship between the organization and the assurance provider;</p> <p>iii. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.</p>	<p>➤ ESG Data &gt; Environment &gt; Environmental Management &gt; Third-party certification</p> <p>➤ ESG Data &gt; Society &gt; Accreditation in animal testing</p> <p>➤ Integrated Report 2019 P107 : Independent Practitioner's Assurance of CO<sub>2</sub> emission Volume &amp; Water Consumption Volume</p>

103: Management Approach

## 103: Management Approach

103-1	Explanation of the material topic and its Boundary	<p>a. An explanation of why the topic is material.</p> <p>b. The Boundary for the material topic, which includes a description of:</p> <ol style="list-style-type: none"> <li>where the impacts occur;</li> <li>the organization's involvement with the impacts. For example, whether the organization has caused or contributed to the impacts, or is directly linked to the impacts through its business relationships.</li> </ol> <p>c. Any specific limitation regarding the topic Boundary.</p>	<p>➤ Sustainability Management &gt; Materiality and KPIs</p> <p>➤ President's Message</p> <p>➤ Integrated Report 2019 P16-21 : Message from the President</p> <p>➤ Integrated Report 2019 P36 : Outline of Vision</p> <p>➤ Corporate Governance Report p22 : III. Implementation of Measures for Shareholders and Other stakeholders &gt; 3. Measures to Ensure Due Respect for Stakeholders &gt; Other</p>
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## 103: Management Approach

103-2	The management approach and its components	<p>a. An explanation of how the organization manages the topic.</p> <p>b. A statement of the purpose of the management approach.</p> <p>c. A description of the following, if the management approach includes that component:</p> <ul style="list-style-type: none"> <li>i. Policies</li> <li>ii. Commitments</li> <li>iii. Goals and targets</li> <li>iv. Responsibilities</li> <li>v. Resources</li> <li>vi. Grievance mechanisms</li> <li>vii. Specific actions, such as processes, projects, programs and initiatives</li> </ul>	<ul style="list-style-type: none"> <li>➤ Sustainability Management &gt; Materiality and KPIs</li> <li>➤ Risk Management</li> <li>➤ Meiji Group 2026 Vision</li> <li>➤ Policies</li> <li>➤ President's Message</li> <li>➤ Health and Nutrition</li> <li>➤ Quality and Safety</li> <li>➤ Climate Change</li> <li>➤ Circular Economy</li> <li>➤ Water</li> <li>➤ Biodiversity</li> <li>➤ Human Resources</li> <li>➤ Society</li> <li>➤ Sustainable Procurement</li> <li>➤ Pharmaceuticals &gt; Our Approach to Reliability Assurance</li> <li>➤ Compliance &gt; Management System &gt; Contact Information for the Compliance Counseling Desk</li> <li>➤ Integrated Report 2019 P12-13 : Achieving Our Goals in 2026 Vision</li> <li>➤ Integrated Report 2019 P16-21 : Message from the President</li> <li>➤ Integrated Report 2019 P36 : Meiji Group's Approach to CSR &gt; Meiji Group CSR 2026 Vision</li> <li>➤ Integrated Report 2019 P38-39 : Meiji Group's Approach to CSR &gt; Progress on Materiality</li> <li>➤ Integrated Report 2019 P40 : Healthier Lives &gt; Policies &amp; Plan</li> <li>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Policies &amp; Plan/Environmental Management System</li> <li>➤ Integrated Report 2019 P44 : A Richer Society &gt; Policies &amp; Plan</li> <li>➤ Integrated Report 2019 P46 : Sustainable Procurement &gt; Policies &amp; Plan</li> <li>➤ Integrated Report 2019 P59 : Risk Management</li> <li>➤ Meiji Quality Comm</li> </ul>
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103: Management Approach			
103-3	Evaluation of the management approach	<p>a. An explanation of how the organization evaluates the management approach, including:</p> <ul style="list-style-type: none"> <li>i. the mechanisms for evaluating the effectiveness of the management approach;</li> <li>ii. the results of the evaluation of the management approach;</li> <li>iii. any related adjustments to the management approach.</li> </ul>	<p>➤ Climate change &gt; Environmental Management &gt; Third-Party Certification</p> <p>➤ Integrated Report 2019 P3 : Recognized for Outstanding Health Management in 2019</p>

## ■ Topic Specific Standards

### Economic

201: Economic Performance			
201-1	Direct economic value generated and distributed	<p>a. Direct economic value generated and distributed (EVG&amp;D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:</p> <ul style="list-style-type: none"> <li>i. Direct economic value generated: revenues;</li> <li>ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;</li> <li>iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.</li> </ul> <p>b. Where significant, report EVG&amp;D separately at country, regional, or market levels, and the criteria used for defining significance.</p>	<p>➤ Integrated Report 2019 P74-102 : Notes to Consolidated Financial Statements</p> <p>➤ Consolidated Financial Results p9-12 : Quarterly Consolidated Financial Statements (PDF:603KB)</p>

## 201: Economic Performance

201-2

Financial implications and other risks and opportunities due to climate change

- a. Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including:
- i. a description of the risk or opportunity and its classification as either physical, regulatory, or other;
  - ii. a description of the impact associated with the risk or opportunity;
  - iii. the financial implications of the risk or opportunity before action is taken;
  - iv. the methods used to manage the risk or opportunity;
  - v. the costs of actions taken to manage the risk or opportunity




- Business Risks
- ESG Data > Environment > Environmental investments
- Climate change > Environmental Management > Environmental Accounting

## 201: Economic Performance

201-3	Defined benefit plan obligations and other retirement plans	<p>a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities.</p> <p>b. If a separate fund exists to pay the plan's pension liabilities:</p> <ul style="list-style-type: none"> <li>i. the extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them;</li> <li>ii. the basis on which that estimate has been arrived at;</li> <li>iii. when that estimate was made.</li> </ul> <p>c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage.</p> <p>d. Percentage of salary contributed by employee or employer.</p> <p>e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.</p>	<p>➤ <a href="#">Integrated Report 2019 P74-102 : Notes to Consolidated Financial Statements</a></p> <p>➤ <a href="#">Consolidated Financial Results p9-12 : Quarterly Consolidated Financial Statements (PDF:603KB)</a></p>
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201: Economic Performance			
201-4	Financial assistance received from government	<p>a. Total monetary value of financial assistance received by the organization from any government during the reporting period, including:</p> <ul style="list-style-type: none"> <li>i. tax relief and tax credits;</li> <li>ii. subsidies;</li> <li>iii. investment grants, research and development grants, and other relevant types of grant;</li> <li>iv. awards;</li> <li>v. royalty holidays;</li> <li>vi. financial assistance from Export Credit Agencies (ECAs);</li> <li>vii. financial incentives;</li> <li>viii. other financial benefits received or receivable from any government for any operation.</li> </ul> <p>b. The information in 201-4-a by country.</p> <p>c. Whether, and the extent to which, any government is present in the shareholding structure.</p>	Not Disclosed
202: Market Presence			

201: Economic Performance			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	<p>a. When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage.</p> <p>b. When a significant proportion of other workers (excluding employees) performing the organization's activities are compensated based on wages subject to minimum wage rules, describe the actions taken to determine whether these workers are paid above the minimum wage.</p> <p>c. Whether a local minimum wage is absent or variable at significant locations of operation, by gender. In circumstances in which different minimums can be used as a reference, report which minimum wage is being used.</p> <p>d. The definition used for 'significant locations of operation'.</p>	Not Disclosed
202-2	Proportion of senior management hired from the local community	<p>a. Percentage of senior management at significant locations of operation that are hired from the local community.</p> <p>b. The definition used for 'senior management'.</p> <p>c. The organization's geographical definition of 'local'.</p> <p>d. The definition used for 'significant locations of operation'.</p>	Not Disclosed
203: Indirect Economic Impacts			

201: Economic Performance			
203-1	Infrastructure investments and services supported	a. Extent of development of significant infrastructure investments and services supported. b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. c. Whether these investments and services are commercial, in-kind, or pro bono engagements.	 Society > Promote Social Contribution
203-2	Significant indirect economic impacts	a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts. b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.	 Health and Nutrition > Improve Nutrition in Emerging Countries > (3) Access to Medicine  Health and Nutrition > Ensure the Sustainable Supply of Pharmaceuticals > Access to Medicine
204: Procurement Practices			
204-1	Proportion of spending on local suppliers	a. Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally). b. The organization's geographical definition of 'local'. c. The definition used for 'significant locations of operation'.	Not Disclosed
205: Anti-corruption			
205-1	Operations assessed for risks related to corruption	a. Total number and percentage of operations assessed for risks related to corruption. b. Significant risks related to corruption identified through the risk assessment.	Not Disclosed



## 201: Economic Performance

205-2

Communication and training about anti-corruption policies and procedures

- a. Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region.
- b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.
- c. Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.
- d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.
- e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.

 [Mission and Vision >](#)  
[Corporate Behavior Charter](#)

201: Economic Performance			
205-3	Confirmed incidents of corruption and actions taken	a. Total number and nature of confirmed incidents of corruption. b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption. c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.	Not Disclosed
206: Anti-competitive Behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	a. Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant. b. Main outcomes of completed legal actions, including any decisions or judgments.	Not Disclosed

## Environmental

301: Materials			
301-1	Materials used by weight or volume	a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by: <ul style="list-style-type: none"> <li>i. non-renewable materials used;</li> <li>ii. renewable materials used.</li> </ul>	<a href="#">🔍 Climate change &gt; Environmental Management &gt; Material Balance</a> <a href="#">🔍 ESG Data &gt; Environment &gt; Circular Economy &gt; Raw materials</a>

301: Materials			
301-2	Recycled input materials used	a. Percentage of recycled input materials used to manufacture the organization's primary products and services.	Not Disclosed
301-3	Reclaimed products and their packaging materials	a. Percentage of reclaimed products and their packaging materials for each product category. b. How the data for this disclosure have been collected.	Not Disclosed
302: Energy			
302-1	Energy consumption within the organization	a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used. c. In joules, watt-hours or multiples, the total: <ol style="list-style-type: none"> <li>electricity consumption</li> <li>heating consumption</li> <li>cooling consumption</li> <li>steam consumption</li> </ol> d. In joules, watt-hours or multiples, the total: <ol style="list-style-type: none"> <li>electricity sold</li> <li>heating sold</li> <li>cooling sold</li> <li>steam sold</li> </ol> e. Total energy consumption within the organization, in joules or multiples. f. Standards, methodologies, assumptions, and / or calculation tools used. g. Source of the conversion factors used.	<p>➤ Environmental Management &gt; Material Balance</p> <p>➤ ESG Data &gt; Environment &gt; Climate Change &gt; Energy consumption</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Climate Change &gt; Introducing Renewable Energy &gt; CO<sub>2</sub> Emission Volume for FY2018</p> <p>➤ Integrated Report 2019 P15/60-61 : Financial and Non-Financial Highlights &gt; CO<sub>2</sub> emissions/Energy consumption volume</p>
302-2	Energy consumption outside of the organization	a. Energy consumption outside of the organization, in joules or multiples. b. Standards, methodologies, assumptions, and / or calculation tools used. c. Source of the conversion factors used.	Not Disclosed

301: Materials			
302-3	Energy intensity	<ul style="list-style-type: none"> <li>a. Energy intensity ratio for the organization.</li> <li>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</li> <li>c. Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all.</li> <li>d. Whether the ratio uses energy consumption within the organization, outside of it, or both.</li> </ul>	<ul style="list-style-type: none"> <li>➤ ESG Data &gt; Environment &gt; Climate Change &gt; Energy consumption &gt; Per unit of sales</li> <li>➤ Integrated Report 2019 P15 : Financial and Non-Financial Highlights &gt; Energy Consumption Volumes per Unit of Sales</li> </ul>
302-4	Reduction of energy consumption	<ul style="list-style-type: none"> <li>a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.</li> <li>b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.</li> <li>c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</li> <li>d. Standards, methodologies, assumptions, and / or calculation tools used.</li> </ul>	<ul style="list-style-type: none"> <li>➤ ESG Data &gt; Environment &gt; Climate Change &gt; Energy consumption</li> <li>➤ Integrated Report 2019 P15/60-61 : Financial and Non-Financial Highlights &gt; Energy Consumption volume</li> </ul>
302-5	Reductions in energy requirements of products and services	<ul style="list-style-type: none"> <li>a. Reductions in energy requirements of sold products and services achieved during the reporting period, in joules or multiples.</li> <li>b. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.</li> <li>c. Standards, methodologies, assumptions, and / or calculation tools used.</li> </ul>	Not Disclosed
303: Water			

### 301: Materials

303-1	Water withdrawal by source	<p>a. Total volume of water withdrawn, with a breakdown by the following sources:</p> <ul style="list-style-type: none"> <li>i. Surface water, including water from wetlands, rivers, lakes, and oceans;</li> <li>ii. Ground water;</li> <li>iii. Rainwater collected directly and stored by the organization;</li> <li>iv. Waste water from another organization;</li> <li>v. Municipal water supplies or other public or private water utilities.</li> </ul> <p>b. Standards, methodologies, and assumptions used.</p>	<p>➤ Water &gt; Secure Water Resources</p> <p>➤ Integrated Report 2019 P43 : Water</p>
303-2	Water sources significantly affected by withdrawal of water	<p>a. aTotal number of water sources significantly affected by withdrawal by type:</p> <ul style="list-style-type: none"> <li>i. Size of the water source;</li> <li>ii. Whether the source is designated as a nationally or internationally protected area;</li> <li>iii. Biodiversity value (such as species diversity and endemism, and total number of protected species);</li> <li>iv. Value or importance of the water source to local communities and indigenous peoples.</li> </ul> <p>b. Standards, methodologies, and assumptions used.</p>	<p>➤ Water &gt; Secure Water Resources &gt; Appropriate Water Management and Water Risks</p> <p>➤ Integrated Report 2019 P43 : Water</p>
303-3	Water recycled and reused	<p>a. Total volume of water recycled and reused by the organization.</p> <p>b. Total volume of water recycled and reused as a percentage of the total water withdrawal as specified in Disclosure 303-1.</p> <p>c. Standards, methodologies, and assumptions used.</p>	<p>➤ Climate change &gt; Environmental Management &gt; Material Balance &gt; Water Resource Input Volume</p> <p>➤ ESG Data &gt; Environment &gt; water &gt; Total water used</p> <p>➤ Integrated Report 2019 P43 : Water &gt; Water Consumption Volume for FY2018</p> <p>➤ Integrated Report 2019 P15/60-61 : Financial and Non-Financial Highlights &gt; Water consumption volume</p>

## 301: Materials

303-4	Water withdrawal	<p>a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:</p> <ul style="list-style-type: none"> <li>i. Surface water;</li> <li>ii. Groundwater;</li> <li>iii. Seawater;</li> <li>iv. Produced water;</li> <li>v. Third-party water.</li> </ul> <p>b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable:</p> <ul style="list-style-type: none"> <li>i. Surface water;</li> <li>ii. Groundwater;</li> <li>iii. Seawater;</li> <li>iv. Produced water;</li> <li>v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv.</li> </ul> <p>c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories:</p> <ul style="list-style-type: none"> <li>i. Freshwater (<math>\leq 1,000</math> mg/L Total Dissolved Solids);</li> <li>ii. Other water (<math>&gt; 1,000</math> mg/L Total Dissolved Solids).</li> </ul> <p>d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	<ul style="list-style-type: none"> <li>➤ Environmental Management &gt; Material Balance &gt; Water Resource Input Volume :</li> <li>➤ ESG Data &gt; Environment &gt; water &gt; Total water used</li> <li>➤ Integrated Report 2019 P43 : Water &gt; Water Consumption Volume for FY2018</li> <li>➤ Integrated Report 2019 P15/60-61 : Financial and Non-Financial Highlights &gt; Water consumption volume</li> </ul>
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### 301: Materials

303-5	Water withdrawal	<p>a. Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:</p> <ul style="list-style-type: none"> <li>i. Surface water;</li> <li>ii. Groundwater;</li> <li>iii. Seawater;</li> <li>iv. Produced water;</li> <li>v. Third-party water.</li> </ul> <p>b. Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable:</p> <ul style="list-style-type: none"> <li>i. Surface water;</li> <li>ii. Groundwater;</li> <li>iii. Seawater;</li> <li>iv. Produced water;</li> <li>v. Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv.</li> </ul> <p>c. A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories:</p> <ul style="list-style-type: none"> <li>i. Freshwater (<math>\leq 1,000</math> mg/L Total Dissolved Solids);</li> <li>ii. Other water (<math>&gt;1,000</math> mg/L Total Dissolved Solids).</li> </ul> <p>d. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	<ul style="list-style-type: none"> <li>➤ Environmental Management &gt; Material Balance &gt; Water Resource Input Volume :</li> <li>➤ ESG Data &gt; Environment &gt; water &gt; Total water used</li> <li>➤ Integrated Report 2019 P43 : Water &gt; Water Consumption Volume for FY2018</li> <li>➤ Integrated Report 2019 P15/60-61 : Financial and Non-Financial Highlights &gt; Water consumption volume</li> </ul>
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### 304: Biodiversity

## 301: Materials

304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<p>a. For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information:</p> <ul style="list-style-type: none"><li>i. Geographic location;</li><li>ii. Subsurface and underground land that may be owned, leased, or managed by the organization;</li><li>iii. Position in relation to the protected area (in the area, adjacent to, or containing portions of the protected area) or the high biodiversity value area outside protected areas;</li><li>iv. Type of operation (office, manufacturing or production, or extractive);</li><li>v. Size of operational site in km<sup>2</sup> (or another unit, if appropriate);</li><li>vi. Biodiversity value characterized by the attribute of the protected area or area of high biodiversity value outside the protected area (terrestrial, freshwater, or maritime ecosystem);</li><li>vii. Biodiversity value characterized by listing of protected status (such as IUCN Protected Area Management Categories, Ramsar Convention, national legislation).</li></ul>	<ul style="list-style-type: none"><li>➤ ESG Data &gt; Environment &gt; Biodiversity</li><li>➤ Biodiversity</li></ul>
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## 301: Materials

304-2	Significant impacts of activities, products, and services on biodiversity	<p>a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:</p> <ul style="list-style-type: none"> <li>i. Construction or use of manufacturing plants, mines, and transport infrastructure;</li> <li>ii. Pollution (introduction of substances that do not naturally occur in the habitat from point and non-point sources);</li> <li>iii. Introduction of invasive species, pests, and pathogens;</li> <li>iv. Reduction of species;</li> <li>v. Habitat conversion;</li> <li>vi. Changes in ecological processes outside the natural range of variation (such as salinity or changes in groundwater level).</li> </ul> <p>b. Significant direct and indirect positive and negative impacts with reference to the following:</p> <ul style="list-style-type: none"> <li>i. Species affected;</li> <li>ii. Extent of areas impacted;</li> <li>iii. Duration of impacts;</li> <li>iv. Reversibility or irreversibility of the impacts.</li> </ul>	 Biodiversity
304-3	Habitats protected or restored	<p>a. Size and location of all habitat areas protected or restored, and whether the success of the restoration measure was or is approved by independent external professionals.</p> <p>b. Whether partnerships exist with third parties to protect or restore habitat areas distinct from where the organization has overseen and implemented restoration or protection measures.</p> <p>c. Status of each area based on its condition at the close of the reporting period.</p> <p>d. Standards, methodologies, and assumptions used.</p>	 Biodiversity > Secure Local Biodiversity > Biodiversity Conservation in the Nemuro Nature Conservation Area

301: Materials			
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	a. Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization, by level of extinction risk: <ol style="list-style-type: none"> <li>Critically endangered</li> <li>Endangered</li> <li>Vulnerable</li> <li>Near threatened</li> <li>Least concern</li> </ol>	<a href="#">Biodiversity &gt; Secure Local Biodiversity &gt; Biodiversity Conservation in the Nemuro Nature Conservation Area</a>
305: Emissions			
305-1	Direct (Scope 1) GHG emissions	a. Gross direct (Scope 1) GHG emissions in metric tons of CO <sub>2</sub> equivalent. b. Gases included in the calculation; whether CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , or all. c. Biogenic CO <sub>2</sub> emissions in metric tons of CO <sub>2</sub> equivalent. d. Base year for the calculation, if applicable, including: <ol style="list-style-type: none"> <li>the rationale for choosing it;</li> <li>emissions in the base year;</li> <li>the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> </ol> e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. f. Consolidation approach for emissions; whether equity share, financial control, or operational control. g. Standards, methodologies, assumptions, and / or calculation tools used.	<a href="#">Environmental Management &gt; Material Balance</a> <a href="#">ESG Data &gt; Environment &gt; Climate Change &gt; Energy consumption / CO<sub>2</sub> emissions</a> <a href="#">Integrated Report 2019 P42 : Caring for the Earth &gt; Climate Change &gt; Introducing Renewable Energy &gt; CO<sub>2</sub> Emission Volume for FY2018</a> <a href="#">Integrated Report 2019 P60-61 : Financial and Non-Financial Highlights &gt; CO<sub>2</sub> emissions</a>

## 301: Materials

305-2	Energy indirect (Scope 2) GHG emissions	<p>a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO<sub>2</sub> equivalent.</p> <p>b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO<sub>2</sub> equivalent.</p> <p>c. If available, the gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, or all.</p> <p>d. Base year for the calculation, if applicable, including:</p> <ul style="list-style-type: none"> <li>i. the rationale for choosing it;</li> <li>ii. emissions in the base year;</li> <li>iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> </ul> <p>e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>f. Consolidation approach for emissions; whether equity share, financial control, or operational control.</p> <p>g. Standards, methodologies, assumptions, and / or calculation tools used.</p>	<p>➤ ESG Data &gt; Environment &gt; Climate Change &gt; Energy consumption / CO<sub>2</sub> emissions</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Climate Change &gt; Introducing Renewable Energy &gt; CO<sub>2</sub> Emission Volume for FY2018</p> <p>➤ Integrated Report 2019 P15/60-61 : Financial and Non-Financial Highlights &gt; CO<sub>2</sub> emissions</p>
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## 301: Materials

305-3	Other indirect (Scope 3) GHG emissions	<p>a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO<sub>2</sub> equivalent.</p> <p>b. If available, the gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, or all.</p> <p>c. Biogenic CO<sub>2</sub> emissions in metric tons of CO<sub>2</sub> equivalent.</p> <p>d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.</p> <p>e. Base year for the calculation, if applicable, including:</p> <ol style="list-style-type: none"> <li>the rationale for choosing it;</li> <li>emissions in the base year;</li> <li>the context for any significant changes in emissions that triggered recalculations of base year emissions.</li> </ol> <p>f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.</p> <p>g. Standards, methodologies, assumptions, and / or calculation tools used.</p>	<p>➤ ESG Data &gt; Environment &gt; Climate Change &gt; CO<sub>2</sub> emissions</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Climate Change &gt; Introducing Renewable Energy &gt; CO<sub>2</sub> Emission Volume for FY2018</p> <p>➤ Integrated Report 2019 P60-61 : Financial and Non-Financial Highlights &gt; CO<sub>2</sub> emissions</p>
305-4	GHG emissions intensity	<p>a. GHG emissions intensity ratio for the organization.</p> <p>b. Organization-specific metric (the denominator) chosen to calculate the ratio.</p> <p>c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and / or other indirect (Scope 3).</p> <p>d. Gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, or all.</p>	<p>➤ ESG Data &gt; Environment &gt; Climate Change &gt; CO<sub>2</sub> emissions volume per production unit</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Climate Change &gt; Introducing Renewable Energy &gt; CO<sub>2</sub> Emission Volume for FY2018</p>

301: Materials			
305-5	Reduction of GHG emissions	<p>a. GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO<sub>2</sub> equivalent.</p> <p>b. Gases included in the calculation; whether CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, or all.</p> <p>c. Base year or baseline, including the rationale for choosing it.</p> <p>d. Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and / or other indirect (Scope 3).</p> <p>e. Standards, methodologies, assumptions, and / or calculation tools used.</p>	<p>➤ ESG Data &gt; Environment &gt; Climate Change &gt; CO<sub>2</sub> emissions</p> <p>➤ Integrated Report 2019 P42 : Caring for the Earth &gt; Climate Change &gt; Introducing Renewable Energy &gt; CO<sub>2</sub> Emission Volume for FY2018</p> <p>➤ Integrated Report 2019 P60-61 : Financial and Non-Financial Highlights &gt; CO<sub>2</sub> emissions</p>
305-6	Emissions of ozone-depleting substances (ODS)	<p>a. Production, imports, and exports of ODS in metric tons of CFC-11 (trichlorofluoromethane) equivalent.</p> <p>b. Substances included in the calculation.</p> <p>c. Source of the emission factors used.</p> <p>d. Standards, methodologies, assumptions, and / or calculation tools used.</p>	<p>➤ ESG Data &gt; Environment &gt; Appropriate management of chemical substances</p>
305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	<p>a. Significant air emissions, in kilograms or multiples, for each of the following:</p> <ol style="list-style-type: none"> <li>NO<sub>x</sub></li> <li>SO<sub>x</sub></li> <li>Persistent organic pollutants (POP)</li> <li>Volatile organic compounds (VOC)</li> <li>Hazardous air pollutants (HAP)</li> <li>Particulate matter (PM)</li> <li>Other standard categories of air emissions identified in relevant regulations</li> </ol> <p>b. Source of the emission factors used.</p> <p>c. Standards, methodologies, assumptions, and / or calculation tools used.</p>	<p>➤ Environmental Management &gt; Material Balance</p> <p>➤ ESG Data &gt; Environment &gt; Appropriate management of chemical substances</p>
306: Effluents and Waste			




## 301: Materials

306-1	Water discharge by quality and destination	<p>a. Total volume of planned and unplanned water discharges by:</p> <ul style="list-style-type: none"> <li>i. destination;</li> <li>ii. quality of the water, including treatment method;</li> <li>iii. whether the water was reused by another organization.</li> </ul> <p>b. Standards, methodologies, and assumptions used.</p>	<ul style="list-style-type: none"> <li>➤ Environmental Management &gt; Material Balance</li> <li>➤ ESG Data &gt; Environment &gt; Water</li> <li>➤ Integrated Report 2019 P43 : Water</li> <li>➤ Integrated Report 2019 P60-61 : Financial and Non-Financial Highlights &gt; Total water discharge volume</li> </ul>
306-2	Waste by type and disposal method	<p>a. Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable:</p> <ul style="list-style-type: none"> <li>i. Reuse</li> <li>ii. Recycling</li> <li>iii. Composting</li> <li>iv. Recovery, including energy recovery</li> <li>v. Incineration (mass burn)</li> <li>vi. Deep well injection</li> <li>vii. Landfill</li> <li>viii. On-site storage</li> <li>ix. Other (to be specified by the organization)</li> </ul> <p>b. Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable:</p> <ul style="list-style-type: none"> <li>i. Reuse</li> <li>ii. Recycling</li> <li>iii. Composting</li> <li>iv. Recovery, including energy recovery</li> <li>v. Incineration (mass burn)</li> <li>vi. Deep well injection</li> <li>vii. Landfill</li> <li>viii. On-site storage</li> <li>ix. Other (to be specified by the organization)</li> </ul> <p>c. How the waste disposal method has been determined:</p> <ul style="list-style-type: none"> <li>i. Disposed of directly by the organization, or otherwise directly confirmed</li> <li>ii. Information provided by the waste disposal contractor</li> <li>iii. Organizational defaults of the waste disposal contractor</li> </ul>	<ul style="list-style-type: none"> <li>➤ ESG Data &gt; Environment &gt; Circular Economy &gt; Total waste</li> </ul>

301: Materials			
306-3	Significant spills	a. Total number and total volume of recorded significant spills. b. The following additional information for each spill that was reported in the organization's financial statements: i. Location of spill; ii. Volume of spill; iii. Material of spill, categorized by: oil spills (soil or water surfaces), fuel spills (soil or water surfaces), spills of wastes (soil or water surfaces), spills of chemicals (mostly soil or water surfaces), and other (to be specified by the organization). c. Impacts of significant spills.	Not Disclosed
306-4	Transport of hazardous waste	a. Total weight for each of the following: i. Hazardous waste transported ii. Hazardous waste imported iii. Hazardous waste exported iv. Hazardous waste treated b. Percentage of hazardous waste shipped internationally. c. Standards, methodologies, and assumptions used.	Not Disclosed
306-5	Water bodies affected by water discharges and / or runoff	a. Water bodies and related habitats that are significantly affected by water discharges and / or runoff, including information on: i. the size of the water body and related habitat; ii. whether the water body and related habitat is designated as a nationally or internationally protected area; iii. the biodiversity value, such as total number of protected species.	Not Disclosed
307: Environmental Compliance			

301: Materials			
307-1	Non-compliance with environmental laws and regulations	<p>a. Significant fines and non-monetary sanctions for non-compliance with environmental laws and / or regulations in terms of:</p> <ul style="list-style-type: none"> <li>i. total monetary value of significant fines;</li> <li>ii. total number of non-monetary sanctions;</li> <li>iii. cases brought through dispute resolution mechanisms.</li> </ul> <p>b. If the organization has not identified any non-compliance with environmental laws and / or regulations, a brief statement of this fact is sufficient.</p>	<p>➤ ESG Data &gt; Environment &gt; Number of violation of environmental laws and regulations</p>
308: Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria	a. Percentage of new suppliers that were screened using environmental criteria.	Not Disclosed
308-2	Negative environmental impacts in the supply chain and actions taken	<p>a. Number of suppliers assessed for environmental impacts.</p> <p>b. Number of suppliers identified as having significant actual and potential negative environmental impacts.</p> <p>c. Significant actual and potential negative environmental impacts identified in the supply chain.</p> <p>d. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment.</p> <p>e. Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.</p>	<p>➤ Sustainable Procurement &gt; Procure Raw Materials With Consideration Toward Human Rights and the Environment &gt; Supplier Assessment &gt; Supplier Assessment in Accordance With the Meiji Group Procurement Policy</p>



401: Employment			
401-1	New employee hires and employee turnover	a. Total number and rate of new employee hires during the reporting period, by age group, gender and region. b. Total number and rate of employee turnover during the reporting period, by age group, gender and region.	 ESG Data > Society > Turnover rate (less than 3 years for new graduates) / New employees
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	a. Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum: i. life insurance; ii. health care; iii. disability and invalidity coverage; iv. parental leave; v. retirement provision; vi. stock ownership; vii. others. b. The definition used for 'significant locations of operation'.	Not Disclosed
401-3	Parental leave	a. Total number of employees that were entitled to parental leave, by gender. b. Total number of employees that took parental leave, by gender. c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender. d. Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender. e. Return to work and retention rates of employees that took parental leave, by gender.	 ESG Data > Society > Child care leave / Shortened working hours for child purposes / Return to work rates after child care leave / Retention rates after two months of child care leave  Human Resources > Promote Diversity and Inclusion, and Provide Training to Employees > Work-life Balance
402: Labor / Management Relations			

401: Employment			
402-1	Minimum notice periods regarding operational changes	<p>a. Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affected them.</p> <p>b. For organizations with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements.</p>	Not Disclosed
403: Occupational Health and Safety			
403-1	Workers representation in formal joint management-worker health and safety committees	<p>a. The level at which each formal joint management-worker health and safety committee typically operates within the organization.</p> <p>b. Percentage of workers whose work, or workplace, is controlled by the organization, that are represented by formal joint management-worker health and safety committees.</p>	<a href="#">➔ Human Resources &gt; Employee-friendly Workplaces &gt; Occupational Health and Safety &gt; Labor Relations</a>
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<p>a. Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by:</p> <ol style="list-style-type: none"> <li>region;</li> <li>gender.</li> </ol> <p>b. Types of injury, injury rate (IR), and work-related fatalities, for all workers (excluding employees) whose work, or workplace, is controlled by the organization, with a breakdown by:</p> <ol style="list-style-type: none"> <li>region;</li> <li>gender.</li> </ol> <p>c. The system of rules applied in recording and reporting accident statistics.</p>	<a href="#">➔ Human Resources &gt; Employee-friendly Workplaces &gt; Occupational Health and Safety &gt; Reducing Equipment- and Work-Related Risks and Performing Safety Audits and Inspections</a>

401: Employment			
403-3	Workers with high incidence or high risk of diseases related to their occupation	a. Whether there are workers whose work, or workplace, is controlled by the organization, involved in occupational activities who have a high incidence or high risk of specific diseases.	Not Disclosed
403-4	Health and safety topics covered in formal agreements with trade unions	<p>a. Whether formal agreements (either local or global) with trade unions cover health and safety.</p> <p>b. If so, the extent, as a percentage, to which various health and safety topics are covered by these agreements.</p>	<a href="#">Human Resources &gt; Employee-friendly Workplaces &gt; Occupational Health and Safety &gt; Labor Relations</a>
403-5	Worker training on occupational health and safety	a. A description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations.	<a href="#">Human Resources &gt; Employee-friendly Workplaces &gt; Occupational Health and Safety &gt; Occupational Safety and Health Training at Each Business and Operating Base</a>
403-6	Promotion of worker health	<p>a. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided.</p> <p>b. A description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs.</p>	<a href="#">Human Resources &gt; Employee-friendly Workplaces &gt; Occupational Health and Safety &gt; Encourage Personal Health Management</a>

401: Employment

403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	a. . A description of the organization's approach to preventing or mitigating significant negative occupational health and safety impacts that are directly linked to its operations, products or services by its business relationships, and the related hazards and risks.	Not Disclosed
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## 401: Employment

403-8	Workers covered by an occupational health and safety management system	<p>a. a. If the organization has implemented an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines:</p> <ul style="list-style-type: none"> <li>i. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system;</li> <li>ii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited;</li> <li>iii. the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party.</li> </ul> <p>b. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</p> <p>c. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	<p>➤ Human Resources &gt; Employee-friendly Workplaces &gt; Occupational Health and Safety</p>
403-9	Work-related injuries	<p>a. For all employees:</p> <ul style="list-style-type: none"> <li>i. The number and rate of fatalities as a result of work-related injury;</li> <li>ii. The number and rate of high-consequence work-related injuries (excluding fatalities);</li> <li>iii. The number and rate of recordable work-related</li> </ul>	<p>➤ Human Resources &gt; Employee-friendly Workplaces &gt; Occupational Health and Safety &gt; Reducing Equipment- and Work-Related Risks and Performing Safety Audits and Inspections</p> <p>➤ ESG Data &gt; Society &gt; Frequency rate of lost-worktime injuries (permanent</p>

401: Employment			
		<p>injuries;</p> <p>iv. The main types of work-related injury;</p> <p>v. The number of hours worked.</p> <p>b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <p>i. The number and rate of fatalities as a result of work-related injury;</p> <p>ii. The number and rate of high-consequence work-related injuries (excluding fatalities);</p> <p>iii. The number and rate of recordable work-related injuries;</p> <p>iv. The main types of work-related injury;</p> <p>v. The number of hours worked.</p> <p>c. The work-related hazards that pose a risk of high-consequence injury, including:</p> <p>i. how these hazards have been determined;</p> <p>ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period;</p> <p>iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.</p> <p>d. Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls.</p> <p>e. Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked.</p> <p>f. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</p> <p>g. Any contextual information necessary to understand how the data have been compiled, such as any</p>	<p>employment basis, Japan)/Lost-Time Injury Severity Rate/Number of Work-Related Fatalities</p> <p>➤ ESG Data &gt; Society &gt; Frequency rate of lost-worktime injuries (permanent employment basis, Japan)/Lost-Time Injury Severity Rate/Number of Work-Related Fatalities</p> <p>➤ Integrated Report 2019 P15 : Financial and Non-Financial Highlights &gt; Lost Time Injury Frequency Rate (LTIFR)</p>


401: Employment			
		standards, methodologies, and assumptions used.	
403-10	Work-related ill health	<p>a. For all employees:</p> <ul style="list-style-type: none"> <li>i. The number of fatalities as a result of work-related ill health;</li> <li>ii. The number of cases of recordable work-related ill health;</li> <li>iii. The main types of work-related ill health.</li> </ul> <p>b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ul style="list-style-type: none"> <li>i. The number of fatalities as a result of work-related ill health;</li> <li>ii. The number of cases of recordable work-related ill health;</li> <li>iii. The main types of work-related ill health.</li> </ul> <p>c. The work-related hazards that pose a risk of ill health, including:</p> <ul style="list-style-type: none"> <li>i. how these hazards have been determined;</li> <li>ii. which of these hazards have caused or contributed to cases of ill health during the reporting period;</li> <li>iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls.</li> </ul> <p>d. Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded.</p> <p>e. Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.</p>	Not Disclosed
404: Training			

401: Employment			
404-1	Average hours of training per year per employee	a. Average hours of training that the organization's employees have undertaken during the reporting period, by: i. gender; ii. employee category.	Not Disclosed
404-2	Programs for upgrading employee skills and transition assistance programs	a. Type and scope of programs implemented and assistance provided to upgrade employee skills. b. Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	<p>➤ Human Resources &gt; Promote Diversity and Inclusion, and Provide Training to Employees &gt; Evaluation and Development of Personnel / Personnel Development</p> <p>➤ Integrated Report 2019 P44 : A Richer Society &gt; Personnel Training</p>
404-3	Percentage of employees receiving regular performance and career development reviews	a. Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.	<p>➤ Human Resources &gt; Promote Diversity and Inclusion, and Provide Training to Employees &gt; Evaluation and Development of Personnel / Personnel Development</p> <p>➤ Integrated Report 2019 P44 : A Richer Society &gt; Personnel Training</p>
405: Diversity and Equal Opportunity			



401: Employment			
405-1	Diversity of governance bodies and employees	<p>a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories:</p> <p>i. Gender;</p> <p>ii. Age group: under 30 years old, 30-50 years old, over 50 years old;</p> <p>iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).</p> <p>b. Percentage of employees per employee category in each of the following diversity categories:</p> <p>i. Gender;</p> <p>ii. Age group: under 30 years old, 30-50 years old, over 50 years old;</p> <p>iii. Other indicators of diversity where relevant (such as minority or vulnerable groups).</p>	<p>➤ Human Resources &gt; Promote Diversity and Inclusion, and Provide Training to Employees &gt; Diverse Employees / Empowerment of Female Employees / Employment of Persons with Disabilities</p> <p>➤ ESG Data &gt; Society &gt; Female manager ratio as percentage of total / Female executive officers ratio as percentage of total / Number seeking reemployment / Percentage of applicants reemployed</p> <p>➤ ESG Data &gt; Governance &gt; Number of Board of Directors/Number of Audit &amp; Supervisory Board Members/Number of Nomination Committee Members/Number of Compensation Committee Members :</p> <p>➤ Corporate Governance &gt; Corporate Governance System</p> <p>➤ Integrated Report 2019 P39 : A Richer Society &gt; Human Resources</p>
405-2	Ratio of basic salary and remuneration of women to men	<p>a. Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation.</p> <p>b. The definition used for 'significant locations of operation'.</p>	Not Disclosed
406: Non-discrimination			

**401: Employment**

406-1	Incidents of discrimination and corrective actions taken	<p>a. Total number of incidents of discrimination during the reporting period.</p> <p>b. Status of the incidents and actions taken with reference to the following:</p> <p>i. Incident reviewed by the organization;</p> <p>ii. Remediation plans being implemented;</p> <p>iii. Remediation plans that have been implemented, with results reviewed through routine internal management review processes;</p> <p>iv. Incident no longer subject to action.</p>	 Society > Respect and Promote Human Rights > Initiatives Related to Human Rights Due Diligence
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**407: Freedom of Association and Collective Bargaining**

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<p>a. Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk either in terms of:</p> <p>i. type of operation (such as manufacturing plant) and supplier;</p> <p>ii. countries or geographic areas with operations and suppliers considered at risk.</p> <p>b. Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and collective bargaining.</p>	Not Disclosed
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**408: Child Labor**

401: Employment			
408-1	Operations and suppliers at significant risk for incidents of child labor	<p>a. Operations and suppliers considered to have significant risk for incidents of:</p> <ul style="list-style-type: none"> <li>i. child labor;</li> <li>ii. young workers exposed to hazardous work.</li> </ul> <p>b. Operations and suppliers considered to have significant risk for incidents of child labor either in terms of:</p> <ul style="list-style-type: none"> <li>i. type of operation (such as manufacturing plant) and supplier;</li> <li>ii. countries or geographic areas with operations and suppliers considered at risk.</li> </ul> <p>c. Measures taken by the organization in the reporting period intended to contribute to the effective abolition of child labor.</p>	<p>➤ Society &gt; Respect and Promote Human Rights &gt; Initiatives Related to Human Rights Due Diligence</p> <p>➤ Integrated Report 2019 P45 : A Richer Society &gt; Society &gt; Respect and Promote Human Rights &gt; Implementing Human Rights Due Diligence</p> <p>➤ Integrated Report 2019 P46 : Sustainable Procurement &gt; Procurement &gt; Formulating and Disclosure of Procurement Guidelines</p>
409: Forced or Compulsory Labor			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of:</p> <ul style="list-style-type: none"> <li>i. type of operation (such as manufacturing plant) and supplier;</li> <li>ii. countries or geographic areas with operations and suppliers considered at risk.</li> </ul> <p>b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.</p>	<p>➤ Society &gt; Respect and Promote Human Rights &gt; Initiatives Related to Human Rights Due Diligence</p> <p>➤ Integrated Report 2019 P45 : A Richer Society &gt; Society &gt; Respect and Promote Human Rights &gt; Implementing Human Rights Due Diligence</p> <p>➤ Integrated Report 2019 P46 : Sustainable Procurement &gt; Procurement &gt; Formulating and Disclosure of Procurement Guidelines</p>
410: Security Practices			

401: Employment			
410-1	Security personnel trained in human rights policies or procedures	a. Percentage of security personnel who have received formal training in the organization's human rights policies or specific procedures and their application to security. b. Whether training requirements also apply to third-party organizations providing security personnel.	Not Disclosed
411: Management approach disclosures			
411-1	Incidents of violations involving rights of indigenous peoples	a. Total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period. b. Status of the incidents and actions taken with reference to the following: <ol style="list-style-type: none"> <li>Incident reviewed by the organization;</li> <li>Remediation plans being implemented;</li> <li>Remediation plans that have been implemented, with results reviewed through routine internal management review processes;</li> <li>Incident no longer subject to action.</li> </ol>	<p>➤ Policies &gt; Meiji Group Policy on Human Rights</p> <p>➤ Integrated Report 2019 P45 : A Richer Society &gt; Society &gt; Respect and Promote Human Rights &gt; Implementing Human Rights Due Diligence</p> <p>➤ Integrated Report 2019 P46 : Sustainable Procurement &gt; Procurement &gt; Formulating and Disclosure of Procurement Guidelines</p>
412: Human Rights Assessment			
412-1	Operations that have been subject to human rights reviews or impact assessments	a. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.	<p>➤ Society &gt; Respect and Promote Human Rights &gt; Initiatives Related to Human Rights Due Diligence</p> <p>➤ Integrated Report 2019 P45 : A Richer Society &gt; Society &gt; Respect and Promote Human Rights &gt; Implementing Human Rights Due Diligence</p> <p>➤ Integrated Report 2019 P46 : Sustainable Procurement &gt; Procurement &gt; Formulating and Disclosure of Procurement Guidelines</p>

401: Employment			
412-2	Employee training on human rights policies or procedures	<p>a. Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations.</p> <p>b. Percentage of employees trained during the reporting period in human rights policies or procedures concerning aspects of human rights that are relevant to operations.</p>	<p>➤ Society &gt; Respect and Promote Human Rights &gt; Human Rights Education and Training</p> <p>➤ ESG Data &gt; Society &gt; Human Resources &gt; Number of employees trained in human rights policy</p> <p>➤ Integrated Report 2019 P39 : A Richer Society &gt; Society &gt; Respect and promote human rights &gt; Employees receive training on human rights</p>
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<p>a. Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.</p> <p>b. The definition used for 'significant investment agreements'.</p>	Not Disclosed
413: Local Communities			

401: Employment			
413-1	Operations with local community engagement, impact assessments, and development programs	a. Percentage of operations with implemented local community engagement, impact assessments, and / or development programs, including the use of: <ul style="list-style-type: none"> <li>i. social impact assessments, including gender impact assessments, based on participatory processes;</li> <li>ii. environmental impact assessments and ongoing monitoring;</li> <li>iii. public disclosure of results of environmental and social impact assessments;</li> <li>iv. local community development programs based on local communities' needs;</li> <li>v. stakeholder engagement plans based on stakeholder mapping;</li> <li>vi. broad based local community consultation committees and processes that include vulnerable groups;</li> <li>vii. works councils, occupational health and safety committees and other worker representation bodies to deal with impacts;</li> <li>viii. formal local community grievance processes.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Society &gt; Communicate with Stakeholders</li> <li>➤ Society &gt; Promote Social Contribution</li> <li>➤ Sustainable Procurement &gt; Initiatives for Sustainable Procurement &gt; Expanding Meiji Cocoa Support</li> <li>➤ Integrated Report 2019 P30-33 : Working Toward Sustainable Cocoa Production &gt; What is Meiji Cocoa Support?/Meiji Cocoa Support</li> </ul>
413-2	Operations with significant actual and potential negative impacts on local communities	a. Operations with significant actual and potential negative impacts on local communities, including: <ul style="list-style-type: none"> <li>i. the location of the operations;</li> <li>ii. the significant actual and potential negative impacts of operations.</li> </ul>	Not Disclosed
414: Supplier Social Assessment			
414-1	New suppliers that were screened using social criteria	a. Percentage of new suppliers that were screened using social criteria.	Not Disclosed

401: Employment			
414-2	Negative social impacts in the supply chain and actions taken	a. Number of suppliers assessed for social impacts. b. Number of suppliers identified as having significant actual and potential negative social impacts. c. Significant actual and potential negative social impacts identified in the supply chain. d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment. e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.	 Sustainable Procurement > Procure Raw Materials With Consideration Toward Human Rights and the Environment > Supplier Assessment > Supplier Assessment in Accordance With the Meiji Group Procurement Policy
415: Public Policy			
415-1	Political contributions	a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient / beneficiary. b. If applicable, how the monetary value of in-kind contributions was estimated.	Not Disclosed
416: Customer Health and Safety			
416-1	Assessment of the health and safety impacts of product and service categories	a. Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	 Quality and Safety > Ensure Product Quality and Safety  Quality Management system - "Meiji Quality Comm"  Integrated Report 2019 P38 : Healthier Lives > Quality and Safety

401: Employment			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<p>a. Total number of incidents of non-compliance with regulations and / or voluntary codes concerning the health and safety impacts of products and services within the reporting period, by:</p> <ul style="list-style-type: none"> <li>i. incidents of non-compliance with regulations resulting in a fine or penalty;</li> <li>ii. incidents of non-compliance with regulations resulting in a warning;</li> <li>iii. incidents of non-compliance with voluntary codes.</li> </ul> <p>b. If the organization has not identified any non-compliance with regulations and / or voluntary codes, a brief statement of this fact is sufficient.</p>	Not Disclosed
417: Marketing and Labeling			
417-1	Requirements for product and service information and labeling	<p>a. Whether each of the following types of information is required by the organization's procedures for product and service information and labeling:</p> <ul style="list-style-type: none"> <li>i. The sourcing of components of the product or service;</li> <li>ii. Content, particularly with regard to substances that might produce an environmental or social impact;</li> <li>iii. Safe use of the product or service;</li> <li>iv. Disposal of the product and environmental or social impacts;</li> <li>v. Other (explain).</li> </ul> <p>b. Percentage of significant product or service categories covered by and assessed for compliance with such procedures.</p>	<p>➤ Society &gt; Communicate with Stakeholders &gt; Communicate with Our Customers</p> <p>➤ Meiji Group Food Nutrition Labeling Policy</p>



**401: Employment**

417-2	Incidents of non-compliance concerning product and service information and labeling	<p>a. Total number of incidents of non-compliance with regulations and / or voluntary codes concerning product and service information and labeling, by:</p> <ul style="list-style-type: none"><li>i. incidents of non-compliance with regulations resulting in a fine or penalty;</li><li>ii. incidents of non-compliance with regulations resulting in a warning;</li><li>iii. incidents of non-compliance with voluntary codes.</li></ul> <p>b. If the organization has not identified any non-compliance with regulations and / or voluntary codes, a brief statement of this fact is sufficient.</p>	Not Disclosed
417-3	Incidents of non-compliance concerning marketing communications	<p>a. Total number of incidents of non-compliance with regulations and / or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:</p> <ul style="list-style-type: none"><li>i. incidents of non-compliance with regulations resulting in a fine or penalty;</li><li>ii. incidents of non-compliance with regulations resulting in a warning;</li><li>iii. incidents of non-compliance with voluntary codes.</li></ul> <p>b. If the organization has not identified any non-compliance with regulations and / or voluntary codes, a brief statement of this fact is sufficient.</p>	Not Disclosed

**418: Customer Privacy**

401: Employment			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	a. Total number of substantiated complaints received concerning breaches of customer privacy, categorized by: <ul style="list-style-type: none"> <li>i. complaints received from outside parties and substantiated by the organization;</li> <li>ii. complaints from regulatory bodies.</li> </ul> b. Total number of identified leaks, thefts, or losses of customer data.           c. If the organization has not identified any substantiated complaints, a brief statement of this fact is sufficient.	Not Disclosed
419: Customer Privacy			
419-1	Non-compliance with laws and regulations in the social and economic area	a. Significant fines and non-monetary sanctions for non-compliance with laws and / or regulations in the social and economic area in terms of: <ul style="list-style-type: none"> <li>i. total monetary value of significant fines;</li> <li>ii. total number of non-monetary sanctions;</li> <li>iii. cases brought through dispute resolution mechanisms.</li> </ul> b. If the organization has not identified any non-compliance with laws and / or regulations, a brief statement of this fact is sufficient.           c. The context against which significant fines and non-monetary sanctions were incurred.	Not Disclosed


## Sustainability Accounting Standard Board (SASB) Reference Table

The Sustainability Accounting Standards Board (SASB) is an independent, standards-setting organization that promotes disclosure of material sustainability information to meet investor needs. This table below references the Standard for the Processed Foods industry as defined by SASB's Sustainable Industry Classification System (SICS) and identifies where Meiji Holdings addresses each topic.

Topic	Accounting Metric	SASB Code	Location	Notes
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	FB-PF-130a.1	<p>➤ ESG Data &gt; Environment &gt; Climate Change &gt; Energy consumption</p> <p>➤ Integrated Report 2019 P15/60-61 : Financial and Non-Financial Highlights &gt; Energy consumption volume</p> <p>📄 CDP 2019</p>	<p>We currently do not disclose (2) and (3); however, we use renewable energy at production plants and report the power generation volume.</p> <p>➤ Solar Power Generation at Meiji Production Plants</p>
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	FB-PF-140a.1	<p>➤ ESG Data &gt; Environment &gt; water &gt; Total water used</p> <p>➤ Integrated Report 2019 P43 : Water &gt; Water Consumption Volume for FY2018</p> <p>➤ Integrated Report 2019 P15/60-61 : Financial and Non-Financial Highlights &gt; Water consumption volume</p>	<p>We currently do not disclose the percentage. However, we assess the water risks in all areas where our domestic and international production sites are located in order to understand the impact of water usage on production.</p> <p>➤ Survey of Water Risks</p>
	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	FB-PF-140a.2	Not disclosed	
	Description of water management risks and discussion of strategies and practices to mitigate those risks	FB-PF-140a.3	<p>➤ Water &gt; Secure Water Resources &gt; Appropriate Water Management and Water Risks</p> <p>➤ Integrated Report 2019 P43 : Water</p>	

Topic	Accounting Metric	SASB Code	Location	Notes
Food Safety	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	FB-PF-250a.1	No critical non-conformance found in FY2018	
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	FB-PF-250a.2	<a href="#">➤ Quality and Safety &gt; Ensure Product Quality and Safety</a>	We currently do not disclose the percentage of ingredients; however, we have obtained GFSI Certification for 50% (24 plants) of domestic food plants and 67% (4 plants) of overseas food plants.
	(1) Total number of notices of food safety violation received, (2) percentage corrected	FB-PF-250a.3	No food safety violation received in FY2018	
	(1) Number of recalls issued and (2) total amount of food product recalled	FB-PF-250a.4	No recall issued in FY2018	
Health & Nutrition	Revenue from products labeled and/or marketed to promote health and nutrition attributes	FB-PF-260a.1	<a href="#">➤ Integrated Report 2019 P23 : Overview by Business Food Segment &gt; Growth Strategy From FY2019</a> <a href="#">➤ Integrated Report 2019 P63 : Overview by Business (Food Segment) &gt; Nutrition Business</a>	
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-PF-260a.2	<a href="#">➤ Health and Nutrition</a>	

Topic	Accounting Metric	SASB Code	Location	Notes
Product Labeling & Marketing	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	FB-PF-270a.1	Not disclosed	
	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	FB-PF-270a.2	Not disclosed	
	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	FB-PF-270a.3	Not disclosed	
	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	FB-PF-270a.4	Not disclosed	
Packaging Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	FB-PF-410a.1	Not disclosed	
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	FB-PF-410a.2	<a href="#">➤ Circular Economy</a> <a href="#">➤ Integrated Report 2019 P43 : Circular Economy &gt; Initiatives for Recycling Plastic Resources</a>	
Environmental & Social Impacts of Ingredient Supply Chain	Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	FB-PF-430a.1	<a href="#">➤ Sustainable Procurement</a>	
	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	FB-PF-430a.2	Zero critical non-conformances found in FY2018	

Topic	Accounting Metric	SASB Code	Location	Notes
Ingredient Sourcing	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	FB-PF-440a.1	Not disclosed	
	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	FB-PF-440a.2	 Sustainable Procurement	

Activity Metric	Code	Location
Weight of products sold	FB-PF-000.A	We do not publicly provide this proprietary information.
Number of production facilities	FB-PF-000.B	 Integrated Report 2019 P104-105 : Operating Bases and Group Companies

# External Recognition

We are open to working with ratings and rankings agencies suggestions to support continuous improvement.

## SRI indexes and evaluations

(As of March 23, 2021)

### Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific)

Stock indexes developed jointly by U.S.-based S&P Dow Jones Indices and Switzerland-based RobecoSAM. The indexes analyze corporate activities based on economic, environmental, and social factors and select companies with outstanding sustainability performance. Meiji Holdings was selected as a component of the DJSI Asia Pacific indexes in 2019 and 2020.



### SNAM Sustainability Index

The SNAM sustainability index is a proprietary active index created by Sompo Japan Nipponkoa Asset Management which combines ESG (environment, social, and governance) and equity fundamental evaluation.



 Sompo Japan Nipponkoa Asset Management

## Evaluations

### CDP

The UK-based international non-governmental organization promotes climate change and other initiatives in the area of the environment. The CDP requests disclosure of information on how leading companies and cities around the world are taking action on issues such as climate change and water management, and conducts surveys and evaluations. In 2020, Meiji Holdings received a high grade of A- in the areas of Climate change and Water security. Also, within the areas of Forests, we obtained scores of B- in timber and palm oil, and scores of C in soy and cattle.



### Access to Nutrition Index™ (ATNI)

We were ranked 17<sup>th</sup> out of 22 global food and beverage manufactures in the 2018 Access to Nutrition Index™ (ATNI). The goal of the Access to Nutrition Indexes is to facilitate improved diets and a reduction of the serious global problems of both obesity and undernutrition.



 Access to Nutrition Index™ (ATNI)

### Outstanding Health and Productivity Management Organization (White 500)

Meiji was recognized jointly by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi in the Health and Productivity Management Organization Recognition Program in the large enterprise category (White 500) for practicing outstanding health and productivity management working together with insurers. Meiji has continued to be selected for this program since 2017.





# Sustainability Announcements

## 2021

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Apr 16, 2021	Notice concerning Decision of Issuance Conditions for Sustainability Bonds (PDF:118KB)
Mar 17, 2021	【Presentation】 ~Long-term Environmental Vision, Meiji Green Engagement For 2050~ (PDF:837KB)
Mar 15, 2021	Notice concerning Issuance of Sustainability Bonds (PDF:149KB)
Mar 1, 2021	Meiji Group Outlines Long-term Environmental Vision, the Meiji Green Engagement For 2050 (PDF:163KB)
Feb 19, 2021	Meiji Group Social Contribution Activities Policy has been published.
Jan 15, 2021	Notice Concerning the Creation of Sustainability Finance Framework (PDF:179KB)

## 2020

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Dec 10, 2020	【Presentation】 Sustainability Meeting ~ Meiji Group's Approach to Sustainability ~
Nov 30, 2020	Meiji Group Biodiversity Conservation Activity Policy has been published.
Oct 30, 2020	Meiji Group Water Resources Policy has been published.
Oct 26, 2020	Integrated Report 2020
July 28, 2020	We updated ESG Data
July 9, 2020	Top Commitment to Sustainability
Apr 1, 2020	2018-2019 Progress Report for Tackling Deforestation in Ghana
Feb 14, 2020	We received a high grade of A- in CDP climate change
Jan 7, 2020	We updated Standard Table

## 2019

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Dec 19, 2019	【Presentation】 Sustainability Meeting ~ Meiji Group's Approach to Sustainability ~
Dec 10, 2019	Endorsing the TCFD, Joining the TCFD Consortium
Oct 31, 2019	Integrated Report 2019
Oct 31, 2019	We updated sustainability web site

Oct 3, 2019	Meiji Added to the Dow Jones Sustainability Asia Pacific Index
Jul 31, 2019	We updated ESG Data
Mar 29, 2019	Tackling Deforestation in our Cocoa Supply Chain
Mar 27, 2019	Top Commitment to Sustainability

## 2018

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Nov 16, 2018	GRI Standard Table
Oct 1, 2018	We updated sustainability web site
Sep 14, 2018	Integrated Report 2018
Aug 8, 2018	We updated ESG Data
Jun 5, 2018	Notice of the 9th Ordinary General Meeting of Shareholders