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Measures for and Effects of COVID-19

Since the outbreak of COVID-19, Morinaga Milk Group has been taking various measures to prevent its spread.

Support Activities

Initiatives in Japan

Morinaga Milk Group provided support to medical professionals and Group employees.

Clinico Co., Ltd., a Morinaga Milk Group company, participated in a project (43 participating companies) that donated 2 million masks to 15,500 medical facilities and 58,000 face shield sets to 2,600 medical facilities. Chez Forêt Co., Ltd., another Group company, supplied employees with *Karadatsuyokusuru Nomu Yogurt* free of charge to help support their health.

In March 2021, Morinaga Milk donated 10 million yen to International Medical Volunteers Japan Heart* ("Japan Heart" below), a specified nonprofit organization, to support medical institutions and medical professionals across Japan working to prevent the spread of COVID-19.

Additionally, from October 2020 to March 2021, Morinaga Milk collaborated with partner chain stores that agreed to participate in our "Tsunagaru Yell Project" (Cheerleading for connection project), which saw a portion of the sales of Morinaga Milk products sold at these stores donated to Japan Heart. The project which arose was the initiative of a Metropolitan Regional Office employee. Twenty-nine chain stores in and around the Kanto-Koshinetsu area participated and in May 2021, a total of 12,127,083 yen was donated to Japan Heart. In addition, the Hokuriku Branch also carried out a campaign with regular customers called the "Oishii de Tsunagaru Yell Project," in which a portion of the sales of Morinaga Milk products were donated to Ishikawa and Toyama Prefectures through partner companies; this project raised a total of 810,636 yen.

* Japan Heart activities include dispatching medical teams to prevent breakdowns in the medical care system, providing onsite guidance (for long-term care and welfare in Japan and in developing nations in Asia) to prevent the spread of infections, providing free medical supplies, etc.

Example of Support Provided

Organization	Target	Contents
Morinaga Milk Industry Co., Ltd. Metropolitan Regional Office	Families with newborns	Since there are many facilities where dietitians are not able to provide guidance for preparing infant formula, we provide online guidance following hospital discharge.
Morinaga Milk Industry Co., Ltd. West Japan Regional Office	Hospital	Provided <i>Karadatsuyokusuru Nomu Yogurt</i>
Clinico Co., Ltd.	Medical facilities nationwide	Agreed to participate in an initiative (43 supporting companies) to donate masks and face shields to medical facilities <ul style="list-style-type: none"> ● Masks: 2 million masks to 15,500 facilities ● Face shields: 58,000 sets to 2,600 facilities
Morinaga Milk Industry Hokkaido Co., Ltd.	Medical professionals, etc. in Hokkaido	Provided free products <i>Hosho Hagukumi Milk 200ml</i> : 31,760 packs (total over 4 occasions) <i>Karadatsuyokusuru Nomu Yogurt</i> : 1,700 bottles Long-life milk: 1,200 packs <i>Morinaga Milk Pudding</i> : 2,500 cups
Chez Forêt Co., Ltd.	Employees	Provided about 20,000 bottles of <i>Karadatsuyokusuru Nomu Yogurt</i>
Sunfco Ltd.	R&D staff	Provided information on overseas situations regarding COVID-19
Hiroshima Morinaga Milk Industry Co., Ltd.	Hiroshima City	Provided 1,180 N95 masks
Okinawa Morinaga Milk Industry Co., Ltd.	Naha City Medical Association	Provided 480 N95 masks

Initiatives outside Japan

Milei GmbH, located in Germany, is working to support people in the local community who are faced with a difficult situation due to the COVID-19 pandemic.

In 2020, Milei visited local welfare facilities and, especially for seniors that have no choice but to restrict their behavior, the company provided meals and refurbished the interior of the welfare facilities, offering an opportunity for lively communication.

Milei also donated newly purchased groceries to a charity that distributes groceries to low-income people in the local area.

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Preventing the Spread of COVID-19 in Business Activities

Production Site Initiatives for Safe and Reliable Production

Even before the start of the COVID-19 pandemic, masks were worn during production to ensure thorough hygiene management. From the perspective of preventing the spread of COVID-19, the wearing of masks and handwashing were re-emphasized, together with strict controls for cleaning and disinfecting common areas of production sites, doorknobs, etc. along with efforts such as limits on the number of employees in changing rooms, strengthened ventilation, and washing and disinfecting of hands before and after entering a room.



- ▶ Please see the "Promotion of Occupational Health and Safety in Production Departments" section (p. 60-62)
- ▶ Please see the "Create a system for providing safe and high-quality products" section (p. 66-67)

Initiatives with Partner Companies

Meetings, audits, and seminars that were previously done face-to-face were changed to an online format.

As shippers, in order to prevent the spread of COVID-19 in terms of logistics, we requested partner companies to thoroughly implement infection countermeasures and sent out reminder emails on a regular basis.



- ▶ Please see the "Efficient supplier management corresponding to material risk" section (p. 64-66)

Ensuring the Safety of Employees

As a general rule, we have made it possible to work from home, except for duties the nature of which is not suitable for telework.

Morinaga Milk originally had a target of 1,000 employees working under the Teleworking/Satellite Work System by 2027 under the umbrella of Diversity and Inclusion. With 1,980 employees working from home during the COVID-19 pandemic to prevent the spread of infections, not only was this target exceeded but employees were able to improve work productivity through the effective use of time and achieve work-life balance.

In workplaces that require onsite presence, we changed office layout to accommodate social distancing and set up partitions to prevent air droplet dispersion.

As part of our health management, Morinaga Milk also distributed *Bifidus BB536 Capsule* and *Lactoferrin Original Type* supplements (for improving and conditioning the gut) to employees at Group companies to encourage their own health management.



- ▶ Please see the "Systems to Promote Flexible Ways of workstyles" section (p. 58)

Communication

General Meeting of Shareholders

Various measures were taken in order to ensure that paramount importance was placed on the safety of shareholders and persons in management.

- Control of in-person attendance:
 - Prior exercise of voting rights, request to exercise voting rights via the internet
- Infection prevention:
 - Asking for the use of masks, spacing out of seats, providing liquid disinfectants, installing shielding at the reception desk, taking the temperature of attendees, setting up a second venue for fully dispersed seating, broadcasting the General Meeting online, and halting distribution of beverages
- Shortened timeframe:
 - Reduction of the chair's explanations (explaining only important matters), restricting the number of questions to one per person

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Nurturing the Next Generation

We stopped accepting plant tours, company visits, and onsite lessons from February 2020. These activities were then sequentially resumed in an online format.

Other programs for nurturing the next generation were also moved online.

• Activities switched to online:

Forest and Food Expedition Team, onsite classes (elementary school), company visits (junior/senior high school, college) corporate internships, Tour of Volleyball (volleyball class), Angel 110 Hotline symposium



▶ Please see the "Online Initiatives" section (p. 80)

Disseminating Technical Information via Symposiums and Exhibitions

Although many conference presentations have been canceled or postponed, we are working to disseminate information using webinars, virtual exhibitions, and SNS.



▶ Please see the "Symposiums and Exhibitions" section (p. 30)