

Meiji Group Supplier Code of Conduct

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. Further, as a signatory to the G7 Sustainable Supply Chains Initiative and the United Nations Global Compact (UNGC), we work with our suppliers to ensure that our procurement initiatives consider human rights, the environment, and other aspects of social responsibility.

Meiji Group Supplier Code of Conduct, which 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, indicates the actions necessary for achieving sustainable supply chains. Our aim is to build responsible supply chains in line with this Code of Conduct by working more closely with our suppliers.

As our supplier, we ask that you begin by understanding this Code of Conduct., and then educate your staff, practice compliance, and work with your own suppliers.

If you discover any issues in light of this Code of Conduct, we would like to work with you to solve them.

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 the 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 Employee 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 race, gender, sexual orientation, gender identity, age, nationality, language, religion, disability, place of origin, property, or any other personal status.
- Suppliers shall not issue any statements or conduct any 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. Working Hours and Holidays

- Suppliers shall guarantee working hours and work holidays as stipulated by labor laws and regulations applicable in each country or region. Suppliers shall also manage working hours appropriately and strive to eliminate overwork.

i. 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.

j. 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 individual 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 evaluating 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 the Group. Suppliers shall also disclose any interest relating to Meiji Group officers or employees or their family members.

d. Disclosure and Provision of Information, Prohibition of Falsification and Misrepresentation

- Suppliers shall disclose and provide information to stakeholders on a proactive basis.
- Suppliers shall disclose and provide information on labor, health and safety, and environmental activities, etc., in accordance with applicable laws, regulations, and general industry practices. Suppliers do not falsify records or misrepresent conditions or practices in their supply chains.

e. 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.

f. 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 Environmental Laws and Regulations and Operation of Environmental Management System

- Suppliers shall comply with environmental 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 CO₂ and use renewable energy; shall set targets for reducing emissions of greenhouse gases like CO₂ as required by the Paris Agreement and other covenants; and shall take initiatives to reduce emissions accordingly.

d. Reducing 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. Quality and Safety Assurance

a. Quality Assurance

- Suppliers shall establish and operate systems to assure the quality of their own products and services in accordance with international standards, relevant laws and regulations, industry standards, and quality contracts.

b. Safety Assurance

- Suppliers shall ensure the proper handling of and strict adherence to scientific data, placing the highest priority on ensuring safety in the procurement of raw materials, product development and design, production, distribution, and sales and communication.

6. Maintaining Remedy and Prohibiting Retaliation

a. Maintaining Remedy

- 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.

b. Investigations and Audits

- If the 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.

7. Sustainable Procurement

In addition to the provisions of this Code of Conduct (1. through 6.), suppliers shall ensure sustainable procurement initiatives by considering the following matters:

a. Assuring Traceability

- Suppliers shall conduct ongoing surveys of actual conditions in supply chains related to the raw materials they procure, striving to ensure traceability.
- b. Prohibiting Violation of Indigenous People's Rights
 - Suppliers shall respect the land rights of indigenous and local peoples when using or expanding land. These rights include obtaining the consent of impacted parties through prior, informed, and unconstrained decision-making.
- c. Deforestation
 - Suppliers shall support zero deforestation policies and do not allow utilization of land converted from natural ecosystems having high carbon storage capacities. Examples of this type of land include forests and peatlands.
- d. Prohibiting Use of Conflict Minerals
 - Suppliers shall do not procure any minerals potentially involved in conflict or crime, such as by providing funds for armed groups or criminal organizations.

8. Practice and Management of This Code of Conduct

- a. Suppliers' Commitment
 - Suppliers shall demonstrate their commitment to the matters set forth in this Code of Conduct by allocating appropriate resources and assigning a senior manager to be responsible.
- b. Compliance with Laws, Regulations, Industry Standards, and Supplier Requirements
 - Suppliers shall identify and comply with applicable laws, regulations, industry standards, and supplier requirements.
- c. Risk Management
 - Suppliers shall establish systems to identify and manage the risks associated with all matters specified in this Code of Conduct.
- d. Education, Training, and Capacity-Building
 - Suppliers shall establish programs to educate management and employees with the appropriate level of knowledge, skills, and capacity to address the requirements of this Code of Conduct.
- e. Continuous Improvement
 - Suppliers shall strive to improve compliance with this Code of Conduct through performance targets. Suppliers also take necessary corrective actions to address deficiencies identified during execution of the implementation plan and through internal and external assessments.
- f. Identification of Concerns
 - Suppliers shall ensure that any of employee feels comfortable reporting concerns or

misconduct in his/her workplace without fear of retaliation, intimidation, or harassment.

Suppliers shall also conduct investigations and take corrective actions as necessary.

g. Communication

- Suppliers shall establish effective systems for communicating this Code of Conduct to their employees and suppliers.

< 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.

Established: June 2020

Revised: December 2021

Revised: April 2023

Meiji Group Policies (Meiji Group Procurement Policy, etc.):

<https://www.meiji.com/global/sustainability/esg-index.html>