

June 30th, 2025

Morinaga Milk Group Aiming to Achieve Sustainable Management

The 3rd phase of "Smiles & Health for Children" program, supporting kindergarten and elementary school meals in Vietnam, starts in July 2025

Expanding Support Areas and Age Groups with the Cooperation of International NGO Plan International

Morinaga Milk initiated its unique kindergarten meal support program, "Smiles & Health for Children," in May 2023 with the aim of contributing to the health and nutritional improvement of children in Vietnam. We have recently completed the second phase of this initiative. Starting in July 2025, we will commence the third phase of the program, partnering with the international NGO Plan International^{※1}. In the third phase, we will expand the support areas to include Lai Chau Province in addition to the existing Dien Bien Province. We will also broaden the age group of beneficiaries from kindergarten children to those attending elementary school.

Moreover, for the six kindergartens supported in the first and second phases, we will continue to monitor and follow up on the health and nutritional status of the children, as well as the nutritional and hygiene knowledge and skills of the teachers. We will also continue to participate in the Child Sponsorship Program (Area Development Program)^{※2} to foster interactions with the children at the supported kindergartens and provide support aimed at improving health and nutrition. To date, more than 400 children and over 40 teachers, healthcare, and cooking staff have benefited from this program.

Report on the Second Phase Program (June 2024 - May 2025)

With the cooperation of an International NGO, we completed the construction of cooking facilities with improved sanitary conditions at two kindergartens in Tuan Giao District, Dien Bien Province, and donated them to the Tuan Giao District Ministry of Education and Training. On May 27, a handover ceremony for the cooking facilities was held at the supported kindergarten, attended by stakeholders of the support program, including Vietnamese government officials, teachers, staff, parents, and children.



The Ribbon-Cutting at the Handover Ceremony



New Cooking Facilities with Improved Sanitary Conditions

Main Support Contents of the Second Phase (June 2024 - May 2025)

In Tuan Giao District, the same region as the first phase, support was newly extended to include three additional kindergartens. The second phase program continued the support framework established in the first phase, encompassing both hardware and software aspects, and scaled up the support to target approximately 310 children, nearly double the previous number. In parallel, follow-up observations were conducted at the kindergartens supported in the first phase to ensure the sustainability of the support outcomes through on-site visits and letter exchanges with the children.

Target Kindergartens: Three kindergartens (cooking facilities were constructed at two of these kindergartens; all three received cooking utensils, water sanitation equipment, and supplies, along with educational activities related to nutrition and hygiene).

Number of Beneficiaries: 310 children, 22 teachers, healthcare, and cooking staff



Kindergarten Children Eating School Meals



Kindergarten Children and Morinaga Milk Group Employees

Overview of the Handover Ceremony for the Cooking Facilities

The handover ceremony for the cooking facilities, held on May 27, was attended by kindergarten children, teachers, cooking staff, parents, community members, Vietnamese government officials, staff from an International NGO, and 10 representatives from Morinaga Milk Group. At the ceremony, Chifumi Saito, Head of the Planning Section, International Planning and Management Department, International Division of Morinaga Milk, expressed gratitude for successfully reaching the second phase of the project's handover. She shared the company's commitment to promoting the physical and mental health of children in Vietnam, a key country for Morinaga Milk's business expansion, and to working towards a society filled with smiles and a brighter future. She also acknowledged the daily dedicated efforts of the kindergarten teachers and staff to improve the children's environment, as well as the cooperation of the Vietnamese community, residents, and government officials.

After the ceremony, attendees visited the kindergarten to observe the outcomes of the support provided by Morinaga Milk, and engaged with the children during mealtimes in the newly completed cooking facilities. Mr. Vu, Chairman of the People's Committee of Phu Nuong commune, expressed joy and gratitude, stating, "I hope this initiative will serve as a foundation for the children's physical and mental growth, helping to build a prosperous hometown and meet the expectations of teachers and parents." The event was filled with many smiles.



Presentation of Gifts to the Children



Serving Meals in the New Meal Preparation Facilities



During Lunchtime

Commencement of the Third Phase Program

The third phase of the program, starting in July 2025, will continue to utilize the support framework established in previous initiatives, encompassing both hardware and software aspects. The target age group will be expanded to include elementary school children in addition to kindergartens. On the software side, the scope of the initiative will be extended to include not only the parents of students but also parents residing in the community with children under the age of 10. Monitoring and follow-up at the kindergartens supported in the first and second phases will also continue.

Main Support Contents of the Third Phase (July 2025 - June 2026)

Project Location: Lai Chau Province, Socialist Republic of Vietnam

Targets: One kindergarten and one elementary school

Number of Beneficiaries: Approximately 470 children, about 78 teachers, healthcare, and cooking staff, and around 800 parents

Project Overview:

Construction of cooking facilities (one each at the kindergarten and elementary school)

Provision of equipment and utensils for the cooking facilities

Training for teachers and staff on nutrition, food hygiene, and children's health and development

Awareness activities on nutrition, food hygiene, and children's health and development for parents of students and parents of children under 10 in the village



The Current Cooking Facilities at the Elementary School



The Current Cooking Facilities at the Kindergarten

Background of the Support

The location for the third phase of the "Smiles & Health for Children" program, in Lai Chau Province, is a mountainous area near the Chinese border, approximately an 8-hour drive from the capital, Hanoi. It has high poverty rates of 24%^{※3} respectively, and a significant proportion of children reportedly suffer from malnutrition. Additionally, there are challenges related to the sanitary conditions of cooking facilities and knowledge about nutrition in local schools and kindergartens. Therefore, there is a need to improve the health and nutritional status of children through both hardware and software improvements in cooking facilities and nutritional education.

In its 10-year vision, Morinaga Milk Group aims to achieve an "overseas sales ratio of 15% or more" by the fiscal year ending March 2029. Vietnam is one of the key countries where we have established production and sales bases and are focusing on our overseas business. Furthermore, to realize the goal of contributing to the wellbeing of all generations through products and services that leverage Morinaga Milk Group's unique ingredients, as stated in our Sustainability Medium- to Long-term Plan 2030 under the theme "Food and Well-being," we aim to contribute to health, nutrition, and a happy life.

Since May 2023, we have been working with an International NGO in Tuan Giao District, Vietnam, to improve the health and nutritional status of children through the meal support program "Smiles & Health for Children." We are continuously working on establishing the infrastructure for school meal provision in Vietnamese kindergartens and enhancing the knowledge and skills of teachers and healthcare staff regarding nutrition and hygiene.

Starting in July 2025, with the cooperation of Plan International, we will utilize the knowledge gained so far and expand the support areas beyond the current regions.

※1 Plan International is an internationally recognized and registered NGO with the United Nations, operating in over 80 countries worldwide. It is dedicated to addressing inequalities faced by children and girls around the world. Plan International Japan, the Japanese office of the organization, was established in 1983.

※2 Child Sponsorship Program is a program in which individuals or groups sponsor children in developing countries. The program addresses local issues such as water sanitation, health & nutrition, and education with the aim of creating an environment where children can grow up healthy.

※3 Source: Lung Tang Health Bureau and Nam Se Health Bureau, First Half of Fiscal Year 2024 Survey

Morinaga Milk Group's Engagement with Vietnam

- Since 2010, Morinaga Milk Group has been exporting formula milk to Vietnam through its local agent, Le May Production, Trading and Service Company Limited (Le May Co.).
- In June 2021, to strengthen sales in the Vietnamese market, Morinaga Milk Group acquired Elovi Vietnam Joint Stock Company (Elovi Co.) as a wholly owned subsidiary. In November 2022, the local production and sales of Morinaga Milk branded products commenced.
- In 2023, Morinaga Milk Group established a joint venture with Le May Co. and entered into a share transfer/acquisition agreement and a shareholders' agreement to make Morinaga Le May Vietnam Joint Stock Company (Morinaga Le May Co.) a subsidiary.
- In March 2024, to further foster a sense of unity within the group, the name of Elovi Co. was changed to Morinaga Nutritional Foods Vietnam Joint Stock Company.