

March 22, 2022

**Notice Regarding Potential Personal Information Leak
Following Unauthorized Access to Company Servers**

MORINAGA & CO., LTD. (“the Company”) today announced that it cannot rule out the possibility of a leak of some personal information of some customers of its “Morinaga Direct Store” (formerly “Healthy Life with Angel”) e-commerce business, after several servers managed by the Company were subjected to unauthorized access. If such a leak did occur, leaked data could potentially include the names, addresses, telephone numbers, dates of birth, gender, purchase histories, and some email addresses of some Morinaga Direct Store customers, but would not include credit card information. There are no reports as yet of any fraudulent use of potentially leaked personal information.

We sincerely apologize to our customers, business partners, and other stakeholders for any inconvenience and concern this incident may cause.

1. Overview of the incident

a. Timing

When investigating the cause of errors detected in several servers managed by the Company late in the evening of Sunday, March 13, the Company identified signs that unauthorized access to the servers by a third party had occurred. Some segments of the Company’s internal IT system were impaired as a result of the unauthorized access. Immediately after the unauthorized access was detected, the Company shut down external access to its network in order to minimize damage. On March 14, the Company established a special task force to investigate the incident. The task force is currently working together with specialized external organizations to determine the scope and circumstances of the unauthorized server access and the reasons for it, and is also working to fully restore the affected segments of the Company’s internal IT system.

b. Investigation findings

The initial investigation confirmed that several of the Company’s servers had been subjected to unauthorized access and that access to some data had been locked.

It was also confirmed that the breached servers included one used to store information connected with product deliveries to Morinaga Direct Store customers, that access to that data had been locked, and that the data included customers’ personal information.

Specialized external organizations have been investigating potential external leakage of customers’ personal information, but they are yet to find any signs that a leak has occurred.

The decision to make this announcement was made, however, as the Company is prioritizing prevention of secondary damage since it remains difficult to entirely rule out the possibility of a leak.

It has been determined that it is highly likely that the unauthorized access was achieved through the exploitation of vulnerabilities in network devices connected to Internet lines

c. Response

The Internet lines concerned remain fully shut down, and countermeasures have been implemented to prevent any further unauthorized access.

The details of the incident have been reported to the Personal Information Protection Commission and the police.

2. Potentially leaked personal information and response to customers

a. Customers concerned: 1,648,922 customers who used the Morinaga Direct Store (formerly “Healthy Life with Angel”) between May 1, 2018 and March 13, 2022.

b. Data concerned: Name, address, telephone number, date of birth, gender, email address*, and purchase history

* Credit card data was not accessed

* Only email addresses of 3,887 customers (approx. 0.2% of the total) who used e-commerce shopping sites

c. Customer response: The Company will begin contacting the customers concerned via postal mail from March 28. The Company has also set up the call center below to respond to customer inquiries.

Customer hotline (free dial): 0120-740-150

(Please note that only inquiries in Japanese can be handled via this hotline)

Hours: March 22 (Tues): 15:00 – 20:00

March 23 (Wed) – March 27 (Sun): 09:00 – 17:00

March 28 (Mon) onward: Weekdays 09:00 – 17:00

Notice from the Company: <https://faq.morinaga.co.jp/>

3. Restoration of internal IT system and impact on business performance

The segments of the internal IT system that were impaired following the unauthorized access have now been restored. There remains, however, some impact on the supply of certain products due to a temporary decrease in inventory levels and changes to production plans, etc. resulting from the temporary suspension of segments of the IT system related to manufacturing.

The impact on business performance is currently expected to be minor.

4. Countermeasures and prevention of recurrences

The Company takes this incident extremely seriously, and will continue to investigate the causes of the incident in coordination with specialized external organizations. The Company will also establish even more stringent and rigorous information security systems, and work to ensure the prevention of any recurrences.

We sincerely apologize to our customers, business partners, and other stakeholders for any inconvenience and concern this incident may cause.