


Supplementary Materials for ESG Related Information (4)

(September 22, 2023)

Innovation all for the patients



CHUGAI PHARMACEUTICAL CO., LTD.

 A member of the Roche group

1. Creating Workplaces free from Harassment

In addition to establishing the CCC hotline as a consultation service, we have assigned area counselors at each regional management office, plant, and research laboratory, giving employees someone familiar with whom they can consult.

The Chugai Group strives to foster respect for diverse personalities and values, to create workplaces where employees can work with enthusiasm and peace of mind. Accordingly, to prevent power harassment (abuse of power) and sexual harassment in the workplace, we continuously take various measures to educate employees and raise their awareness about these issues. Further, the Chugai Group has put in place employment regulations and harassment prevention rules as part of efforts to address harassment of those who take maternity, childbirth, child or family care leave. Unfavorable treatment of employees for their use of these programs, as well as behavior that creates a hostile work environment for such employees, are prohibited.

We have established the CCC hotline and the Chugai Speak-Up Line in the company, enabling employees to discuss their concerns freely, and have also established the external consultation service. Moreover, we have assigned area counselors at each regional management office, plant, and research laboratory, giving employees someone familiar with whom they can consult. Harassment consultation training by outside instructors and CCC Hotline personnel is provided regularly for these area counselors and human resource managers to reinforce the knowledge and skills necessary to respond to calls.

Issues reported are investigated impartially and with strict confidentiality to find a solution while respecting the opinion of the person who made the consultation. Company rules prohibit retaliation or any other disadvantageous treatment of employees who seek consultation or make reports. Anonymity can be maintained for consultations and reports.

In addition, in accordance with the revised Whistleblower Protection Act that went into effect in June 2022, we have established “the Rules for the Protection of Whistleblowers”, establishing a contact point for inquiries from outside the company and a system to receive reports from those who have left the company within 1 year.

2. Welfare

Programs: home loan, personal loan, zaikai (asset-formation) savings plan, employee stock ownership (a monthly contribution start from 1,000 yen, company will subsidize employee contributions), Well Net Club (mutual benefit association).
Facilities: Singles dormitory, company-owned housing, tennis court, sports ground, contracts with resort facilities in various parts of Japan

3. Improving Working Conditions

In addition to introducing flexible work systems Chugai has created an environment to support the balance between work and major life events.

Work-related system	Regular employees	Senior employees	Contract employees	Part-timers
•Telework system (working from home and using satellite offices)	○	○	○	* Partially not applicable
•Half-day and hourly paid leave system	○	○	○	○
•Professional type Discretionary Labor System (Researcher)	○	○	×	×
•Super-flextime system (no core time) (including for MRs and other remote workers)	○	○	○	×
•Short-time work system for childcare (flextime work)	○	○	○	○
•Tardiness for childcare •Leaving early for childcare (employees on fixed work schedule)	○	○	○	○
•Short-time work system for nursing care (flextime work)	○	○	○	○
•Use of business vehicle to take children to, or pick them up from childcare centers	○	○	○	○
•Commuting by Shinkansen due to marriage, spouse's transfer or nursing care	○	○	○	○

Leave	Regular employees	Senior employees	Contract employees	Part-timers
•Long-term Absence from Work for Childcare System (first 14 consecutive days are paid leave)	○	○	○	○
•Paternity leave	○	○	○	○
•Sick child leave	○	○	○	○
•Family Care Leave•Long-term Absence from Work for Family Care	○	○	○	○
Support for expenses/tools	Regular employees	Senior employees	Contract employees	Part-timers
•Company PCs rental service for employees taking maternity leave, childcare leave or nursing care leave	○	○	○	○
•Subsidies for non-registered daycare facility expenses after returning from maternity leave or long-term childcare leave	○	○	○	○
•Subsidies for babysitting expenses (All Japan Childcare Services Association)	○	○	○	○
•Introducing a nursery school hunting concierge (Support for early return by supporting the set-up of childcare environment)	○	○	○	○
Information provided via websites	Regular employees	Senior employees	Contract employees	Part-timers
•Suku-Suku Square: website to support raising the next generation (information site for programs and services related to childbirth and childcare)	○	○	○	○
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related to childbirth and childcare)				
Other support	Regular employees	Senior employees	Contract employees	Part-timers
•Support plan for MRs to live with their spouses	○	○	○	○
•Alumni system (reemployment registration system for the employees who retire due to marriage, spouse transfer, childcare, nursing care, going on to higher education, job change, etc.)	○	○	○	○
•Kids' Square Nihonbashi Muromachi, a consortium-managed childcare center	○	○	○	○

4. Internal Audits

The Audit Department, with a staff that includes certified internal auditors and certified fraud examiners, conducts audits of the status of business execution of the Chugai Group, including subsidiaries, from various standpoints, such as the effectiveness, efficiency and compliance of business activities; reports and makes recommendations to the Executive Committee; and reports to the Audit & Supervisory Board. In addition, Audit Department staff serve as Audit & Supervisory members at subsidiaries.

In addition, the Audit Department assesses whether effective internal controls are established and being implemented in accordance with internal control standards generally accepted as fair and appropriate in Japan to ensure the reliability of financial reporting based on the Financial Instruments and Exchange Act. As part of the audit procedures for the entity level process, the status of design and implementation of the compliance systems is also assessed once a year.

5. CCC and Human Rights Training

Chugai provides an opportunity of e-learning on CCC in general and annual training for a certain theme for all employees (including contract employees and part-time employees) to further understand and comply with the Chugai code of conduct so that the code will take hold across the Chugai group.

In the first half of 2022, the training program focused on business and human rights. It was an opportunity to raise awareness about human rights in the supply chain and the workplace for employees, and to think about the stakeholders involved in our business activities and how we address human rights issues throughout the supply chain.

In the second half of 2022, the training focused on the theme “No harassment, no tolerance”. We learned about social trends, the current status of harassment and its prevention measures, and consultation desks, and enlightened the importance of creating a better work environment in which all employees respect each other.

6. Continuing Education and Training for Employees

Continuing education and training is vital in the promotion of corporate activities that maintain high ethical standards, including promotional activities. We regularly provide education and training on the “Chugai Code of Practice” in addition to each country’s applicable laws including marketing related regulations and regulations and pharmaceutical manufacturers’ associations codes of practice to ensure effective implementation, not only for the sales department, but also for officers and employees (including employees belonging to affiliated companies in Japan). In addition, based on the incident status, we are enhancing measures to prevent recurrence by providing necessary education and training to relevant departments as appropriate.

Training organizer	Training theme	Target	Scope of training	Frequency
Healthcare Compliance Dept.	Chugai Code of Practice	Management	Knowledge necessary for management	Once a year
	Guidelines for Provision of Sales Information on Prescription Drugs Fair Competition Code	All employees of Chugai Group	Knowledge for appropriate interaction with healthcare professionals, etc. and provision of information	Once a year
		Compliance Officer	Knowledge necessary to promote compliance in each department	Once a year
		Personnel in charge of providing sales information	Training in line with daily activities based on examples	4 times a year

	Guidelines for Preparation of the Outline of Prescription Drug Product Information	Personnel in charge of creating material	Knowledge to prepare materials in accordance with laws and industry standards	3 times a year
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7. Investigation and Corrective Actions in Response to Healthcare Compliance Violations

Based on the “Guidelines for Provision of Sales Information on Prescription Drugs” issued by the Ministry of Health, Labour and Welfare, Chugai has established “Guidelines for Provision of Sales Information on Prescription Drugs in Chugai.” If violations or deviations or spontaneous reports from the “Guidelines for Provision of Sales Information on Prescription Drugs in Chugai” are confirmed, we will respond in accordance with the “Standard operating procedure for complaints and recurrence prevention” and perform appropriate sales information provision activities. In addition, deviation cases related to the “JPMA Code of Practice” or “Fair Competition Code concerning Restriction on Premium Offers in Ethical Pharmaceutical Drugs Marketing Industry” shall be dealt with in the same manner based on the “Chugai Code of Practice.”

Chugai has established the supervising division to ensure that its divisions in charge of information provision are appropriately providing information. The supervising division reports activities to the Healthcare Compliance Committee to provide systematic guidance. In addition, the supervisor in the supervising division reports the activities to the Review & Supervisory Committee, which includes a third party. This ensures that the provision of product information is carried out appropriately

Internal Systems

