Chugai Pharmaceutical Purchasing System – Transaction Guidelines

V001

First Edition

Chugai Pharmaceutical Co., Ltd.
Purchasing Department

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This document covers transactions between your company and Chugai Pharmaceutical Co., Ltd. and domestic group companies (hereinafter referred to as "Chugai Pharmaceutical").

Chugai Pharmaceutical conducts transactions of indirect materials (*1) through the Roche purchasing system myBuy (hereafter referred to as "myBuy").
We would like to conduct future transactions in the manner described below, and we ask for your understanding and cooperation.
(*1) All items except direct materials

1. Quotation and Order by myBuy

1.1. Business Flow Overview

The business flow overview of transactions with myBuy is as follows. For more details, please refer to the items listed below.

Match Type	Overview	Target transactions	Documents received
Purchase Confirmation Document Method (ERS)	• Payment by matching order and delivery information, without an invoice	Goods from catalog-handling business partners (excluding prepayments)	Delivery Note
3-Way Matching (3WM)	• Payment by matching order, delivery, and invoice information (3 points)	Goods other than ERS targets, Fixed assets	Delivery Note, Invoice
2-Way Matching (2WM)	• Payment by matching order and invoice information (2 points)	Services (excluding fixed assets)	Invoice

Not included in this book.

Key Points	Transactions via myBuy
Types of Transactions	Transactions shall be conducted in the following manner. 1. Catalog Items ・Goods are covered (however, this may also be extended to include services as well). ・This applies to business partners who have previously agreed with Chugai Pharmaceutical on catalog handling. ・Please submit a delivery note upon delivery. Payment shall be made based on delivery records. (**Purchase confirmation document method**; details below)
Order Confirmation and Adjustment	For confirmation or adjustments regarding order continuation or cancellation, such as significant delays due to out-of-stock items, please coordinate directly with the requester.
Payment Processing (Catalog Items: **Purchase Confirmation Document Method**)	Chugai Pharmaceutical's closing date for transactions is the 20th of every month (or the preceding business day if the 20th falls on a non-business day). For items accepted between the 21st of the previous month and the 20th of the current month, a "purchase confirmation document" will be issued by the last day of the month in which the closing date falls, based on the transaction records. If no objection is raised within 10 business days of the following month after receipt of this confirmation document, payment shall be made in accordance with the contents stated therein.

1.2. About Delivery Notes

1.2.1. Submission Address for Inspection Certificates (Delivery Notes)

Please submit a delivery note as an inspection certificate (work completion reports and acceptance certificates for services are also treated accordingly).

Please prepare a delivery note for each order. (Even if delivery times are the same, do not combine multiple orders into a single delivery note.)

Also, please always include the purchase order number and line item number on the delivery note, and describe the delivery details for each line item.

Submission method:

As a general rule, please submit the original paper document to the receiving staff at each business location upon delivery of the product.

- If you are delivering to multiple locations, or to a designated location other than our offices, please attach the necessary documents such as receipts and delivery notes (copies are acceptable) to the delivery note and mail or bring them to the orderer for submission.

1.2.2. Items to Be Entered on Acceptance Inspection Document and Delivery Notes

The format of the acceptance inspection document itself is not specified; however, the following eight items are mandatory.

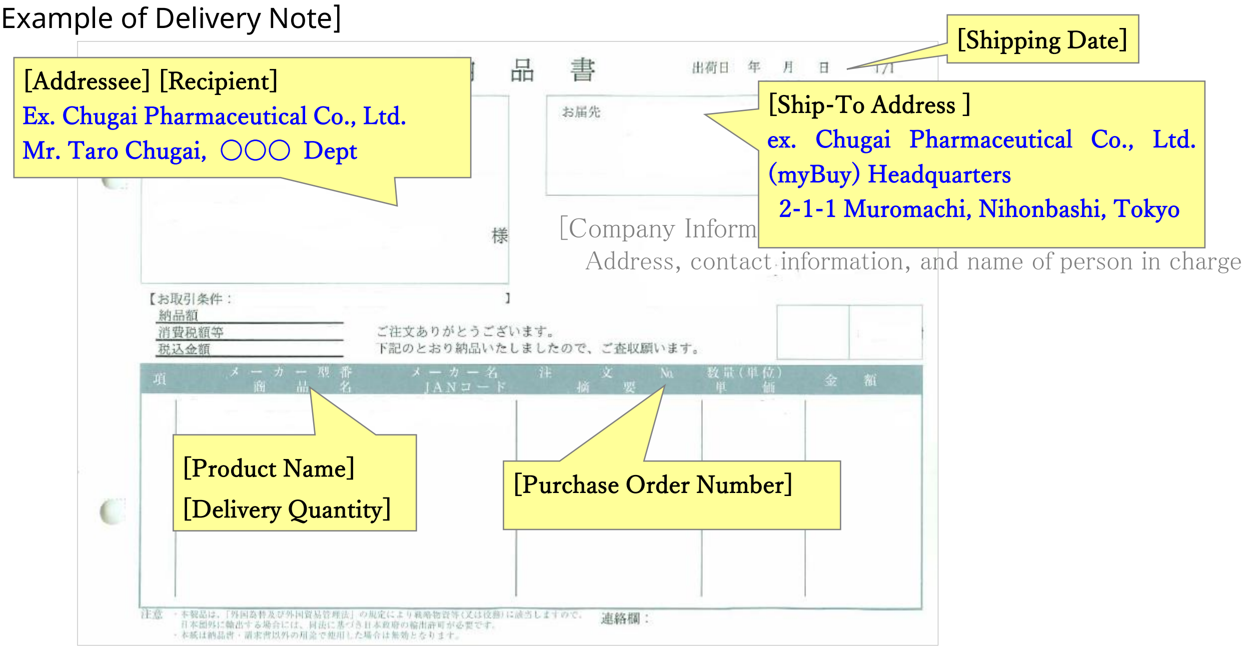
Item	Notes
Addressee	Legal entity name of the respective Chugai Pharmaceutical company
Ship-To Address	The information as stated in the "Ship-To Address" field on the purchase order / order receipt screen. Please ensure to enter "myBuy".
Recipient's Name	The information as stated in the "Recipient" field (including department name) on the purchase order / order receipt screen.
Purchase Order Number	The "Purchase Order Number" and "Line Item Number" as stated on the purchase order / order receipt screen.
Shipping Date	The date on which your company ships the goods. *For services not accompanied by physical deliverables, enter the date of implementation or completion.
Product Name or Service Name	The information as stated in the "Product Name" field on the purchase order / order receipt screen.
Quantity	The information as stated in the "Quantity" field on the purchase order. *If the order amount has been entered as the quantity, please enter it as-is.
Notes	If the delivered quantity is less than the ordered quantity, please state the reason for the discrepancy in accordance with Section 1.2.3.

* Please include the model number and/or part number if applicable.

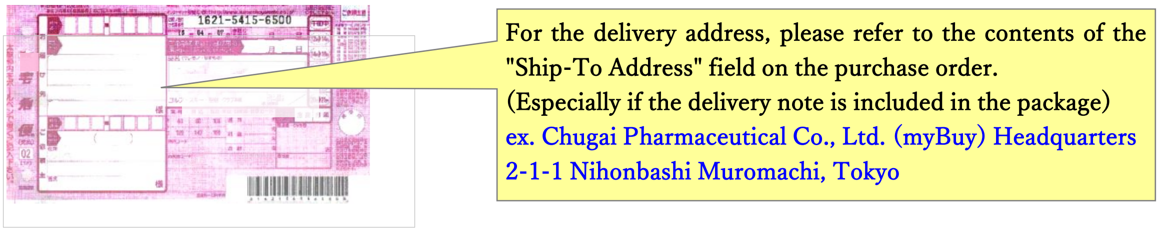
If there are any deficiencies in the above information, you may be asked to resubmit the document.

Also, please write "Company Name (**myBuy**) Shipping Destination" on the shipping slip as well (e.g., Chugai Pharmaceutical Co., Ltd. (myBuy) Headquarters).

[Example of Delivery Note]



[Shipping slip affixed to the outer packaging]



1.2.3. Regarding Deliveries That Differ from the Order Quantity or Amount

If any discrepancy arises between the order conditions (quantity or workload) for custom-made products, piece-rate products, or services, please contact the orderer.

Depending on the nature of the discrepancy, please take the following actions.

1. If the delivery quantity is less than the order quantity:
- If the remaining order quantity is scheduled for continued delivery, please indicate "Partial Delivery" on the delivery note.
- If there is no planned continued delivery of the remaining order quantity, please indicate "Full Delivery Completed" on the delivery note.

* Alternatively, a statement such as "Further delivery scheduled / not scheduled after this delivery" is also acceptable.

2. If the delivery quantity exceeds the order quantity:
- myBuy has a feature that allows for a certain level of excess; however, if this limit is exceeded, a change order will be required, so please contact the orderer before delivery.

3. When changing the amount:
- Please submit a revised quotation.

1.3. Transaction Requirements for Payment

1.3.1. Basic Requirements

The basic requirements for payment at Chugai Pharmaceutical are as follows.

- **Payment Terms**

Payment will be made in accordance with the payment terms agreed upon in advance in the consent form.
However, for transactions where payment terms are separately agreed upon in a contract, the payment terms stipulated in that contract shall apply.
In such cases, be sure to enter into a contract related to the relevant transaction.
In cases involving laws and regulations such as the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators, the payment terms stipulated under such laws shall apply.

- **Payment Methods**

Transfer to the designated account (the bank transfer fees to your account will be borne by our company).
If the payment due date falls on a non-business day of a financial institution, the transfer will be made on the preceding business day of the financial institution.

1.3.2. Payment Processing Methods for Catalog-Handling Business Partners

For business partners falling under this section, the "Purchase Confirmation Document Method" is adopted as the payment processing method.

- **Purchase Confirmation Document Method**

Payment will be made in accordance with the contents of the "Purchase Confirmation Document" sent at the end of the month, based on delivery performance as of the 20th of each month.
Under this method, no invoice submission is required.

1.3.3. Additional Notes Regarding Payment

Handling of Amount Discrepancies in the Purchase Confirmation Document Method

Payment based on Purchase Confirmation Document is fundamentally based on acceptance inspection. If there is a discrepancy in the amount stated in the "Purchase Confirmation Document" presented by us, please contact the contact listed on the business partner portal by the 10th day of the month following the month in which the Purchase Confirmation Document was issued (or the preceding business day if the 10th falls on a Saturday, Sunday, or public holiday). If a discrepancy is confirmed through mutual consultation between both companies, it will be reflected in the next "Purchase Confirmation Document" upon agreement between your company and Chugai Pharmaceutical. However, if such reflections cannot be made (e.g. if the next Purchase Confirmation Document is not issued), settlement shall be made by a method separately agreed upon between your company and us.
Please also note that we may request the reissuance of the delivery note in such cases.

Handling of Consumption Tax

Regarding the consumption tax calculation method: Consumption tax is calculated by rounding to the nearest whole number (standard rounding at the first decimal place).

(When specifying the consumption tax amount on a quotation, please calculate by rounding any figures below the decimal point.)

2. Procedures for Starting Transactions via myBuy

When starting transactions with myBuy, your company will be required to prepare and submit the following documents. These documents will be provided to you at the start of the transaction.

(1) Supplier Master Registration Application Form

Your company will be registered in the supplier master for myBuy.
We will send you a file for completion; please fill in the required fields and return it as an Excel file.
Please also reply with the signed PDF file.

(2) Request Regarding Commencement of Purchase Transactions (Consent Form)

Before commencing transactions on myBuy, please review the transaction methods and terms.
Please review the contents of this document, have the person in charge sign the consent section, and return it to us.
Additionally, we will send you a Docusign electronic signature request for your signature.

- We may also request your company to submit documents other than those listed above ((1) to (2)).

3. Other

3.1. Inquiries about Chugai Pharmaceutical

For inquiries regarding post-order adjustments or payment, please contact the orderer.
For inquiries regarding the myBuy system or business procedures, please contact the contact listed on the business partner portal.