

Chugai Selected as a "Nadeshiko Brand" for the Fourth Consecutive Year and also Recognized in the "New Diversity Management Selection 100"

TOKYO, March 22, 2018 -- <u>Chugai Pharmaceutical Co., Ltd.</u> (TOKYO: 4519) announced today that the company was selected for the fourth consecutive year as a Nadeshiko* Brand, a designation granted to listed companies exceptional in promoting the success of women in the workplace, and also was recognized in the New Diversity Management Selection 100 by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE). *Nadeshiko, a pink carnation with delicate frills, is used metaphorically to refer to an idealized Japanese woman.

METI and TSE have jointly selected and published Nadeshiko Brands since FY2012. For investors who emphasize improving corporate value over the mid-to-long term, this initiative aims to introduce them to certain listed companies that are outstanding in terms of encouraging the empowerment of women in the workplace. In this the sixth year of the initiative, METI and TSE evaluated candidates based on the quality and actual progress of in-house initiatives for encouraging women's success in the workplace and the contribution made to the success of their business. In addition, New Diversity Management Selection 100 is a system in which the Ministry of Economy, Trade and Industry qualitatively evaluates companies that are successfully improving management results by promoting diversity management and maximizing the capabilities of diverse human resources such as women, the elderly, and foreign nationals.

The logos of Nadeshiko Brand and Diversity Management Selection 100





Chugai aims to become a top Japanese pharmaceutical company that provides a continuous flow of innovative new medicines in Japan and overseas and places priority on the promotion of diversity and inclusion so that our diverse human assets may play active roles in creating new value. We believe that the designation of Nadeshiko Brand for the fourth consecutive year and the New Diversity Management Selection 100 were awarded in recognition of our continuous efforts.

With the fundamental philosophy that human assets constitute the core capital for generating corporate growth and development, Chugai will continue to develop a working environment and organizational culture that ensures each employee can work enthusiastically and achieve success in the workplace.

Reference

[Strategy and diversity management initiatives]

In 2010, Chugai organized a working team on the subject of gender under the direct leadership of the CEO, and began considering various issues. In 2012, Chugai set up the Diversity Office to strengthen and promote efforts in a broad range of fields. In 2013, Chugai began holding an annual Chugai Diversity Promotion Forum where top management and department members gather to share top management messages and in-house activities in each divisions. It has thus become a means to continuously promote diversity.

[Company-wide environmental improvement]

Chugai introduced a talent management system from 2012 in order to find a variety of human resources and promote their success regardless of gender, age, nationality and other attributes. Chugai identifies human resources on an objective scale with competency as the core value, and allocates and trains employees systematically to maximize their abilities. To support work-life balance, Chugai has introduced a number of programs: telecommuting; reduction of the core time for the flex time system; a plan to help sales representatives live with their spouse during company transfers; and a system allowing children to be driven to nursery school in a company vehicle. Male employees taking childcare leave exceeded 50% in 2017, up from 4% in 2014. Based on our aim to become an organization that creates innovation by ensuring that every employee with diverse values and abilities has a sense of motivation and purpose for working regardless of responsibilities for childcare or nursing care etc., Chugai will strive to reform its way of working and further develop the working environment for foster the awareness of employees.

[Promoting the success of women]

Chugai's goal for 2018 is to raise the ratio of female managers to 13 percent. In addition to the "Female Leaders' Program," which has been implemented since 2014 to foster senior leaders, Chugai initiated a new development program in 2016 to enhance the number of female managers. The ratio of female managers increased from 10.7 percent at the end of December 2015 to 12.5% percent at the end of December 2017. Chugai will continue its efforts to develop manager candidates to increase next generation of female leaders.

[Initiatives to foster career awareness]

Chugai stipulates in its career policy that "To realize individual autonomy and mutual growth, we emphasize opportunities for each employee to notice their own value and foster their own abilities." We carry out autonomous career development based on a career declaration system through dialogues between the employees and their superiors as a basic cycle. Chugai also developed an internal recruitment system to further promote autonomy and mutual growth. For employees who return after childcare leave and for those raising children, Chugai is implementing seminars so that the employees can reflect on their own careers and working methods from a medium-term perspective. Furthermore, for the success of senior generation employees, Chugai conducts career training for them to organize their experiences and roles and encourage each employee to demonstrate their abilities through a system for declaring ways in which they want to contribute.