

Chugai Obtains "Platinum Kurumin" Certification from the Minister of Health, Labour and Welfare as a Company Supporting Childrearing -- Seven Times More Male Employees Took Childcare Leave in Two Years --

TOKYO, August 29, 2018 -- <u>Chugai Pharmaceutical Co., Ltd. (</u>TOKYO: 4519) announced today that the company has received "Platinum Kurumin" certification, a recognition as a superior company which supports employees' balancing their work and family life, from the Minister of Health, Labour and Welfare.

The "Platinum Kurumin" certification is a new certification system established on April 1, 2015 following the revision of the Act on Advancement of Measures to Support Raising Next-Generation Children in April 2014. This new scheme was introduced to recognize outstanding companies that support employees in balancing work and childrearing among those companies which have already received "Kurumin" certification. Chugai formulated and implemented the "Fourth Action Plan for Raising the Next-Generation" for two years from April 1, 2015 until March 31, 2017, meeting the recognition requirements.

Three goals for the "Fourth Action Plan for Raising the Next-Generation" and major implemented actions

1) Enhanced the environment and provided information to promote male employees' taking childcare leave.

 \cdot Opened a "Special website for *IKUMEN* (the men who are actively involved in childrearing)" to provide information regarding childcare leave.

 \cdot Notified male employees who just had newborn children, and their supervisors, of the information regarding childcare leave by email.

• Reviewed the childcare leave program and its application to promote use of the program. 2) Improved the environment where employees who return to work from childcare leave continue building their careers, and enabled both male and female employees to exert their capabilities at work.

· Allowed to transport children by the company cars to upgrade commuting methods.

 \cdot Introduced and implemented seminars for female employees after their reinstatement to work, as an activity to educate workers who have returned to work.

 \cdot Created and distributed a handbook for supervisors of the workers who are taking childcare leave, as an awareness-raising activity.

3) Efforts for the well-balanced work style

· Drove forward the efforts to address work style reforms (work-life synergy)

 \cdot Enhanced internal communications to share the number of annual leave days taken and overtime hours.

 \cdot Increased the number of designated dates which company recommends employees to take a day off from three days to four days per year.

"Kurumin" and "Platinum Kurumin"

The companies meeting certain criteria out of companies which formulated General Employer Action Plans will be certified by the Minister of Health, Labour and Welfare ("Kurumin" certification). At the end of June 2018, 2,917 companies were certified. Moreover, if the companies which have already received "Kurumin" certification engage in actions in higher standards and meet certain requirements, they are eligible to receive a special certification from the Minister of Health, Labour and Welfare ("Platinum Kurumin" recognition). At the end of June 2018, 212 companies have received "Platinum Kurumin" certification. Reference (Japanese

only): <u>https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/kodomo/shokuba_kosodate/kurumin/index.ht</u> <u>ml</u>

Efforts of Chugai which contributed to the acquisition of "Platinum Kurumin" certification During the course of Chugai implementing its Fourth Action Plan for Raising the Next-Generation, the rate of male employees taking childcare leave increased to 28.8%, or seven times in the two years during the period of implementing the action plan, a great achievement. The rate increased further to 52% in 2017. One example of Chugai's efforts is that the company created a "Special website for IKUMEN," on its intranet to provide information in order to promote the childcare leave, and introduced the site via email to male employees with newborn children and their supervisors. Previously, there was no opportunity to give information to the male employees who just had newborn children, while the company did provide guidance for maternity leave and childcare leave to female employees who became pregnant. Therefore, the "Special website IKUMEN" publishes the mechanisms of paternity leave and childcare leave, wages during leave, examples of experiences of personnel who actually took leave, etc. In addition, the company created a handbook for supervisors that contains examples of male employees taking childcare leave and summarizing guidance on key management points. Furthermore, Chugai has introduced the seminar on work after reinstatement from childcare leave as well as the female leaders program (a development program for female managers and candidates), as an effort of building a foundation where female workers can continue their work and take active roles at the workplace.

Future goals and policy

Chugai is implementing the Fifth Action Plan for Raising the Next Generation for two years and nine months from April 1, 2017 until December 31, 2019, with the purpose of supporting workers further balancing their work and childrearing at a higher level.

- Goal 1: To raise awareness and create an environment that facilitates the participation of men in childcare.
- Goal 2: To raise awareness among managers to create an environment that enables the active participation of both men and women and supports employees in balancing their careers and life events.

Goal 3: Implement measures for employees to work efficiently, in order to enable each and every individual to demonstrate their abilities to the utmost extent.

Reference: https://www.chugai-pharm.co.jp/english/csr/diversity/worklife training.html

[Reference material] Diversified working styles at Chugai

Primary actions to support employees in balancing work and family life

1) MR support program for living with their spouse

If Medical Representatives wish to live together, the company transfers employees to a workplace where they can live with their spouses after marriage.

2) Telework System

Telework is allowed up to five days per month for reasons of "childcare," "nursing care," "teleconference with overseas companies," "periodical hospital visits or difficulties in commuting to work due to injuries," and "productivity improvement." Reference: https://www.chugai-pharm.co.jp/english/csr/diversity/worklife.html

■ Major efforts to support diversified human capital

1) Promoting the Success of Non-Japanese Employees

As the number of non-Japanese employees working in Japan increases, Chugai is striving to create an environment for working together by providing internal information in English, organizing gatherings to promote multicultural understanding, trainings to their managers and etc.

2) Promoting the Active Role of Seniors

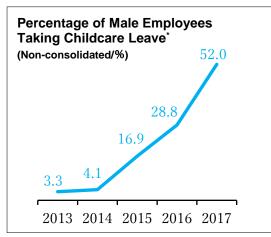
Chugai is working to encourage senior employees to make the most of their abilities by building awareness of career training, putting in place programs to enable employees to continue working to age 65, and establishing opportunities for those employees to play important roles. In 2016, a Senior Task Force was set up consisting of employees selected from each division, charged with sorting out issues and formulating specific measures for promoting the success of senior employees. Based on the proposal from the Senior Task Force, since 2017 the company introduced educational training to support senior workers to continue their challenges further after the age 60.

Reference:https://www.chugai-pharm.co.jp/english/csr/diversity/promotion.html

Employee training

Training on the business conduct guidelines (BCGs) and human rights Every year, Chugai provides educational training to all employees by placing emphasis on corporate ethics and respect for human rights. The company provided two training programs during the first half year of 2017 under the themes of the "global compliance system" and "prevention of maternity harassment," while two training programs provided during the second half of the year were "efforts for prevention of bribery" and "LGBT – understanding diversified individuality."

Reference: https://www.chugai-pharm.co.jp/english/csr/stakeholder/employee.html



*number of male employees taking childcare leave as a percentage of all male employees with newborn children



Management Handbook to consider subordinates' various working styles