

Chugai Continues to be Listed for All ESG Indices Selected by GPIF

- Chugai is included in all four ESG indices of Japanese equities since the initiation of ESG investment by GPIF
- Chugai has been selected as constituents in global ESG indices, 18th consecutive year by FTSE4Good Index Series and 11th consecutive year by MSCI ESG Leaders Indexes
- Obtained "AA," which is the top 9% of global pharmaceutical companies in the MSCI ESG rating that evaluates ESG risk tolerance

TOKYO, August 5, 2020 -- <u>Chugai Pharmaceutical Co., Ltd.</u> (TOKYO: 4519) announced that it has been continuously included as constituents in all indices of Japanese equities for environmental, social and governance (ESG) investment selected by the Government Pension Investment Fund (GPIF) of Japan.

<Four ESG Indices Selected by GPIF>

- FTSE Blossom Japan Index (commenced investment from July, 2017):
 - An index designed to reflect the performance of Japanese companies demonstrating excellent environmental, social, and governance practices.
- MSCI Japan ESG Select Leaders Index (commenced investment from July, 2017):
 - An index created from the stocks of companies with a relatively high ESG rating in each industry from among the top 700 Japanese companies by market capitalization.
- MSCI Japan Empowering Women Index (WIN) (commenced investment from July, 2017):
 - An index created from a selection of companies with excellent gender diversity practices in each industry from among the top 700 Japanese companies by market capitalization.
- S&P/JPX Carbon Efficient Index (commenced investment from September, 2018):
 - An index designed to measure the performance of companies in the Tokyo Stock Price Index (TOPIX) based on disclosures of environmental information and levels of carbon efficiency.

The sustainability of Chugai has been highly regarded in terms of ESG practices, as Chugai has been selected as a constituent in the FTSE4Good Index Series for the 18th consecutive year and in the MSCI ESG Leaders Indexes for the 11th consecutive year, both of which are major ESG indices. In addition, we have received an "AA" rating, the second-highest of the seven levels in the MSCI ESG rating, meaning that our risk tolerance is evaluated to be relatively high against various future ESG risks.

Based on the business philosophy of "Innovation all for the patients," Chugai is committed to actively fulfill our social responsibilities as a healthcare company, by adding exceptional value through the creation of innovative medical products and services for the benefit of the medical community and human health around the world.