

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

- Chugai is included in all six ESG indices for domestic stocks currently adopted by GPIF since their initiation of ESG investment
- Chugai has been selected as constituents in global ESG indices, 22nd consecutive year by FTSE4Good Index Series
- Chugai has obtained "AA," the second-highest level in the MSCI ESG global rating that evaluates ESG risk tolerance, and selected as constituents in MSCI ESG Leaders Indexes

TOKYO, August 9, 2024 -- <u>Chugai Pharmaceutical Co., Ltd.</u> (TOKYO: 4519) announced that it has been continuously included as a constituent stock in all indices of the Japanese equities for environmental, social and governance (ESG) investment selected by the Government Pension Investment Fund (GPIF) of Japan.

<Six ESG Indices Currently Adopted 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.
- FTSE Blossom Japan Sector Relative Index (commenced investment from March 2022):
 - An index created based on the same ESG evaluation method used in FTSE Blossom Japan Index, with an assessment of magnitude of environmental damage by companies, and companies' management attitude toward climate change risks.
- MSCI Nihonkabu ESG Select Leaders Index (commenced investment from March 2024):
 - An index created from the stocks of companies with high ESG ratings selected from the constituents of the MSCI Nihonkabu IMI Index, with no bias towards any particular industry.
- 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.
- Morningstar Japan ex-REIT Gender Diversity Tilt Index (commenced investment from March 2023):
 - An index designed to evaluate gender diversity initiatives of companies, covering a wide range of 930 listed Japanese companies.
- 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.

*Chugai is included in all six ESG indices since the initiation of ESG investment.

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 22nd consecutive year and in the MSCI ESG Leaders Indexes, 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 that evaluates ESG risk tolerance, indicating that our risk tolerance to various ESG risks that may occur in the future is relatively high.

The Company's basic management policy is "creating shared value for Chugai and society" and aims to "realize advanced and sustainable patient-centric healthcare." Chugai will continue dialogue with the stakeholders and contribute to the development of a sustainable society through our business activities.

[References]

External Evaluations at Chugai Sustainability website <u>https://www.chugai-pharm.co.jp/english/sustainability/evaluation/</u>

Activity Reports at Chugai Sustainability website https://www.chugai-pharm.co.jp/english/sustainability/activity/

Chugai Annual Reports https://www.chugai-pharm.co.jp/english/ir/reports_downloads/annual_reports.html

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