

## **Otsuka Group Human Rights Policy**

### 1. Introduction

The Otsuka group of companies (Otsuka Group) aims to maximize our unique assets and skills as a global healthcare company in keeping with our corporate philosophy, “Otsuka-people creating new products for better health worldwide”. We recognize that respect for human rights in every aspect of our business activities must be the premise upon which we build to meet the expectations of our stakeholders, create new value, and contribute to the health and wellbeing of people all over the world as we continue to grow sustainably. Based on the Otsuka Group Global Code of Business Ethics\*, which outlines our commitment to integrity in all of our business activities, we have established the Otsuka Group Human Rights Policy (this Policy) to guide our efforts to promote human rights initiatives on a group-wide basis.

\*Otsuka Group Global Code of Business Ethics:

<https://www.otsuka.com/en/company/conduct/>

### 2. Our Commitment to Human Rights

Otsuka Group supports and respects international covenants governing human rights as set forth by the United Nations International Bill of Human Rights (the Universal Declaration of Human Rights; the International Covenant on Civil and Political Rights; the International Covenant of Economic, Social, and Cultural Rights) and the standards established by the International Labor Organization (ILO) in the Declaration on Fundamental Principles and Rights at Work. We also support and respect the United Nations Guiding Principles on Business and Human Rights into practice. As a signatory of the United Nations Global Compact, we support and respect the Ten Principles.

Otsuka Group complies with the laws and regulations of each country where we do business. Where local laws are inconsistent with international human rights standards, we will make every effort to honor the international principles of human rights.

### 3. Scope of Application

This Policy is applied to directors, officers, employees (both permanent and contract) and temporary employees of Otsuka Holdings Co., Ltd. and subsidiaries of Otsuka Holdings Co., Ltd. We consider all suppliers as business collaborators and will work continuously with all business collaborators involved with Otsuka Group products and services, to encourage them to avoid infringement of and ensure respect for human rights, even in situations where Otsuka Group has not directly caused negative impacts.

#### 4. Human Rights Due Diligence

To fulfill our responsibility regarding respect for human rights, we will seek to identify adverse human rights impacts related to our business operations and continuously perform due diligence to prevent and mitigate such impacts, as outlined in the United Nations Guiding Principles on Business and Human Rights. In cases where adverse impact has occurred or been fostered, appropriate remediation measures will be implemented. Relevant information regarding these efforts will be publicly disclosed, such as on the website of the Otsuka group of companies.

#### 5. Dialogue and Consultation

To facilitate implementation of this Policy, Otsuka Group will engage in dialogue and consultation regarding actual and potential human rights impacts with all stakeholders, including patients, healthcare professionals, consumers, local communities, residents, and business partners, and actively seek specialized knowledge from independent human rights experts.

#### 6. Education and Awareness Raising

To ensure this Policy is adopted and effectively implemented across all areas of business activities, Otsuka Group will provide appropriate education and work to foster awareness of the importance of respect for human rights among all executives and employees of Otsuka Group.

#### 7. Salient Human Rights Issues

Otsuka Group has identified key human rights issues to be addressed as outlined in the attached document below, "Salient Human Rights Issues for Otsuka Group". These key issues will be reviewed and updated on a regular basis in order to address the changing environment and business trends affecting our operations.

Approved and issued on December 22, 2020

Effective on March 1, 2021



President and Representative Director, CEO  
Otsuka Holdings Co., Ltd.

## ■ Salient Human Rights Issues for Otsuka Group

In 2019, Otsuka Group conducted a human rights assessment of Otsuka Holdings Co., Ltd. and seven group companies\*, resulting in the identification of key issues affecting Otsuka Group. As a promise to our valued stakeholders, we have outlined the salient human rights issues below, and will continuously work to identify, prevent and mitigate adverse human rights impacts related to our operations.

\*Otsuka Pharmaceutical Co., Ltd., Otsuka Pharmaceutical Factory, Inc., Taiho Pharmaceutical Co., Ltd., Otsuka Warehouse Co., Ltd., Otsuka Chemical Co., Ltd., Otsuka Foods Co., Ltd., Otsuka Medical Devices Co., Ltd.

### 1. Related to Our Patients and Consumers

Otsuka Group contributes to the health and wellbeing of people throughout the world, through the creation of innovative products and services. As a total healthcare company seeking solutions for health-related issues, we recognize our responsibility to patients and consumers, always prioritizing the quality and safety of our products, and reinforcing our supply chain. When issues regarding our products or services become apparent, we will collaborate with relevant departments to collect and analyze information and develop appropriate responses, enabling us to continue to provide our valued customers with better products and services.

\*Declaration of Customer-centric Commitment:

<https://www.otsuka.com/en/company/customer/>

### 2. Related to Management and Employees

As a signatory of the United Nations Global Compact, we are committed to the elimination of forced labor and the abolition of child labor, as we aim to create comfortable work environments in which human rights are fully respected. To maintain fair and open workplaces, we strictly prohibit discrimination and harassment. As a total healthcare company, we strive to provide workplace environments in keeping with the principles of health and productivity management, in which management and employees are encouraged to take the initiative in developing and maintaining their own health.

\*UN Global Compact:

[https://www.otsuka.com/en/hd\\_release/release/pdf.php?news=1444](https://www.otsuka.com/en/hd_release/release/pdf.php?news=1444)

\*Women's Empowerment Principles:

[https://www.otsuka.com/en/hd\\_release/release/pdf.php?news=1721](https://www.otsuka.com/en/hd_release/release/pdf.php?news=1721)

\*Otsuka Holdings Health Declaration:

<https://www.otsuka.com/jp/company/health/> (in Japanese)

### 3. Related to Our Business Collaborators

In keeping with the principles of the United Nations Global Compact, we share our concerns for human rights, labor, environment and anti-corruption with our business collaborators and engage in

ongoing dialogue and consultation to ensure respect for human rights across our entire supply chain.

\*Otsuka Group Procurement Policy:

<https://www.otsuka.com/en/sustainability/society/quality/procurement.html>

#### **4. Related to Society**

We believe that efforts to reduce environmental issues are closely related to the issues surrounding human rights, and we will proactively and continuously engage in initiatives that benefit local communities and general society.

\*Otsuka Group Environmental Policy:

<https://www.otsuka.com/en/sustainability/environment/>

#### **5. Related to Our Stakeholders**

To fulfill our responsibility to respect human rights, we recognize the importance of ongoing dialogue and will proactively seek opportunities to engage with diverse stakeholders. We are also working to establish contacts and grievance mechanisms to address any human rights issues that may come to light.