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Chugai Pharma's Modern Slavery Statement

Modern Slavery and Human Trafficking Statement

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the actions which Chugai Pharma Europe Limited (CPE) and Chugai Pharma UK Limited (CPU) have taken to understand all potential modern slavery risks related to their businesses and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in their businesses and supply chains. This statement relates to actions and activities during the financial year 1st January 2022 to 31st December 2022. Both organisations recognise that they have a responsibility to take a robust approach to slavery and human trafficking and are committed to preventing slavery and human trafficking in their corporate activities, and to ensuring that their supply chains are free from slavery and human trafficking.

Our Business and Structure

Chugai is consistently creating and delivering innovative medicines and is one of Japan's leading pharmaceutical companies. Founded in 1925, we now employ nearly 7000 people. In addition to our head office in Tokyo our research and development, manufacturing and commercial operations span Germany, France, America, the UK, Taiwan, China, Korea, and Singapore. In 2002, we entered a strategic alliance with F Hoffman-La Roche Limited and we are now focused solely on prescription pharmaceuticals based on our own, as well as Roche's research and development.

The UK and Europe

In 1986, we established our UK representative office to handle the frontline coordination for future product clinical development in Europe and marketing anticipation. In 1993, we were formerly established as Chugai Pharma UK Limited (CPU) and were one of the first subsidiaries in Europe to be wholly-owned by a Japanese pharmaceutical company. In 1994, we expanded our operations and formed Chugai Pharma Europe Limited (CPE) to focus on assessing research drug candidates from Tokyo and provide advice on likely regulatory success in Europe. Initially, CPE was totally focused on development activities and responsible for the European input to Chugai's international product development pipeline as an integral part of the tripartite team structure [based in Japan, North America, and Europe] developing the product candidates from the pre-clinical stage through to Phase III in preparation for launch. However, in June 2015, all subsidiaries in Europe were integrated and reorganised with CPE serving as an umbrella organisation, in order to oversee all core functions including Research & Development, Commercial (Sales & Marketing), Medical, Safety and Regulatory.

Our Supply Chains

Our existing supply chains include drug manufacturers, distributors, and wholesalers which have all been licenced by the local Competent Authority in the territory they operate in.

In regards to Chugai's marketed products in the United Kingdom and Europe, Granocyte is manufactured in Japan by our parent company Chugai Pharmaceutical Co. Granocyte is also packaged and tested in Europe by Sanofi SWI. Aloxi and Akynzeo are both sourced by Helsinn Birex Pharmaceuticals in Ireland. For all of the aforementioned products, all of our extended

supply chain (wholesalers, warehouses, distribution centres, packaging and release sites, etc) are based in both the United Kingdom and the European Economic Area.

Relevant Policies and Standard Operating Procedures (SOPs)

Chugai Pharma operates the following policies/SOPs that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations:

- Employee Code of Conduct
- Supplier Code of Conduct
- Policy on Respect for Human Rights

All of the above policies/SOPs are stored on our Quality Management intranet site and Chugai staff are required to adhere to them. In addition, they also receive training around these in our Learning Management System. Further training is provided whenever there is an update to the Policy/SOP, or on a two-yearly basis. Training records are retained by our Quality Assurance department.

In addition to these policies, we also have guidance on how to use our internal 'Speak-Up' line. This is managed by our Head Office in Japan.

Training

All Chugai employees receive training regarding modern slavery, transparency and identification of this in our supply chains. This training is undertaken every two years. Our contract with the previous training provider ended in July 2021 and we have since acquired training modules which are due to be disseminated to all staff by the end of 2023. This is in line with our two-year training schedule.

Taking Action

We have an established online whistleblowing system for internal reporting. This is a secure platform operated by external vendor under strict confidentiality, offering the opportunity to our staff to anonymously report any issues or concerns. Any reported issues are then subject to an internal investigation and once a conclusion has been reached, an action plan will be determined based on; the severity of the report, the applicable policies and UK regulations. Creating a workplace environment where employees can speak up and raise any potential compliance violations, gives us the best opportunity to address issues early and quickly. This gives us the chance to improve our business, our practices and our workplace, and to support our people.

Due Diligence

At Chugai we understand that there is a potential exposure to Modern Slavery when we are purchasing goods and services from third parties. We continue to focus on the topic of Modern Slavery within our UK business operations and all of our existing partners are either inside the United Kingdom or the European Economic Area. In these countries there are local laws which ensure the protection of human rights. We would apply due diligence for vendors located in countries outside of these geographical areas, if required.

Future Plans

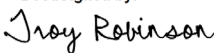
In 2022 a management consulting firm began a review of Chugai's Modern Slavery practices in the UK. The assessment was undertaken in two phases, as detailed below:

- Phase 1 - A review of CPE and CPU's Modern Slavery Statement dated 30th June 2022 which included:
 - Setting out evidence required to support that each 'claim' in the statement is an accurate representation of the activities and steps taken by the organisation.
 - Proposed elements for enhancements under each of the headings recommended by the Home Office Guidance.
- Phase 2 - A 'modern slavery capacity landscape' review of CPU (and CPE to the extent that relevant processes apply to the UK entity) to understand the existing modern slavery related capabilities assessed against the consulting firm's own Modern Slavery framework. The observations along with recommendations for improvement and the output of a benchmark review of relevant Modern Slavery Statements were set out following completion of the review.

The Modern Slavery review report was finalised in April 2023 and shared with stakeholders within the organisation. It was identified that Chugai in the UK has some existing foundations on which a robust and well-informed modern slavery programme can be built. In the report a number of detailed recommendations were suggested, and Chugai has made a commitment to implement these. We are currently in the process of internally analysing which follow-up plans can be accomplished in the short, medium and long-term.

We have also recently recruited a Procurement Manager and Corporate Compliance Officer who will be responsible for setting up a risk-calibrated procurement process, which includes due diligence and contract management of third-party vendors.

This statement was approved by the Executive Committee of Chugai Pharma Europe Limited on 28th June 2023. This committee is a regional body which has oversight of all of Chugai's affiliates in Europe.

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