

# Society

## Providing drug information

### Sawai Pharmaceutical

Sawai Pharmaceutical is actively trying to communicate various types of information.

### Provision of information by MRs

Approximately 380 MRs (as of March 2022) work to provide information, endeavoring to communicate more accurate information more quickly. In addition, information on the side effects and safety of drugs is collected and compiled led by the Pharmacovigilance Department. We ensure the proper use of drugs by feeding details of this information back to medical institutions.

### Medical Information Center

The Medical Information Center provides the peace of mind that comes from being able to contact the center 24 hours a day, 365 days a year, but never compromises on the quality of its response no matter the conditions. Constructed following the Great East Japan Earthquake, this mechanism makes it possible to always respond to inquiries from healthcare professionals. Therefore, even during the COVID-19 pandemic that started the year before last, there have been no problems with the center's operation. It will continue to provide the peace of mind that comes from being able to always contact the center.

### Website for healthcare professionals

We disseminate the latest product information and information that can be used for treatment and medication guidance through Sawai medical site, our comprehensive information site for healthcare professionals. We were the first in the industry to introduce chatbots, a bilateral communication tool, to guide users quickly to the information they want on the website.

Furthermore, a members-only site was launched in December 2021, and through the site, we provide extensive product information to healthcare professionals.

### Zutsu Online, a website for people suffering from headaches

We launched the website Zutsu Online for people who suffer from headaches. The website offers information on the causes of, symptoms of, and treatments for headaches. Its content, such as headache checklist and exercises for headaches, have won high praise.



## Website for general population

Sawai Pharmaceutical's corporate website provides information that is useful for patients to manage their health. In addition to basic information on generic drugs and quality initiatives, we have posted a variety of healthcare-related information, including information on pre-disease and preventive measures, disease awareness, and health promotion through pages called Sawai Kenko Suishinka and others.



Sawai Kenko Suishinka

## Quality management

### Sawai Pharmaceutical

Audits of Sawai Pharmaceutical's factories are conducted annually, and since fiscal 2022, the group company Trust Pharmatech Co., Ltd. has also been the target of audits. These are unannounced audits and confirm that the system is such that factories will be able to pass inspections by government authorities whenever they are conducted.

In terms of the quality of APIs, we rigorously check whether each manufacturing factory complies with Good Manufacturing Practices (GMP) stipulated by law by conducting onsite verifications, etc. of API manufacturing sites for some 300 ingredients (a total of approximately 500 manufacturing sites)\*, and only use APIs that have passed the verifications.

\* (as of November 25, 2021)

### Upsher-Smith

Within Upsher-Smith, predictable quality outcomes are governed by our Quality Management System (QMS), designed in accordance with US government regulations, providing the foundation for the manufacturing systems.

- |                                |                                  |
|--------------------------------|----------------------------------|
| 1. Quality System              | 4. Laboratory Controls System    |
| 2. Production System           | 5. Materials System              |
| 3. Facility & Equipment System | 6. Packaging and Labeling System |

These QMS provide to consistently produce products of acceptable quality. We conduct testing on all incoming materials and finished products to specifications as defined in our approved NDA/ANDA's (filings) with the FDA.

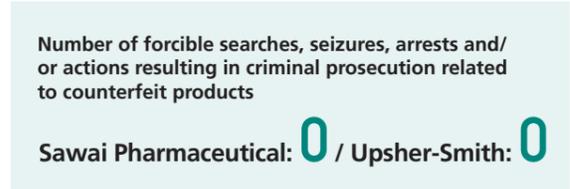
Additionally, we conduct comprehensive evaluations of our finished drug products via Annual Product Reviews. As detailed in our SOPs, we conduct comprehensive internal audits of our facilities and systems.

## Preventing counterfeit pharmaceuticals

### Upsher-Smith

Upsher-Smith and its pharmaceutical supply chain are promoting initiatives required under the Drug Supply Chain Security Act (DSCSA).

The requirements under the DSCSA establish a chain of custody for each saleable unit (primarily bottles/blisters) through the aforementioned methodology. In addition, all bottles have a tamper evident feature via an induction seal and blisters are intrinsically tamper evident by design.



## Social contribution activities

### Sawai Group Holdings

### Monetary donations for humanitarian aid in Ukraine

In March 2022, Sawai Group Holdings donated ¥20.00 million through the United Nations Children's Fund (UNICEF) in order to provide humanitarian aid for both victims in Ukraine and people forced to flee to neighboring areas. As a life-related company, we earnestly pray that the Ukraine situation is resolved peacefully as quickly as possible and that Ukraine and the world return to peace and safety.



UNICEF letter of thanks

### AED seminars

In September and December 2021, we offered 29 employees an AED course taught by outside instructors as one of our social contribution activities. Participants received an explanation of cardiopulmonary resuscitation and the procedures for using an AED, which are necessary for first aid, and actually used the device. After the course, participants submitted various comments regarding it, such as wanting to take the lead in the case of an emergency and wanting to use what they learned in the course and cooperate. Participants once again learned that in an emergency, people can be saved with courage.



Cardiopulmonary resuscitation training



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### Sawai Pharmaceutical

### Work lecture held at Mikuni Junior High School

In January 2022, Sawai Pharmaceutical held a lecture on work for 16 second-year students at Osaka City Mikuni Junior High School. Because of the COVID-19 pandemic, it was held online as an emergency measure. Students submitted questions in advance, such as "why did you think of doing this type of work?" and "what do you think about when doing research?" One could see students passionately listening to the stories and watching various activities, such as a demonstration of how jelly is formed when water is added to a powder.

Although this was the first time such as a lecture was given, we will continue to contribute to society and local communities.



Work lecture

### Upsher-Smith

### Infantile spasms awareness

Upsher-Smith is on the Corporate Advisory Board for both the Child Neurology Foundation (CNF) and TSC Alliance and partnered with them on Infantile Spasms Awareness Week in the first week of December 2021.

The goal of Awareness Week is to increase awareness of the signs and symptoms of Infantile Spasms for parents and physicians to recognize the key signs for when additional evaluation is recommended and immediate treatment may be initiated.



Education poster

### Epilepsy Foundation of Minnesota (EFMN) The Season of Giving Campaign

Upsher-Smith partnered with the EFMN to support 12 families impacted by epilepsy during the December holiday period. Upsher-Smith employees generously donated gifts and necessities to make the Holiday Season much brighter for these families. Everyone had a great time coming together at the corporate office to wrap each gift and celebrate The Season of Giving!



## Human rights and human resources

As a healthcare corporate group closely related to life, the Sawai Group (hereinafter, "the Group") respects the human rights of various stakeholders, including patients, employees in Japan and abroad, and business partners, and promotes initiatives in accordance with the United Nations Guiding Principles on Business and Human Rights.



# Society

## Initiatives to respect human rights

### Sawai Pharmaceutical and other companies

#### Group companies in Japan

Recognizing employees and labor unions as important stakeholders, the Group companies in Japan maintain sound and good labor-management relations under the union-shop system (where all employees are union members, in principle).

We also provide all employees with education on sexual harassment, power harassment, and other forms of harassment multiple times every year to raise employee awareness of harassment.

### Upsher-Smith and other companies

#### Overseas Group companies

Since our overseas group companies are more racially diverse than the Group companies in Japan, they devote special efforts to preventing racial discrimination, which they recognize as an important social issue.

At Upsher-Smith, a group company based in Minnesota, where the Black Lives Matter movement originated, members of senior management have taken the initiative to receive education on equality and social inclusion with the belief that the diversity of employees is a source of the company's strengths and greater performance. In addition, the CEO Advisory Council on four minority groups (Blacks, women, Asians, and Hispanics) meets every month to identify the potential biases of employees and devise measures to increase mutual understanding among them.

## Consideration for the health and the working environment of employees

### Health

Sawai Group Holdings has been selected as an outstanding company in health and productivity management under the 2022 Health and Productivity certification program. To conduct R&D on and provide a stable supply of generic drugs and create a work environment that makes it possible for employees to work while maintaining their physical and mental health, we conduct various types of health exams and training and have created a system for helping employees enhance their health through a Cafeteria Plan.



### Working environment

We have formulated various regulations to enable employees to adopt diverse work styles or return to work. We have also established a new career support system that allows middle-aged and older employees to choose from

various work styles and decide when to retire according to their own diverse career plans. We are striving to maintain and improve sound labor-management relations.

### Consideration for employees' nursing care, childbirth, and childcare

There is a support system that makes it possible to balance work and childcare even after returning to work, and most employees return to work.

## Enhancing diversity

We believe that it is necessary for us to respect the diverse viewpoints and values of employees with different experiences, skills, and attributes, including women, foreign nationals, and mid-career employees, and to leverage the diversity of employees to increase our corporate value. The aim of our commitment to promoting diversity is to increase our productivity through the creation of new ideas and value based on diverse values by embracing diversity in terms of not only gender and race but also age, character, values, and disability, thus fully utilizing our diverse human assets. However, we acknowledge that women account for only a small percentage of staff in managerial positions, compared with the gender composition of all our Group's employees. Therefore, Sawai Pharmaceutical, the core company in the Group, has set a target of raising the percentage of female managers to 8% by 2024. Moreover, we have more than the legally required percentage of employees with disabilities, thus providing employees with various disabilities with opportunities to demonstrate their talents.

## Talent

It is people who support the existence of our Group. For this reason, the Group describes its employees as "human assets." The Group will unite and work to enhance and train our human assets so that they can act on their own.

### Sawai Pharmaceutical

#### Development of personnel systems

Sawai Pharmaceutical has developed a variety of personnel systems, which include systems for the evaluation and treatment of employees, a career development statement system, training systems, and a childcare leave system, to ensure that our employees continue to work with a high level of motivation.

In recent years, Sawai Pharmaceutical undertook personnel system reforms and established a new remuneration system to ensure that employees with high performance are properly rewarded. In addition, in order to facilitate the stable development and supply of generic

drugs in the future amid a falling birthrate, aging population, and declining labor force, we have made our factory workers into regular employees and established a contract employee system that enables those who want to continue working up until the age of 70.

In this way, we are developing a working environment that allows our employees to be motivated and challenged to achieve results and growth while also focusing on the establishment of a safety net so that employees can continue to work for us with peace of mind. We believe that our human resources are human "assets," and we will aim to be a company that is worth working for going forward.

### Main initiatives in fiscal 2021

- Introduce a career choice system for employees 55 or older (system that makes it possible for employees 55 or older to select their work style)
- Introduce and improve the telecommuting system with an eye toward the post-pandemic era
- Create a training system that reinforces quality and volume by improving the lineup of level-specific training
- Conduct multifaceted evaluations (180° evaluations) in order to develop management talent

### Upsher-Smith

#### Market-competitive compensation program

Upsher-Smith Human Resources participates in a nationwide compensation survey and conducts a salary analysis of current positions to ensure a market-competitive compensation program. This past year we piloted a Performance Management Check-In process, so managers are conducting performance and career development discussions with employees each quarter. This new Performance Management Program will be implemented company wide in fiscal 2022."

### Trust Pharmatech

#### Spreading the Sawai philosophy

For Trust Pharmatech's GMP retraining, a three-year plan was developed, and the training will progress with 2022 as the "introduction period" and "run-up period," 2023 as the "observation period," and 2024 as the "stable period."

All procedures and SOP will be checked against Sawai Pharmaceutical GQP or Sawai Pharmaceutical factory QA in advance, and training for and skill evaluations of those undertaking the work will be conducted in line with training procedures checked in advance.

The training consists of not only lectures but also group discussions among participants so that they experience firsthand and absorb the Sawai Pharmaceutical quality culture as a member of Sawai Group Holdings. Various managers, including the Sawai Pharmaceutical Vice President



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of Reliability Assurance Division, officers, and department general managers, take part in the training as instructors.

While moving forward with training on corporate philosophy and compliance, this was the first time that many members of the management team, including Sawai Group Holdings Chairman, President, and various vice presidents, served as instructors. In addition to giving repeated lectures on the corporate philosophy and code of conduct, the general managers of related departments and offices give lectures on numerous topics, including the Company's compliance system and information security system. The Group will unite and work together so that employees can gain an awareness of compliance equivalent to that of other Group members.

## Message from General Manager of Group Human Resource Department



**Kazuhiko Soga**  
Corporate Officer,  
Group Chief Human Resource Officer  
General Manager of  
Group Human Resource Department  
Sawai Group Holdings

Sawai Group Holdings boasts a history of more than 90 years and continues to generate strong growth. In April of last year, we transitioned to a holding company structure, and under the Group corporate philosophy of "always putting healthier lives first," we started on a new journey as a healthcare corporate group that is centered on the generic drug business and that continually grows with society.

We have entered this new stage, and as the business domain expands, the business environment that the Group operates in is continually growing more uncertain. In this environment, the autonomous growth of employees is indispensable for the Company to continue to grow. In other words, it is important to have talent who possess various perspectives, can promptly read changes in conditions and make decisions themselves, and can act on their own.

Therefore, it is necessary not simply to rely on greater awareness of employees but to create an environment that contributes to growth, which includes maintaining not only a broad training system but also work environment conducive to work.

We will continue to provide support so that each employee is keenly aware that they are human assets, the growth of employees promotes growth of the organization, and both of those lead to growth of Sawai Group Holdings as a whole.