

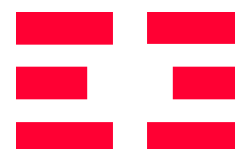


Otsuka

Locations: Japan (HQ)

Industries: Pharmaceuticals Biotechnology and Life Sciences

RISK LEVEL:



High Risk

DESCRIPTION:

Otsuka scored a 80 on the Human Rights Campaign's (HRC) Corporate Equality Index (CEI). By complying with Human Rights Campaign's controversial demands, Otsuka increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. Otsuka uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. Otsuka does not provide its employees with protections against viewpoint discrimination but has not publicly terminated business relationships based on views or beliefs. The company has implemented ESG into its business practices and discriminates against religious organizations in its charitable giving. Otsuka hosts LGBTQ-specific trainings and seminars and is a corporate partner of the National LGBT Chamber of Commerce. For these reason, Otsuka receives a High Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. **Medium Risk**

Otsuka received a score of 80 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). However, Otsuka has not publicly terminated business relationships due to religious beliefs or political views.

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. **High Risk**

(1)(2). Otsuka will support requests from "religious organizations"(3).

Employment policies fail to protect against discrimination based on political affiliation/views and/or religion. **High Risk**

Otsuka does not provide viewpoint protections for its employees (1).

Corporate Governance and Public Policy

Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression. Medium Risk

indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (1)(2). By doing so, the company risks dividing employees, alienating customers and harming shareholders. Otsuka's CEO Tarek Rabah has signed the CEO Action for Diversity and Inclusion pledge (3). The company hosts LGBTQ-specific trainings, consulting, and company-wide seminars for employees (4)(5). Otsuka pledged to support the UN Global Compact (67).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. High Risk

indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (1)(2). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. 3).

Uses corporate political contributions for ideological, non-business purposes.

High Risk

indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. Otsuka has not used its PAC donations or lobbied for ideological purpose (3)(4)(5).

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