



OTSUKA  
TOTALREWARDS

# Paid Parental & Caregiver Leave

*Effective January 1, 2025*

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## Program Overview

The Otsuka Paid Parental & Caregiver Leave allows eligible employees paid leave for a parental, adoption, long-term foster with adoption as the intended outcome, and family caregiver event in a rolling 12-month period in accordance with the below policy.

The Paid Parental & Caregiver Leave policy is applicable to the Otsuka companies listed in Appendix A.

## Eligibility

Exclusions from eligibility to Paid Parental and Caregiver Leave include:

- Employees regularly scheduled to work fewer than 15 hours per week
- Short-term, Inpat, or Intern Employees
- Employees who adopt the child(ren) of a spouse or domestic partner who are not newly born to, or placed for adoption with, the spouse/domestic partner

## Additional Information

If both parents are employees of Otsuka, they are each eligible for the benefits described in this policy and are not required to share allotted leave time.

## Paid Parental Leave

Paid parental leave provides up to ten weeks of salary continuation for each parental leave event per rolling calendar year.

Paid parental leave will be offered to employees starting the date of birth of an employee's child, starting the date of adoption if you are planning to adopt, or starting the date of fostering long-term when adoption is the intended outcome. The purpose of this leave is to enable an employee to care for and bond with their newborn; therefore, the leave must be taken within twelve months following the event start date. This leave is offered in addition to any Short-Term Disability (STD) benefits offered by Otsuka and would begin following the closure of STD benefits.

The timing of the leave must be discussed with your manager. All employees must file their leave and receive approval by the Otsuka Leave Administrator. All employees regularly scheduled to work at least 15 hours per week for Otsuka and who intend to return to work following parental leave are eligible for this leave. There are no service requirements and this leave must be utilized in no less than weekly increments.

In order to receive paid parental leave benefits, you will be asked to provide documentation to support your leave, including:

- Birth Certificate
- Hospital Discharge Summary
- FMLA Certification Form
- Any Other Supporting Documentation for Proof of Birth
- Supporting documentation for adoption or fostering long-term when adoption is the intended outcome

If you are approved for the Otsuka Paid Adoption Leave, you may also be eligible for the Otsuka Adoption

Assistance Program which can provide up to \$20,000 for adoption assistance. For further details regarding the Otsuka Adoption Assistance Program, please reference the Adoption Assistance Policy.

## Paid Caregiver Leave

Paid Caregiver Leave provides up to two weeks of salary continuation for one caregiver event per Immediate Family Member in a rolling calendar year.

The paid caregiver leave provides employees paid time off to care for an immediate family member with a serious health condition. For the purposes of this policy, "Immediate Family Member" means an employee's spouse or domestic partner, children, step-children, parents, parents of spouse or domestic partner, step-parents, parent-in-laws, brothers, step-brothers, sisters, step-sisters, step-parent-in-laws and grandparent-in-laws.

The timing of the leave must be discussed with your manager. All employees must file their leave and receive approval by the Otsuka Leave Administrator. All employees regularly scheduled to work at least 15 hours per week for Otsuka and who intend to return to work following paid caregiver leave are eligible for this leave. There are no service requirements and this leave must be utilized in no less than daily increments. This leave must be taken within twelve months following the event start date.

## Coordination with State & Local Benefits

For employees working in a state, county, or city that offers paid family or caregiver leave benefits, the Otsuka Paid Parental and Caregiver Leave benefits will run concurrently with the state or local paid family leave, to the extent permitted by applicable law. The Otsuka Paid Parental and Caregiver Leaves will also run concurrently with any other similar local, state and federal leave protections, including FMLA, to the extent permitted by applicable law. Any supplemented benefit amounts will count against the employee's maximum allotment of leave under this policy.

During the leave of absence, any state or local paid family or caregiver leave benefits will act as an employee's primary salary continuation benefits. The Otsuka Paid Parental and Caregiver Leave benefits will act as the employee's secondary salary continuation benefits. Otsuka will supplement the state or local paid family or caregiver leave benefits up to the maximum allotment of salary continuation benefits under the Otsuka Paid Parental and Caregiver Leave. The combination of the state or local benefits plus the Otsuka Paid Parental and Caregiver Leave benefit will equal no more than 100% of an employee's base pay.

As of the leave of absence start date (applicable to state or local waiting period for benefits), Otsuka will immediately begin to offset and deduct the maximum weekly state or local paid family leave benefits from an employee's paycheck. This will continue through the leave of absence end date or maximum state or local paid family leave benefits end date.

It is the responsibility of the employee to complete the necessary filing for state or local benefits directly through the state or local entity and the Otsuka Leave Administrator. While an employee's claim is pending final determination by the state or local entity, Otsuka will continue to offset and deduct the maximum weekly paid family leave benefits.

## Impact on Other Benefits

Your benefit and automobile deductions will continue to be deducted from your paychecks when you receive the Otsuka Paid Parental and Caregiver benefits under this policy.

## Pay & Holidays

Salary continuation benefits under the Otsuka Paid Parental and Caregiver leave are based on an employee's base salary. Cell phone and internet stipends will not be paid out if an employee is out on leave for the entirety of a pay period. Automobile stipends will continue to be paid out.

Holidays that occur during paid leave will not be paid as holiday pay. Holidays will be treated and counted against an employee's allotment under the Otsuka Paid Parental and Caregiver leave.

## Appendix A

Participating Companies:

- Otsuka America Pharmaceutical, Inc.
- Otsuka Pharmaceutical Development & Commercialization, Inc.
- Otsuka Precision Health, Inc.
- Jnana Therapeutics, Inc