



OTSUKA
TOTALREWARDS

Fitness Reimbursement Program

Effective January 1, 2025

Program Overview

The Otsuka Fitness Reimbursement Program allows eligible employees of Otsuka to receive up to \$450 in reimbursement per calendar year for Indoor and Outdoor Exercise Equipment and Massage Therapy or up to \$112.50 in reimbursement per quarter for all other eligible services.

The Fitness Reimbursement Program policy is applicable to the Otsuka companies listed in Appendix A.

Program Eligibility

Employees Otsuka who are an active, regular, full-time employee of the Company, or a part-time employee of the Company regularly scheduled to work at least fifteen (15) to thirty (30) or more hours per week are eligible upon hire. Short-Term, Inpats, and Interns are excluded from eligibility.

The services eligible for reimbursement under this program are intended for employee expenses only. Dependents are not eligible for reimbursement.

Otsuka will make the determination as to the eligibility of an employee or a service using its maximum discretion permitted by law.

Reimbursement Eligibility

Employees hired during the calendar year are eligible for the full annual reimbursement, including full quarter reimbursement in the quarter they were hired.

Should an employee not receive the maximum reimbursement amount of \$112.50 for the quarter or \$450.00 for the calendar year, the funds do not rollover to the next quarter or calendar year.

Employees must be actively employed on the disbursement date.

Requirements for Reimbursement

To initiate a reimbursement request, the employee must do so on the [Fitness Reimbursement web portal](#).

To be eligible for the quarterly or annual reimbursement, employees must meet the following requirements:

- Provide proof of incurring a fitness related expense such as a receipt
 - For annual membership or subscription fees and purchase of pre-paid group exercise classes, you may submit the expense in a single request; however, you must prove utilization of the eligible service in the quarter for which you are requesting reimbursement.
 - For example, if you paid for an annual gym membership in full in January, you may submit the expense for Q2 reimbursement if you provide sufficient documentation that you have completed 6 fitness center visits in Q2. However, you will only be reimbursed up to the \$112.50 quarterly limit for quarters in which this requirement is met.
 - If you are using a family pricing package or similar membership, you must provide evidence of the individual cost for your portion of the membership.
 - For indoor or outdoor equipment, a receipt including a description of the equipment, date of purchase and purchase amount.
 - For massage therapy, an invoice should include employee name, provider name, address, phone number, service provided, and amount paid.

- Otsuka may request additional information to complete the reimbursement request if necessary.
- Meet the criteria outlined in the Eligible Services section
 - For services that require proof of utilization, the following proof will be sufficient.
 - For annual memberships or subscription fees, a screenshot, printout, or scan of a gym check-in log used class pass/punch card or attendance log.
 - Use the geo-access feature. If you are within 500 feet of your gym, log onto [Fitness Reimbursement web portal](#) and check in with your mobile device.

Eligible Services

- Gym Memberships
 - Fitness center, health club, studio, aquatic membership fees, and organized exercise program fees
 - Requirement of 6 visits by the employee per quarter
- Weight Management Programs and Apps
 - The company that offers the weight management program must include any one or a combination of the following: registered dietitians, physicians, or exercise physiologists
 - Examples include Weight Watchers, Nutrition Classes, Noom and My Fitness Pal
 - Proof of consistent participation (one time per month for each applicable quarter)
- Personal Training
 - The personal trainer must be certified by a nationally recognized organization such as ACE, AFAA, ACSM, NASM, or NSCA
 - Requirement of 3 sessions per quarter
- Group Exercise Classes
 - Exercise classes not included in a fitness center membership and led by certified instructors
 - Examples include yoga, Pilates, dance, boxing, self-defense, strength-training, core conditioning, indoor cycling, boot camp, water aerobics, and martial arts
 - Requirement of 6 classes per quarter
- Virtual Subscriptions
 - Streaming exercise, group exercise, personal training, yoga, stress management, mindfulness, and meditation.
 - Requirement of 6 completed sessions/activities per quarter
 - Eligible apps must have a tracking component that can be submitted to Husk Wellness (formerly Global Fit)
- Sports League and Registration Fees
 - This may include, but is not limited to, entry fees for organized walks/runs (5k, 10k, half marathons, etc.) and fees to participate in organized sports leagues (e.g., golf – i.e. tee time and green fees, pickleball, softball, basketball, or soccer)
 - One submission per event; expense reimbursed after completion of the event
- Nutrition and Dietitian Consultation
 - Eligible services must be provided by a certified nutritionist or by a registered dietitian in the state in which he/she is licensed to practice
 - Consultation may occur in-person or through telenutrition
 - Required to submit proof of purchase
- Massage Therapy
 - Eligible services must be provided by a licensed massage therapist/provider
 - Gift cards are not eligible for reimbursement
 - Invoice should include employee name, provider name, address, phone number, service provided, and amount paid.
 - Eligible for reimbursement in one-lump sum payment, however, the reimbursement will not exceed the purchase price nor \$450 annual reimbursement maximum

- Indoor and Outdoor Exercise Equipment
 - Exercise equipment purchased for indoor fitness activities that promote cardiovascular and strength training (e.g., stability balls, hand weights (dumbbells, barbells), medicine balls, exercise bands, exercise mats, kettlebells, jump ropes, BOSUs, exercise DVDs, TRX, weight benches, weight plates, treadmills, elliptical, exercise bike)
 - Exercise equipment purchased for outdoor fitness activities that promote cardiovascular and strength training (e.g., bicycle (mountain, road, or electric bike), scooter (including electric scooter), rollerblades, skateboard (including electric skateboard), skates, kayak with oars, trekking poles, skis, tennis or squash racquets, pickleball racquets, golf clubs, safety helmets)
 - Equipment purchased for recovery from fitness activities that promotes pain or stress relief to the body or muscles
 - Wearable fitness tracking devices such as a FitBit, Apple Watch, KoreTrak, Garmin, etc.
 - Eligible for reimbursement in one-lump sum payment, however, the reimbursement will not exceed the purchase price nor \$450 annual reimbursement maximum
 - Required to submit proof of purchase in current year

Grace Period

Employees can submit expenses dated for the current year through January 31st of the following year. Employees must be actively employed on the Reimbursement Date to be eligible for the reimbursement.

Reimbursement Schedule

Reimbursements will be processed monthly and will be included in your paycheck within 45 days of approval.

Taxation

Reimbursement payments are considered taxable fringe benefits by the Internal Revenue Service; therefore, the appropriate payroll taxes will be withheld.

Exclusions

The following expenses are excluded from reimbursement under this program:

- Towel and locker services
- Country club and golf club membership fees
- Food, vitamins, and supplements
- Clothing and shoes
- Ski lift tickets
- Lessons such as swimming, golf, tennis, skiing, surfing and horseback riding and equipment and apparel for such lessons.
- Fitness equipment purchased on the secondary market (e.g., eBay, yard sales, etc.)
- Recreation and entertainment equipment including, but not limited to, badminton and volleyball sets, balls, bats, bocce and horseshoe sets, cornhole board, and other games of a similar nature, golf equipment (with the exception of golf clubs), ping pong tables and paddles, and video game systems

Amendment to Program

This Otsuka Fitness Reimbursement Program is subject to change. Otsuka reserves the right to interpret and administer the provisions of the program as needed. Otsuka has the maximum discretion permitted by law to change, modify, or delete any provision in the program at any time, including elimination of the program in its entirety. Eligible services and service providers, including those that are a part of this program document, are subject to change. Oral statements or representations cannot supplement, change, or modify the provisions in the program.

Appendix A

Participating Companies:

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