

Risk Management

The Daiichi Sankyo Group defines risks as those factors that may prevent the Group from attaining its organizational goals and targets and that can be predicted in advance. The Group is promoting risk management through such means as taking steps to address risks inherent in corporate activities through retaining, reducing, avoiding, or eliminating these risks and rationally controlling the potential impacts should risks actualize. In this manner, we seek to minimize the adverse impacts of risks on people, society, and the Group.

Risk Management System

The head of the Corporate Management Unit oversees Group-wide risk management as the chief risk management officer (CRMO), promotes risk management education, and operates the risk management system. In addition, the heads of each division autonomously manage risks to aid in the accomplishment of their divisions' goals and targets. To this end, they analyze and evaluate individual risks, formulate and implement yearly risk management plans, and provide employees with information on underlying risks in organization, education, and insight concerning risk management. Moreover, the Company takes precautions to prevent the actualization of

risks with the potential to significantly impact the management of the Company. At meetings of the Board of Directors and Management Executive Meeting, we regularly seek to identify and assess such risks. Moreover, the heads of each division formulate countermeasures through coordination with the CRMO.

As part of the risk management scheme, the Group has a business continuity plan (BCP) that stipulates preparations for and measures to be instituted in the event of a disaster as well as crisis management procedure manuals for use in the case of an emergency. (See chart below.)

