

Business and CSR Activities Pursuing Sustainable Improvement for Corporate Value

This section explains the Group's vision for sustainable improvement for corporate value, together with an overview of efforts of the Group to promote the integrated advancement of business activities and CSR activities.

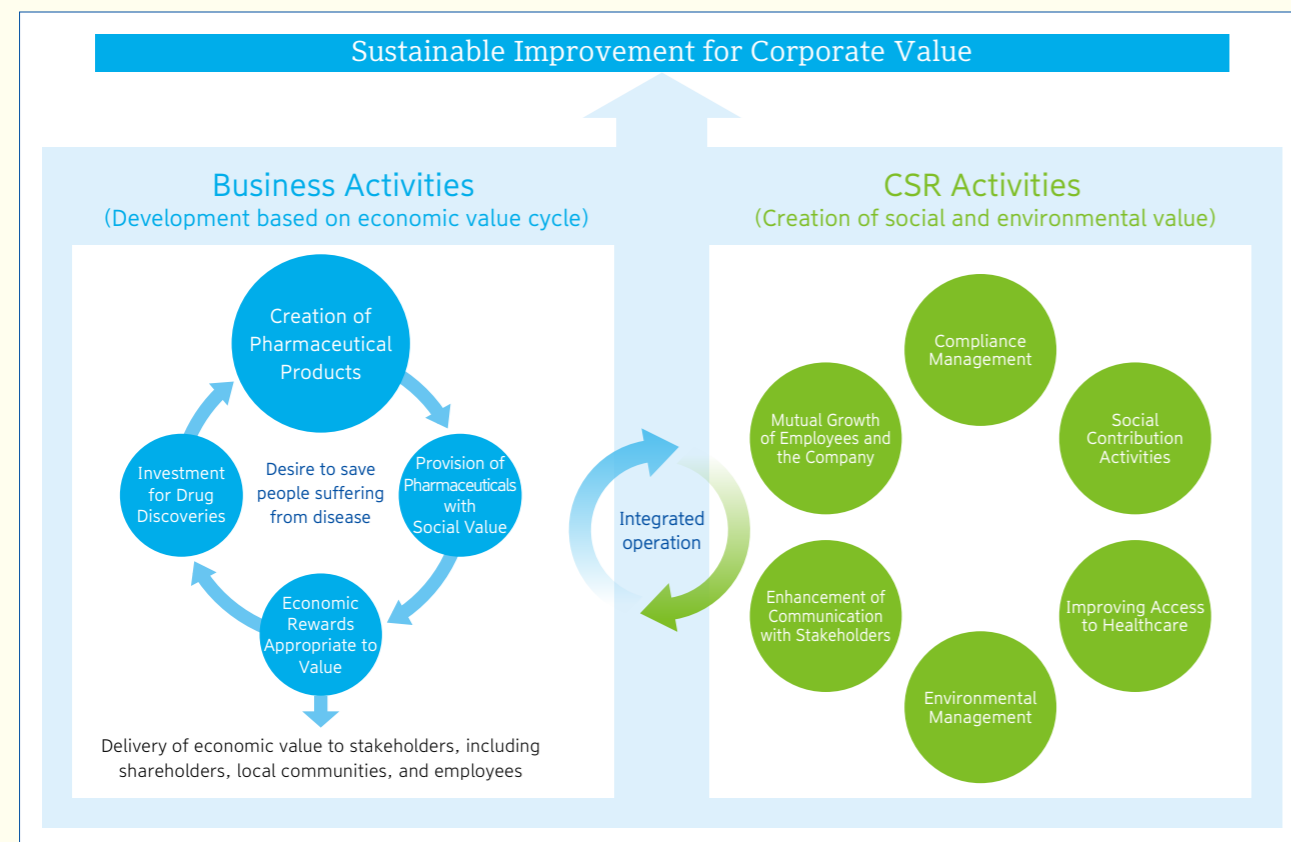
Sustainable Improvement for Corporate Value

The raison d'être of a pharmaceutical company lies in addressing diverse medical needs around the world and helping patients through the creation of pharmaceuticals, a principle that rests at the core of our business. For a pharmaceutical company, the creation and ongoing improvement of corporate value is based on the sustainable development of an economic value cycle through its business activities. In this cycle, we create and supply pharmaceuticals with social value and receive economic rewards based on that value. The rewards gained are delivered to shareholders and other stakeholders and used for making investments for further drug discoveries. Continuing to build upon this economic value cycle is the means through which we create value as a pharmaceutical company and also the basis for the sustainable improvement for corporate value.

Furthermore, from among social, environment, and other sustainability issues, we have identified those issues that are important for us to address and organized these

into six domains on which we will concentrate CSR activities. Actual activities are based on international CSR initiatives, such as the United Nations Global Compact*1 and ISO 26000,*2 as well as the type of responsible activities our stakeholders expect of us. Furthermore, we incorporate the requests and expectations of society as well as considerations of the relationship between issues and our medium-to-long-term business development into the CSR activities in order to contribute to the realization of a sustainable society. We believe that engaging in such activities will not only help create social and environmental value but also prevent damage to our corporate value from a risk management standpoint.

We feel that both business activities and CSR activities are indispensable, and we conduct these activities in an integrated manner in order to create sustainable improvements in our corporate value. (See chart below.)



*1. A voluntary initiative in which companies and organizations demonstrate responsible and creative leadership and act as upstanding members of society by participating in the creation of global frameworks aimed at realizing sustainable growth
 *2. International guidance standard not aimed at providing third-party verification of the social responsibility of companies and other organizations

Integration of Business Activities and CSR Activities

The business activities section of this report explains our initiatives for the advancement of an economic value cycle in the areas of research and development, pharmaceutical technology, supply chains, quality and safety management and medical affairs, and marketing and sales. With regard to CSR activities for creating social and environmental value, we will introduce activities conducted in our six domains that have been integrated into our business activities in line with action policies. (See chart below.)

