

# List of Materiality KPIs and Results

## Materiality on Business

	FY2025 KPI Targets	FY2024 results	① Economic value creation ② Social value creation
Creating Innovative Pharmaceuticals	① 3ADC: 8 indications launched (as new indications during the mid term plan period) ② Multiple projects to become the new growth driver after 3ADCs are in or above late development or more advanced stage ③ Post DXd-ADC modality is in development stage ④ Number of designations to the priority review system (report the cumulative number) <sup>*1</sup>	① Enhertu <ul style="list-style-type: none"> <li>•Approval for HER2 positive solid tumors (US: Apr. 2024)</li> <li>•Approval for HER2 Low BC without prior chemotherapy (US: Jan. 2025, EU: Mar. 2025)</li> <li>•Top line result for Ph3 study in HER2 positive GC 2L (Feb. 2025)</li> </ul> Datroway <ul style="list-style-type: none"> <li>•Application for NSCLC w/EGFRmut/Voluntary withdrawal of application for NSCLC 2L/3L (US: Nov. 2024)</li> <li>•Approval for HR+/HER2- mBC (US: Jan. 2025, JP: Dec. 2024), HER3-DXd</li> <li>•Approval for EGFR mut NSCLC 3L CRL received (US:Jun. 2024)</li> <li>•Data read-out for EGFR mut NSCLC 2L (Sep. 2024)</li> </ul> ② •Ezharmia Approval for Peripheral T-cell lymphoma (JP:Jun. 2024) <ul style="list-style-type: none"> <li>•DS-7300 First subject dosed in small cell lung cancer (Ph3) (Jul. 2024)</li> <li>•DS-6000 First subject dosed in Ph2/3 study in Platinum Resistant Ovarian Cancer (Apr. 2024)</li> <li>•DS-3939 Ph1/2 study in several types of advanced solid tumors in progress</li> </ul> ③ •DS-9606 Ph 1 in progress <ul style="list-style-type: none"> <li>•DS-2325 Ph1b/2 in progress</li> </ul> ④ FY24 12 cases, Cumulative 25 (from FY2023)	① Expand R&D pipeline and acquire intellectual property contributing to future revenue and profit ② Contribute to the enrichment of quality of life around the world
Providing a Stable Supply of Top-Quality Pharmaceutical Products	In house capital investment and CMO investment for the construction of ADC production system and stable supply of top quality pharmaceuticals to patients (including capital expenditure): Maximum 300 billion yen	<ul style="list-style-type: none"> <li>•Expansion of supply capacity in response to demand forecast (Decision made to invest approx. 226 billion yen FY2024 (cumulative total since FY2021, approx. 522 billion yen))<sup>*2</sup></li> <li>•Stable inventory secured for current commitments</li> </ul>	
Providing the Highest Quality Medical Information	Improvement of evaluation scores from stakeholders including healthcare professionals	Japan Business Unit MR: 1st in all markets, Product Information Center: 1st both in health insurance pharmacy pharmacists and hospital pharmacists <sup>*3</sup>	① Increase revenue and profit, reduce/prevent the risk of declining corporate value ② Contribute to the enrichment of quality of life around the world
Improving Access to Healthcare	① Increase the number of launched countries through collaboration with partners ② Achievement of supply of COVID-19 vaccine (AZD-1222) of AstraZeneca as planned (FY2021) to contribute to mitigating new risks through cooperation with the regulatory authorities and other companies, Progress in development of DS-5670 as planned	① Enhertu launched: 69 countries and regions (FY2024: 17 countries and regions), Number of patients treated: Appx. 94,650 patient <sup>*4</sup> ② DS-5670 Launched Omicron JN.1-adapted mRNA vaccine in Japan (Sep. 2024)	

\*1 Addition of KPI target in FY2023

\*2 Recalculate the total investment amount up to 2023

\*3 MR: Aug. 2024, INTAGE Healthcare Inc. , Product Information Center: Nov. 2024, transcosmos inc. and The Japan Research Institute, Limited

\*4 Estimated based on the formula dividing "total sales volume" by the "amount of use required by one patient per year"

## Materiality on Business Foundations

	FY2025 KPI Targets	FY2024 results	① Economic value creation ② Social value creation
Promoting Environmental Management	① Reduction of CO <sub>2</sub> emissions (Scope1 + Scope2) <sup>*5</sup> by 42% from FY2015 ② •Reduction of CO <sub>2</sub> emissions intensity based on sales (Scope3, Cat1) <sup>*4</sup> by 15% from FY2020 •At least 70% of business partners (as procurement amount) set targets at the SBT level (1.5°C target) <sup>*5</sup> ③ Renewable electricity utilization rate more than 60% ④ Maintenance of waste plastic recycling rate by over 70% ⑤ Reduction of disposal of hazardous waste by 10% from FY2020	① 43.4% reduction from FY2015 (114,972 t-CO <sub>2</sub> *) ② 2.4% reduction from FY2020 ( 18.82 (t-CO2/billion yen*) Business partners with 1.5°C level targets: 43.1% ③ 79.8%* ④ 77.7%* ⑤ 43.8% reduction from FY2020 (3,149t*)	① Enhance corporate value by improving evaluation of environmental management initiatives (reduction/avoidance of the damage risk to corporate value) ② Contribute to the development of sustainable living infrastructure through the early realization of a decarbonized society, solving of the marine plastic problem, and prevention of environmental pollution
Promoting Compliance Management	① Number of significant compliance violations <sup>*7</sup> : 0 ② Number of Notable Industry Code Violations (NICV) <sup>*8</sup> : 0 ③ Improvement of periodic employee survey scores on ethical culture following baseline ④ Conduction of continuous compliance and promotional activities monitoring at each company ⑤ Sustainable procurement survey coverage rate 75% ⑥ Internal education and dissemination of our thoughts with business partners, Disclosing the result of education and training ⑦ No case of violation with ILO Core Labour Standards <sup>*9</sup> as a result of human rights risk assessment through DS Group ⑧ Disclosure of results of business partners risk reduction initiatives related to ILO Core Labour Standards <sup>*9</sup>	① 0 ② 3 ③ 93% of positive response rate(+7 YoY) ④ Conducted monitoring at each company ⑤ Currently conducting the 3rd sustainable procurement survey globally ⑥ Conducted the 2nd external training session on the theme of health management for approximately 20 companies (approximately 100 participants) ⑦ Conducted the 2nd internal risk assessment and analyzed the result ⑧ Currently conducting the 3rd sustainable procurement survey globally	① Enhance corporate value by improving trust in our corporate brand (mitigation/prevention of the risks of damage to corporate value) ② Maintain and enhance trust in the pharmaceutical industry, improving social compliance through sustainable procurement
Corporate Governance Aimed at Fulfilling Our Mission	① Complying 100% with all the principles of the revised Corporate Governance Code in Japan ② Evaluating the effectiveness of the Board of Directors and implementing measures for improvement (including third party evaluation, two times by the end of FY2025) ③ Continuously evaluating and improving the effectiveness of the Audit & Supervisory Board ④ Disclosure through various communication materials with improved transparency in order to help stakeholders to understand the company's corporate governance	① Confirmed 100% compliance with the revised Corporate Governance Code ② •Continued to optimize the operation of Board of Directors Meeting based on the revised agenda selection rules •Continued to discuss priority themes, as priority measures to address challenges identified in the Board Evaluation for FY23 •Conducted self-assessment of the Board Evaluation for FY24. Discussed priority themes for FY25 and proposed disclosure content related to the Board Evaluation at the Board of Directors meeting ③ •Implemented improvement measures to address issues identified in the FY2023 effectiveness evaluation •Conducted self-evaluation on the FY2024 effectiveness evaluation of the Audit & Supervisory Board and identified challenges to be addressed in FY2025 ④ •Enhanced the disclosure of corporate governance information in various media •Participation of the chairperson of the Nomination Committee and Compensation Committee at the Discussion Meeting on Sustainability	① Improve sustainable growth of the company and enhancement of corporate value in the mid-to-long-term ② Total value provided through our business operations, realize management with a high transparency to meet the expectations of shareholders, investors, and other stakeholders
Promoting the Success and Development of a Diverse Range of People Who Create Our Competitive Advantages	① Percentage of female in senior managerial employees <sup>*10</sup> to 30% ② Positive response rate (%) on corporate culture & work environment through engagement survey to 80% or more, or 10% or more increase compared to FY2021 ③ Positive response rate (%) on development & growth opportunities through engagement survey to 80% or more, or 10% or more increase compared to FY2021 ④ Disclosure of the result of the amount of training/development investments per employee	① 24.2%(+5.5pt YoY) ② 76% of positive response rate(△3 YoY) ③ 77% of positive response rate(+1 YoY) ④ ¥207,430 (+¥40,524 YoY)	① Enhance corporate value through developing talents to carry out business activities ② Diversity of human resources, respect for human rights, talent development

\*5 Scope1: Direct emissions from the reporting company's factories, offices, vehicles, Combustion of fuels etc.

Scope2: Indirect energy-derived emissions from electric power and other energy consumed by the reporting company

Scope3: Indirect emissions other than Scope1 and Scope2. Category 1 is emissions from activities up to manufacturing of raw materials, parts and containers/packaging materials

\*6 Prior to the third-party assurance

\*7 Compliance violations which occur in domestic and overseas group companies are regarded as significant when disclosure under the relevant laws or regulations is required by the DS group

\*8 Cases where there have been healthcare-related findings by the pharmaceutical regulatory authorities and industry-related organizations that may materially discredit or reduce confidence in Daiichi Sankyo Group of companies

\*9 Freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labor, the abolition of child labor and the elimination of discrimination in respect of employment and occupation, occupational safety and health

\*10 Senior managerial employees: percentage of women who are in positions equivalent to division heads or higher positions. The definition of senior managerial employees in the Group companies was changed in FY2020.