



# Independent Assurance Report for Environmental and Social Indicators



## Independent Assurance Report

To the President and CEO of Daiichi Sankyo Co, Ltd.

We were engaged by Daiichi Sankyo Co., Ltd. (the “Company”) to undertake a limited assurance engagement of the environmental and social performance indicators marked with  (the “Indicators”) for the period from April 1, 2019 to March 31, 2020 included in its Value Report 2020 (the “Report”) for the fiscal year ended March 31, 2020.

### The Company’s Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Report.

### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:


- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the Report and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Making inquiries and reviewing materials including documented evidence of Daiichi Sankyo Biotech Co., Ltd.’s Kitamoto factory selected on the basis of a risk analysis, as alternative procedures to a site visit.
- Evaluating the overall presentation of the Indicators.

### Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Report.

### Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.




KPMG AZSA Sustainability Co., Ltd.  
Tokyo, Japan  
October 19, 2020

## Inclusion in ESG Indices in Reflection of External CSR and ESG Evaluations

To address sustainability issues, we pursue ongoing improvements to our corporate values. These efforts have been highly appreciated, resulting in the Group being selected for the following ESG indices as of September 2020.

### Selected for the “World Index” in the pharmaceutical sector for three consecutive years




The Dow Jones Sustainability Indices(DJSI), managed by S & P Global are ESG indices evaluating the sustainability of a company and provides important criterion for investors to select investment targets.

The Company has been included in the DJSI World Index for three consecutive years and the DJSI Asia/Pacific for ten consecutive years. The Group was selected for the DJSI World Index as the first Japanese corporation in the pharmaceutical sector in 2017.

Items that received the highest appraisal in the pharmaceutical sector	
Economic aspects	· Marketing Practice
Social aspects	· Corporate citizenship and social contribution · Health Outcome Contribution · Strategy to improve Access to Drugs

### Selected consecutively for twelve years/four years




The FTSE4Good Index Series and the FTSE Blossom Japan Index are indices that reflect the performance of corporations that excel in environmental, society, and governance (ESG) factors, established by FTSE Russell, a global index provider and wholly-owned subsidiary of the London Stock Exchange.

The Company has been selected for twelve consecutive years as a component of the FTSE4Good Global Index from 2009 and for four consecutive years as a component of the FTSE Blossom Japan Index from 2017.


This index is one of four indices selected by the Government Pension Investment Fund (GPIF) as an ESG Index in Japanese stocks.

### Selected consecutively for three years



The MSCI Japan Empowering Women (WIN) Select Index is an index of MSCI in the U.S. that assesses gender diversity in corporations such as the percentage of females among new recruits, employees, average work years and the percentage of female executives, and comprises corporations that excel in these factors. The Company has been included in this index for three consecutive years from 2018. This index is one of four indices selected by the Government Pension Investment Fund (GPIF) as an ESG Index in Japanese stocks.


### Selected consecutively for two years



The MSCI Japan ESG Select Leaders Index is an index of MSCI in the U.S. that comprises corporations among corporations included in the MSCI Japan IMI Top 700 Index that are highly assessed in ESG (environment, society, and governance) evaluations.

The Company has been included in this index for two consecutive years from 2019. This index is one of four indices selected by the Government Pension Investment Fund (GPIF) as an ESG Index in Japanese stocks.

### Selected consecutively for five years



The SNAM Sustainability Index is an SRI fund managed by Sompo Japan Nipponkoa Asset Management Co., Ltd., aimed at pension funds and institutional investors that invest in a wide range of companies highly rated in terms of ESG factors (environment, society, governance). The Company has been included in this index for five consecutive years.

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(As of September, 2020)