

Stakeholder Engagement

The Group specifies “We maintain productive, positive and professional relationships with our stakeholders” in Article 2 of the Daiichi Sankyo Group Corporate Conduct Charter, and “We actively, effectively, and fairly disclose corporate information to the public and engage in an open and constructive dialogue with a wide range of stakeholders” in Article 3. Furthermore, we specify “We actively, effectively and fairly disclose Company information to the public and engage in an open and constructive dialogue with a wide range of stakeholders” in Chapter 2 “Society” of the Daiichi Sankyo Group Employee Code of Conduct.

Basic Policy on Engagement

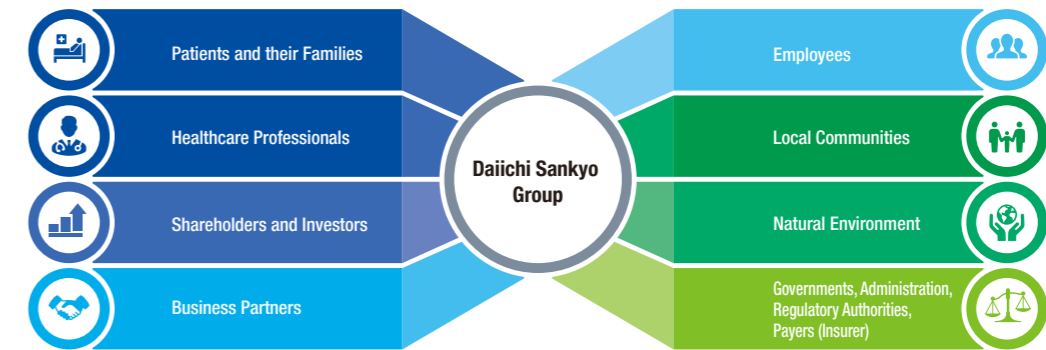
Changes in society are occurring at an unprecedented speed, including economic and geopolitical changes, demographic changes, and global environmental changes. Understanding the wide range of requirements of such a continuously changing society, and reflecting the expectations and needs of stakeholders, and opinions based on various values in corporate activities are crucial to the sustainability of our corporate activities.

We strongly desire to be a company that earns the trust of society

by actively engaging in dialogue with our stakeholders, recognizing the demands and expectations from society that are expected of us, and responding through our business activities. We also seek to collaborate with our stakeholders toward creating a sustainable society.

In our current 5-year business plan, we aim to “Create shared value with stakeholders” as the fourth strategic pillar, and we will not only engage with all stakeholders, but will also promote initiatives for creating shared value with patients, shareholders, society, and employees.

Our Stakeholders



In order to sustainably grow and create corporate value over the mid-to-long-term in society, we must build and maintain productive, positive and professional relationships with stakeholders who are impacted by the Group’s activities, or those who are influenced by our business. To build and maintain relationships with our stakeholders, including patients and their families, healthcare professionals, shareholders and

investors, business partners, employees, local communities, the natural environment, governments, administration, regulatory authorities, and payers (insurer), we aim to not only comply with the laws and regulations of each country and region, but also respect various international norms, diverse cultures and customs and engage in constructive dialogue.

Stakeholder	Purpose of Engagement	Overview of Engagement		Stakeholders' Feedback	How Feedback was Reflected in Business, Management Decisions, Materiality, etc.
		Engagement Method (Frequency)	FY2021 Engagement Activities		
Patients and their Families	Contributing to the improvement of patients' quality of life and bringing "life with a smile" to their families by: understanding the lives, difficulties, and hopes of patients and their families; gathering and analyzing the voice of patients and healthcare professionals and quality of life-related information; incorporating this feedback into our development.	<ul style="list-style-type: none"> Dialogue with patients and healthcare professionals through COMPASS activities* (2-3 times/year) Dialogue with patients at Medical Information Center (as appropriate) Dialogue with physicians and pharmacists as part of medical representatives (MRs) activities in Japan (as appropriate) Gathered opinions from academic conferences and healthcare professionals (as appropriate) 	<ul style="list-style-type: none"> Held "DS Round Table Discussions" online to allow employees to interact directly and personally with cancer survivors and patients Collected requests for the Group's products Gained patient feedback on the Group's products through physicians and pharmacists Conducted interviews to understand patient requests 	<ul style="list-style-type: none"> Importance of developing drugs that take into account dosing frequency and the impact of side effects on patients' daily lives Information on how to alleviate and cope with side effects is also important to improve patients' quality of life. Difficulty taking medication as the number of medication packages increases with progression of patients' conditions (rare diseases) Difficulty with inhaling, difficulty with sliding medicine tray while using (inhalers) Desire to receive product information that will enable continuous peace of mind in taking the medications (generic pharmaceuticals) Patients with difficulty in swallowing, including children and the elderly, struggle to take multiple or large tablets 	<ul style="list-style-type: none"> In the pursuit of efficacy and safety in drug research and development, we are fostering a Patient Centric Mindset in each member of the R&D Division in Japan by learning about the actual side effects and recognizing the importance of improving patients' quality of life, including not only the reduction of side effects, but also their mitigation and coping methods. Addressed the development of higher concentration drug formulations and promoted reduction of dosage (rare disease pharmaceuticals) Modified the inhaler container for easier inhalation and smoother sliding of the medicine tray by enlarging the width of the air vent at the bottom of the container (inhaler) Provided easy-to-take medications and established a new website "for general users" to promote understanding of the products (generic pharmaceuticals) Developed orally disintegrating tablets (OD tablets) that can be easily handled and taken by patients
Healthcare Professionals	Enhanced treatment options and transforming the standard of care through improving treatment satisfaction and understanding the needs of healthcare professionals by creating advanced pharmaceuticals and providing useful information to healthcare professionals.	<ul style="list-style-type: none"> Dialogue with physicians and pharmacists as part of medical representatives (MRs) activities in Japan (as appropriate) Conducted interviews with relevant academic associations, medical specialists, and other healthcare professionals (as appropriate) 	<ul style="list-style-type: none"> Gathered feedback on needs for cooperation between medical institutions amid the COVID-19 pandemic Held advisory meetings and interviews with medical specialists to exchange opinions on promoting the proper use of anti-cancer agents 	<ul style="list-style-type: none"> Concern regarding the disruption of cooperation between medical institutions during the COVID-19 pandemic, which could lead to loss of treatment opportunities for patients Unable to ensure equitable access to healthcare for patients due to conditions of use (facilities) set from the perspective of ensuring the safety of anti-cancer agents 	<ul style="list-style-type: none"> Contributed to the reduction of the loss of treatment access for patients by facilitating cooperation among medical institutions through online lectures Promoted information sharing within the area and conducted medical collaboration support (patient referral support) to ensure access to medical care for patients
Shareholders and Investors	To promote further mutual understanding and growth by actively disclosing management information that will help shareholders and investors understand our company, such as mid-to-long-term strategies and initiatives for sustainable growth which are based on the principles of transparency, fairness, and continuity, and by reflecting on opinions gained through constructive dialogue from a mid-to-long-term perspective in our corporate management.	<ul style="list-style-type: none"> Conducted dialogue between investors and the management (as appropriate) Conducted dialogue between investors and IR department (as appropriate) 	<ul style="list-style-type: none"> Gathered investor opinions on disclosure of management strategy, R&D, ESG, etc. through IR activities 	<ul style="list-style-type: none"> Requests for disclosure on 5-year business plan that incorporates business growth in the oncology field and post-ADC strategies 	<ul style="list-style-type: none"> Provided explanation of mid-to-long-term business strategies, including growth of oncology business and post-ADC R&D strategies, at 5-year business plan briefing
Business Partners	Grow together with trusted business partners and mutually enhance each other's value over the long term by seeking a clear understanding of the Group's approach to sustainability based on the Business Partner Code of Conduct (BPCC), and by promoting initiatives to create a sustainable society that consider human rights and the environment.	<ul style="list-style-type: none"> Conducting dialogue with business partners through sustainable procurement surveys and interviews based on survey responses (once every 3 years) 	<ul style="list-style-type: none"> Conducted and collected sustainable procurement surveys from key business partners in and outside of Japan 	<ul style="list-style-type: none"> Re-recognizing the growing societal interest in sustainability Unsure of how to engage in sustainability initiatives 	<ul style="list-style-type: none"> Planned external educational activities and training programs to promote sustainability activities among business partners
Employees	To promote sustainable growth for both employees and the company by creating an environment for employees to be highly engaged, grow as individuals, and play an active role in the company by respecting diversity and promoting human resource development and success in all areas of the value chain.	<ul style="list-style-type: none"> Conducting engagement survey of all global employees (once/year) Conducting direct communication between management and employees (as appropriate; twice in FY2021) 	<ul style="list-style-type: none"> Conducted a survey to measure the degree of awareness of our Purpose and Core Behavior, in addition to engagement-related items Held virtual Town Hall Meeting for all Group employees, providing an opportunity for direct discussions between management and employees on initiatives to achieve the current 5-year business plan 	<ul style="list-style-type: none"> The Group's improvement areas are "Learn From Mistakes," "Procedure," and "Collaboration." Gained a broader understanding of the content of the current 5-year business plan of employees globally through the opportunity to engage in direct communication with the CEO 	<ul style="list-style-type: none"> To create a culture of learning, the Management Executive Committee decided that all of Daiichi Sankyo Group across the globe will focus on (1) learning from mistakes and (2) developing managers to create an environment of learning within their teams. Established link to boosting individual motivation and employee engagement to accomplish the corporate initiatives in line with the 5-year business plan and achieving the materiality KPIs.
Local Communities	Aiming to strengthen medical infrastructures in each region by developing necessary human resources and providing healthcare services that meet local needs, thereby realizing "the enrichment of quality of life around the world."	<ul style="list-style-type: none"> Conducting surveys of NGOs and local government and medical institutions (as appropriate) Conducting interviews through NGOs (as appropriate) 	<ul style="list-style-type: none"> Conducted a survey of NGOs and government agencies to understand the needs surrounding healthcare issues in Nepal Conducted interviews with local residents, local government, medical institutions, etc. 	<ul style="list-style-type: none"> Lack of system for screening, diagnosis, and treatment of breast and cervical cancer, which are cancers specific to women Lack of knowledge among local residents about diseases, and lack of habit of getting screenings 	<ul style="list-style-type: none"> Conducted "Breast Cancer and Cervical Cancer Screening Camp" to realize the provision of a one-stop service for screening and diagnostic treatment, which contributed to the improvement of the testing rate and the early detection of cancer
Natural Environment	Aiming to reduce risks to both our business and the natural environment by accurately capturing environmental conditions and societal requests which leads to reduction of environmental impact throughout the value chain such as resource conservation and resource re-cycling, and other activities throughout the value chain.	<ul style="list-style-type: none"> Conducting collaboration with industry associations (4-5 times/year) 	<ul style="list-style-type: none"> Participated as a leader in the Low Carbon Society Action Plan Working Group of the Federation of Pharmaceutical Manufacturers' Associations of Japan to realize measures for climate change in the Japanese pharmaceuticals industry 	<ul style="list-style-type: none"> Requirement of a sustainable healthcare system within the climate crisis, due to WHO study on threat of climate change against health and survey showing high greenhouse gas emissions in the healthcare supply chain 	<ul style="list-style-type: none"> Promoted initiatives to make the pharmaceutical industry carbon-neutral, including taking the lead in drafting industry targets, and revised the CO₂ emissions reduction targets set in our materiality KPIs to more ambitious targets
Governments, Administration, Regulatory Authorities, Payers (Insurer)	Contributing to the resolution of issues aimed at ensuring and expanding access to pharmaceuticals for patients around the world while creating a sustainable R&D investment cycle for the creation of innovative pharmaceuticals that meet unmet medical needs, by building appropriate trusting relationships with the policymakers, governments, administration, regulatory authorities, payers (insurer) of each country, and ensuring appropriate evaluations for pharmaceutical innovations.	<ul style="list-style-type: none"> Conducting advocacy and dialogue through industry associations (as appropriate) 	<ul style="list-style-type: none"> The International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) kept track of discussions and its background at the World Health Assembly (WHO), the WTO Ministerial Conference, and other meetings regarding the early access to vaccines and treatments in a pandemic Exchanged opinions on drug discovery and the innovation of the pharmaceutical industry at the "Public-Private Dialogue for the Creation of Innovative Pharmaceuticals" organized by the Ministry of Health, Labour and Welfare 	<ul style="list-style-type: none"> Societal demands for early provision of vaccines and treatments in the event of a pandemic The importance of developing the pharmaceutical industry, innovating vaccine research and development, bridging advanced university research toward industry, developing biopharmaceutical manufacturing technology, and addressing economic security 	<ul style="list-style-type: none"> IFPMA published Lessons Learned as the International Federation of Pharmaceutical Manufacturers and Associations, including the importance of ensuring intellectual property and other matters to ensure innovation, and proposed measures to speedily develop and deliver vaccines and treatments to the world in the next pandemic The Government of Japan formulated the "Strategy for Strengthening Vaccine Development and Production System" and "Pharmaceuticals Industry Vision 2021" based on the opinions of the pharmaceuticals industry

* Activities based on our slogan, "Compassion for Patients," aimed to contribute to realizing "life with a smile" around the world, by providing opportunities for all the Group employees to understand the lives, difficulties, and hopes of patients and think about what we can do.