

Environment

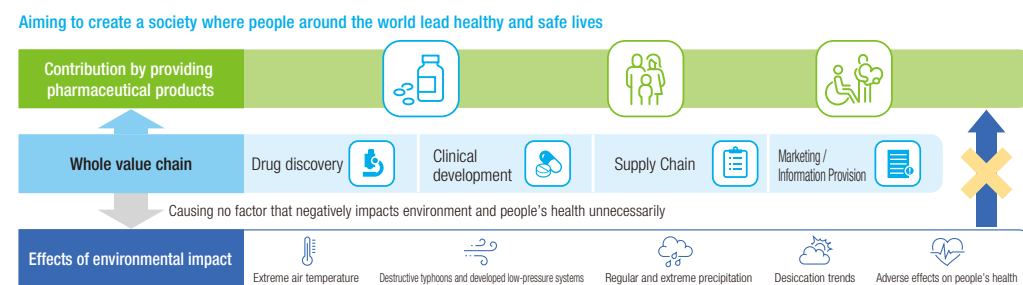
We promote environmental management as we recognize that environmental issues, including global warming and intensifying weather-related disasters which now threatens to the sustainable development of society as well as people's health; which is a risk that could affect our long-term business foundation, including the stable supply of pharmaceuticals.

Promoting Environmental Management

We conduct business activities to contribute to the enrichment of quality of life through providing pharmaceutical products. We know, however, that those activities could cause environmental impact that might raise environmental issues. What underlies our promotion of environmental management is the following belief: activities necessary to provide pharmaceutical products must not unnecessarily contribute

to environmental phenomenon that may threaten people's health and daily lives.

In the current 5-year business plan, we will contribute to the realization of a resilient and sustainable society by proactively challenging various initiatives to implement advanced measures to climate change and to reduce environmental impact from R&D to sales all across the value chain.



Toward the Realization of a Decarbonized Society

We have defined three 2050 long-term targets toward realizing a sustainable society: carbon neutrality aimed at realizing a decarbonized society, a 100% recycling rate aimed at realizing a circular economy, and minimizing environmental risk to help fulfill our duties as a society co-existing with nature.

In FY2021, our CO₂ emissions were 191,399 tons (15.7% reduction from FY2015), which had an increase from the previous year. However, due to the shift of our Japanese operation sites to renewable electricity, we expect our FY2022 CO₂ emissions to be approximately 120,000 tons (45.0% reduction from FY2015).

We are also promoting the introduction of solar power systems to promote the use of renewable energy. At the Daiichi Sankyo Chemical Pharma Onahama Plant, which started operations in December of 2020, we reduced CO₂ emissions by 2,070 tons, more than the value assumed at the beginning of FY2021. We also expect to reduce our annual CO₂ emissions by approximately 350 tons due to the activation of our Pfaffenhofen Plant in Germany in February 2022. In addition, we

are currently installing solar power systems towards the activation of our Shanghai Plant in FY2022, which is expected to reduce our annual CO₂ emissions by 320 tons.

At our Pfaffenhofen Plant, we are actively promoting the installation of charging stations to contribute to the spread of electric cars in the region. We had installed ten such stations in 2021 and are aiming to install around 100 by 2024.



We have also expressed our support for the GX League*1, which was established by the Ministry of Economy, Trade and Industry towards achieving carbon neutrality by 2050, and we will participate in the carbon-credit-market demonstration project to be started in September 2022.

*1 The GX League was established as a way to help achieve carbon neutrality by 2050, bringing groups of companies that actively work on GX (green transformation) the opportunity to come together within the industry, government, academia, and finance, to discuss about transforming economic and social systems towards attaining GX and to implement the creation of new markets.



Reducing Environmental Risks through Appropriate Waste Disposal, etc.

We are working on reducing environmental risks by appropriately managing chemical substances, appropriately disposing waste, preventing soil and water pollution, and taking other such actions. In FY2021, we finished appropriately disposing the hazardous high-density PCB*2 waste stored by our Japan domestic Group companies in line with the Law Concerning Special Measures Against PCB Waste. We also finished appropriately disposing our low-density PCB waste in FY2017.

At our former Yasugawa Plant (in Yasu, Shiga Prefecture), we started the removal of facilities where soil polluted by agricultural chemical raw materials was stored. We are enhancing communication in appropriate frequency as we start this work, including having evaluation from a third-party organization against the suitability of the work plan, the

effectiveness of the results, and other details, while also providing briefing sessions and observation tours for the government and nearby residents. As we remove the storage facilities, we are striving to prevent the scattering into nearby areas by setting up a depressurized tent, and we are watching for environmental effects through regular environmental monitoring. Moreover, we are checking the site to ensure that any polluted soil and other materials that are carried out are appropriately disposed by disposal companies.



Depressurized tent to prevent scattering

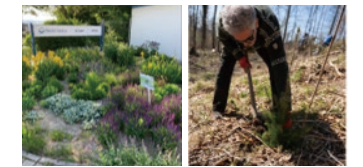
*2 Abbreviation of Poly Chlorinated Biphenyl

Initiatives for Biodiversity

In recent years, the population of pollinators such as honey bees and butterflies has been on a decreasing trend around the world due to the effects of deforestation, agricultural chemicals, global warming, and other issues. At our Pfaffenhofen Plant in Germany, we cooperate with *Pfaffenhofen in Bloom*—an initiative started by the city of Pfaffenhofen aimed to increase the pollinator population that was—and we are actively working on encouragement of biodiversity on the plant premises. We are planting many flowers in the approximately 3,200m² area as an environment where honeybees and other insects can inhabit.

In addition, in April 2022, Daiichi Sankyo Europe, one of our overseas

Group companies, started planting one tree per one disposal of a notebook computer, and approximately 200 trees had already been planted. To promote this initiative, the company has secured enough land in Germany to plant approximately 3,000 trees, thereby working on achieving the Sustainable IT.



Planting on the plant premises | Reforestation activities via Sustainable IT

Selected as 'A List' companies in CDP Climate Change 2021 for two consecutive years

Daiichi Sankyo was recognized for leadership in corporate sustainability by global environmental non-profit CDP*3 for its actions to cut emissions, mitigate climate risks and develop the low-carbon economy, securing a place on its prestigious 'A List' for tackling climate change for two consecutive years. In April 2022, the Group's CFO participated in the CDP 2021 Climate Change and Forest Reporting Conference panel discussion as a panelist. At the session, the CFO reported his thoughts on the Group's strategy for increasing its corporate value

through its initiatives against sustainability issues as well as the disclosure of sustainability information, and discussed about "the role of a CFO within the improvement on corporate value with sustainability considerations."



*3 A global non-profit that runs the world's environmental disclosure system for companies, cities, states and regions

TCFD

In May 2019, the Group expressed support for the TCFD*4 Recommendations, and, disclosed information such as governance and scenario analysis results in line with the TCFD disclosure framework by 2020. In addition, the Group promotes information disclosure in line with the revisions to the TCFD Recommendations dated October 2021,

and the Group is also aiming to significantly enhance our governance and business strategy in order to more actively respond to climate change, a key global issue.



*4 The Task Force on Climate-related Financial Disclosures, which was established by the Financial Stability Board (FSB) to review the way to address disclosure of climate-related information and financial institutions

❖ Governance

We establish the EHS Management Committee formed of the Chief Executive Officer of EHS Management as Chairperson and Head of related Divisions (including Directors) and the President of the Group companies as members, in an effort to protect the environment and ensure health and safety. We hold discussions and reporting on policies, target setting, and activities related to global EHS management at this

committee twice a year, and discussed and reported matters are reported and directed by the Board of Directors. In FY2021, we discussed about increasing our CO₂ emission reduction targets to achieve carbon neutrality, utilizing renewable energy, responding to the revised TCFD Recommendations, and other details.

❖ Risk management

We strive to recognize risks that could necessitate changes to our business activities—including risks related to climate change and water—and take the necessary measures.

The EHS Management Committee evaluates and manages the financial impact of the risks and opportunities for the Group's business caused by climate change, and plays an important role in terms of increasing the Company's resilience, such

as reporting material risks to the Board of Directors and comprehensively managing risks. In addition, the Committee discusses and makes decisions related to our short and medium-term targets and implementation plans as we aim to transition to carbon neutrality in the long term.

[Read more about risk management.](#)

▶ P. 47

❖ Strategy

As the impact of various environmental factors increases, we must realize a sustainable society to continue our corporate activities. Particularly for pharmaceuticals, which are life-related products, disruption of the supply chain due to worsening meteorological disasters and a decline in the supply capacity of pharmaceuticals are major risks, both from business and social perspectives. On the

other hand, CO₂ emissions are characterized by low direct emissions from business activities (Scope 1 and Scope 2) and high indirect emissions from the supply chain (Scope 3). Based on this understanding of the environment, we conducted a scenario analysis in accordance with the recommendations of the TCFD in order to clarify the resilience of our businesses towards climate change.

Scenario analysis implementation

In FY2021, we set up a cross-departmental task force to provide an overview of our scenario analysis and IEA*5/IPCC*6-related workshops for related departments, and we considered business risks and opportunities from 2030 onward. By using IEA/IPCC scenarios, we identified both transition and physical risks and opportunities throughout the supply chain, and these risks and opportunities were then discussed, evaluated, and ultimately approved by the EHS Management Committee. More specifically, we identified risks and opportunities from the perspectives of procurement, direct operations, and product and service demand, and grouped them up into six categories. We selected the IEA/IPCC decarbonization scenario (1.5°C) and scenario in which decarbonization is not achieved (4°C) due to the decision that it is important

to assume extreme cases in terms of both physical risks and transition risks and prepare accordingly. Regarding each scenario, we organized the information based on the potential effects on and resilience of our business from the perspectives of occurrence frequency, business effects, and the existence of investor interest—with additional consideration for the perspective of investors in terms of financial effects—and we comprehensively evaluated risks and opportunities for the period from 2030 to 2050.

*5 International Energy Agency

*6 Intergovernmental Panel on Climate Change

◆ Results of scenario analysis

For each value chain, the potential impact and resilience were clarified, and a comprehensive evaluation was performed, taking into account financial impact as well as investor perspectives.

Scenario	Change in Business Environment	Risks and Opportunities	Potential Impact on Daiichi Sankyo	Impact*	Actions for Ensuring Daiichi Sankyo's Resilience	Business Risk*
1.5°C scenario (world with advanced transition)	Tightening of policies and regulations related to decarbonization	Introduction of carbon taxes	• Assuming that the carbon tax rises to 130 dollars/t-CO ₂ as of 2030, the annual cost burden will be about 1.5 to 3.0 billion yen.	Minor	• Financial impact is limited and will be further minimized by promoting upgraded climate change measures aligned with the 1.5°C target.	Minor
		Avoidance of the carbon tax burden by introducing renewable energy	• It will be important to reduce emissions by procuring renewable energy as a countermeasure to the future introduction of carbon taxes and increase in tax rate.	Minor	• Avoid the annual carbon tax burden by approximately 1.6 to 3.2 billion yen as of 2030 by making active use of renewable energy. • Shift to renewable energy for 100% of electricity used at domestic and overseas business sites by FY2030.	Opportunity
		Higher cost of introducing renewable energy facilities	• Energy sources are mainly electricity and gas. Renewable electricity is already being purchased in some areas. • Replacing all electricity used within the Group with renewable energy will cost 0.3 to 0.6 billion yen per year.	Minor	• Reduce costs by promoting our measures, as additional costs for renewable energy and energysaving facilities are on a downward trend.	Minor/Opportunity
		Higher cost of energy	• Decarbonization measures will be implemented by energy utilities, but if installation and operating costs for the measures themselves increase, it may lead to higher energy procurement costs.	Minor	• While the cost of fossil fuel-derived energy is expected to rise, the impact is currently limited.	Minor
		Prices passed on to procurement costs	• Reducing emissions across the supply chain is important because procurement costs may increase as business partners pass on their own carbon tax burden to prices.	Medium	• Work with business partners to reduce Scope 3 emissions, thereby avoiding the carbon tax burden and limiting the rise in procurement costs.	Minor/Opportunity
Greater impact of decarbonization efforts on corporate reputation	Enhanced corporate value	• Our decarbonization efforts are appreciated by ESG investors, which will lead to enhanced corporate value, including a higher stock price.	Major	• Improve our reputation by working toward a decarbonized society, proactively respond to TCFD recommendations, and disclose information that meets the expectations of shareholders and investors.	Opportunity	
4°C Scenario (world with increasing physical impacts)	Increased frequency and scale of weather-related disasters (such as heavy rain, floods, and typhoons)	Supply chain disruption	• Heightened risk of disruptions to stable supply. • Risk of plant shutdown or decline in sales due to the inability to produce or ship.	Major	• Strengthen inventory control to ensure stable supply in the event of a disaster. • Purchase from multiple suppliers and consider alternative suppliers for raw materials currently being procured from a single supplier.	Medium
		Temporary suspension of operations at company sites	• Key research centers may be flooded (total cost of flooding damage is approximately 9.4 billion yen). • While some of our manufacturing bases are located near a river, they are unlikely to be flooded. However, traffic disruption may lead to temporary suspension of operations.	Major	• Continue to strengthen our operating bases by conducting flooding risk evaluations in light of our BCP. • Strengthen our response and countermeasures for flooding in our emergency drills and establish and verify our flood disaster manual.	Minor
		Deadstock caused by extreme weather (inundation)	• Possible damage to product inventory as well as a shutdown of operations due to flooding of distribution centers and other sites.			
	Rise in temperature	Increased prevalence of diseases associated with climate change	• Increased demand for pharmaceuticals related to malignant melanoma, cardiovascular, respiratory, and tropical diseases, greater demands and expectations from society. • Potential decrease in demand for existing products due to changes in disease structure.	Major	• Secure production lines to meet growing demand and strengthen inventory control. • Consider conducting research and development, along with the possibility of collaborating with external resources, to address unmet medical needs and diseases for which there is a strong social demand for treatment, including structural changes in diseases and pandemics.	Medium/opportunity
		Increase in air conditioning costs	• In principle, our operations are performed indoors at our head office, research and development bases, and manufacturing bases, so the cost of air conditioning is expected to increase as the temperature rises. However, the impact will be limited.	Negligible	• Continue to improve energy efficiency, although the financial costs are within an absorbable range and their impact is small.	Minor
		Increase in insurance and BCP costs	• Fire insurance premiums are already on the rise due to the growing severity of wind and flood damage caused by rising temperatures. However, prospects for future premium increases are limited.	Negligible	• In Japan, flood frequency is expected to increase by a factor of 4 when the temperature rises by 4°C. However, even if insurance premiums rise several times as a result, the financial impact will be negligible.	Minor
	Water shortages	Temporary suspension of operations at corporate bases	• Plants in China and Brazil are at greatest water withdrawal risk and are likely to be shut down because of flooding • Possibility of unexpected short-term drought at other locations.	Medium	• Promote drought countermeasures such as installation of rainwater tanks and use of recycled water. • Consider emergency supply measures, such as using other manufacturing sites and outsourcing manufacturing, in line with trends in pharmaceutical regulations in the event of a prolonged drought.	Medium
Loss of biodiversity	Reduced productivity of products derived from natural compounds	• If production is halted due to unavailability of raw materials caused by the loss of biodiversity, the expected annual loss will be approximately 2.0 billion yen.	Medium	• Take prompt action before the risk materializes, as we have secured several years' worth of inventories for raw materials.	Minor	

* The degree of impact is evaluated based on a scale of: Negligible (below 0.1 billion yen); Minor (between 0.1 to 5.0 billion yen); Medium (between 5.0 to 10.0 billion yen); Major (between 10.0 to 30.0 billion). Business risks are comprehensively assessed based on the degree of impact and frequency of occurrence.

Although our understanding is that we face only limited direct transition risks in terms of the Group's business activities, with regard to the supply chain, there is a future risk of cost increases due to carbon taxes and transition measures. In addition, regarding physical risks, there are concerns about the ability to maintain a stable supply as meteorological disasters worsen. Based on the above analysis results, regarding transition risks, we will use them as an opportunity to reduce our costs by avoiding the burden of carbon taxes, etc., such as by continuing to promote our energy saving measures, utilizing renewable energy, introducing decarbonization technology, and cooperating with our business partners. Similarly, regarding physical risks, we will

aim to avoid damage to the group and continuously improve corporate value by strengthening our business continuity plan—including flood damage measures—implementing preventive measures to increase the stability of the supply chain, ensuring diversity, ensuring support measures, ensuring alternative measures, and implementing other measures as necessary.

The EHS Management Committee and Board of Directors will manage the Group's progress on measures to address important risks evaluated and identified by our scenario analysis.

◆ Indicators and targets

As a result of reviewing our climate change KPIs in FY2021 based on the progress of our current 5-year business plan (FY2021–FY2025), in addition to increasing our Scope 1 and Scope 2 target levels to those necessary for a 1.5°C scenario world, and for Scope 3, we updated the CO₂ emission reduction targets demanded of our

suppliers to the "1.5°C level" as a supplier engagement target.

We are also paying medium-term performance-based share compensation to our Directors according to their level of achievement of climate change targets, including ESG indicators.

For details, see the EHS Management Policy (FY2021–FY2025) and targets in our current 5-year business plan.

[Read more here.](https://www.daiichisankyo.com/sustainability/the_environment/policy-system/#anc02) ▶ https://www.daiichisankyo.com/sustainability/the_environment/policy-system/#anc02

For details, see the information on medium-term performance-based share compensation.

[Read more here.](https://www.daiichisankyo.com/about_us/governance/compensation/) ▶ https://www.daiichisankyo.com/about_us/governance/compensation/

Sustainable Procurement

To realize our 2030 Vision, to become an “Innovative Global Healthcare Company Contributing to the Sustainable Development of Society,” we promote sustainable procurement activities with the aim of contributing to a better society, to the environment, and to economic development.

Business Partner Code of Conduct

Today, companies are required to respond to global social issues through their entire value chains. We believe that not only do we, but our business partners play an extremely important role. For this reason, in April 2019, we revised the Daiichi Sankyo Group Corporate Conduct Charter and clarified what we deemed to be “responsible procurement” and “encouragement for our business partners to take actions” and, at the same time, we established a new Business Partner Code of Conduct. This Code of Conduct articulates our commitment and expectations we have for our business partners with whom we do

business. It comprises of six items: business integrity based on ethics; labor and respect for human rights; health and safety; promoting environmental management; optimal quality, cost and stable supply; and management system. The code is applicable to all business partners that provide us with products and services. We aim to work with our business partners to fulfill our social responsibilities and achieve a sustainable society, ensuring their activities comply not only with this Code of Conduct, but with all relevant laws, regulations, policies, and industrial standards.

Sustainable Procurement Survey

We conduct a sustainable procurement survey based on the Business Partner Code of Conduct with our major business partners in Japan and overseas on a three-year cycle. The survey is used to understand the status of our partners' initiatives for social issues. After collecting the survey, we conduct follow-up surveys and other forms of

communication to promote the PDCA cycle for sustainable procurement and to ensure we and our business partners share a mutual understanding of sustainability. We are carrying out our second round of this survey (FY2020–FY2022).

Establishing Business Partner Management System

We are working to establish a business partner management system to avoid any risks of damage to our corporate value resulting from problems caused by our business partners. The system is based on risk assessments when first commencing transactions with potential partners, followed by continuous monitoring.

In September 2021, we established guidelines outlining the work

processes for business partner management in Japan. Since then, we have carried out IT-based risk assessments and monitoring of our business partners. We are also working towards establishing a business partner management system for our overseas Group companies; in this way, we will promote initiatives that ensure proper transactions with business partners across the entire Group.

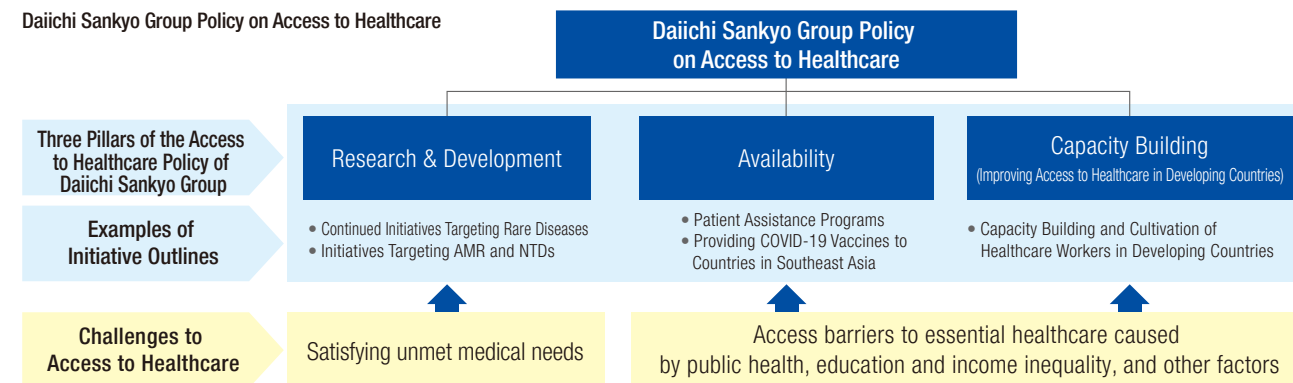
Stable Procurement Initiatives

In recent years—due to various risks that are difficult to predict, including large-scale natural disasters, pandemics, and conflicts between countries—maintaining and ensuring the stability of the supply chain, including not only Tier 1 suppliers but also Tier 2 and Tier 3 suppliers, has become an important issue for many companies. Regarding the approximately 1,600 raw material items our Group's five major plants in Hiratsuka, Odawara, Onahama, Tatebayashi, and Kitamoto purchase, we strive to understand the geographical infor-

mation (company names and addresses) of raw material suppliers and major processes beyond Tier 1 in order to quicken the initial response to potential risks. We conducted the sustainable procurement survey targeting 36 of our non-Tier 1 suppliers of particularly important raw materials (raw material suppliers from Tier 2 and beyond who do not have a direct relationship with the Company) in an effort to enhance stable procurement.

Access to Healthcare

We have established the “Head of Access to Healthcare,” and are striving to resolve issues related to access to healthcare. Our Daiichi Sankyo Group Policy on Access to Healthcare prioritizes activities in three areas: Research & Development, Availability, and Capacity Building. Going forward, we will continue working to expand access to healthcare.



Research & Development

❖ Continued initiatives targeting rare diseases

There is high societal demand for drugs for rare diseases because of the small number of patients and the lack of effective treatments. We have been actively engaged in the development of pharmaceuticals for rare diseases. In November 2021, we launched *Delytact*[®], a re-generative medical product for the treatment of malignant glioma. *DS-5141*, a nucleic acid drug that utilizes our proprietary nucleic acid modification technology, is now undergoing phase 1/2 clinical trials in Japan as a treatment for Duchenne muscular dystrophy. *DS-4108*, a drug that uses the same technology to target glycogen storage disease

type 1a (GSD1a), is undergoing pre-clinical studies. The TNAP inhibitor *DS-1211*, which targets pseudoxanthoma elasticum, is being evaluated in phase 1 clinical trials in the United States. A phase 1 clinical trial of *DS-6016* (anti-ALK2 antibody), which targets fibrodysplasia ossificans progressiva, is ongoing in Japan.

Using our strengths in Science & Technology, we will continue to take on the challenge to create innovative pharmaceuticals in rare diseases.

❖ Initiatives to solve Antimicrobial Resistance (AMR) issues

The spread of AMR^{*1} bacteria is a significant global public health issue, and its impact on surgery and treatment by anti-cancer drugs is of particular concern. A recent research^{*2} reports that AMR was the cause of 1.27 million deaths around the world in 2019; due to its steady spread, it has been called the “silent pandemic.”

In order to combat this issue, in July 2020 we decided to participate in and contribute US\$20 million to the AMR Action Fund, which was established to support the clinical development of new antibiotics and to realize a sustainable antibiotics market. In addition to our vaccine initiatives, in April 2021 we established the Emerging and Re-emerging

Infectious Diseases Research Special Team (EReDS) and commenced activities to stimulate research and development into anti-infective agents. By leveraging our Group’s strength in drug discovery and promoting industry-government-academia cooperation, we are seeking to fulfill our mission as a pharmaceutical company through the creation of novel drugs.

*1 Abbreviation of Antimicrobial Resistance

*2 “Global burden of bacterial antimicrobial resistance in 2019: a systematic analysis,” *The Lancet*

❖ Initiatives for malaria, tuberculosis, and neglected tropical diseases (NTDs) through partnerships with the GHIT Fund

Our Group promotes partnership-based drug discovery. Indeed, collaborations with partners who have networks and possess cutting edge scientific knowledge around the world bring synergies to initiatives that cannot be accomplished by the Group alone. These initiatives contribute to Goal 17: “Partnerships for the Goals” of the Sustainable Development Goals (SDGs).

We have contributed to the Global Health Innovative Technology (GHIT) Fund, a public-private partnership originating in Japan that aims to enhance research and development of drugs for combating

infectious diseases in developing countries, since it was established in April 2013. We are utilizing partnerships formed through the GHIT Fund to undertake a number of projects, including: screening for active compounds for drugs to treat both Malaria and the neglected tropical disease (NTD) Chagas; and investigating candidate anti-tuberculosis drugs from natural products. In order to



accelerate such initiatives, in July 2022 we hosted an in-house lecture given by Osamu Kunii, CEO of the GHIT Fund. The lecture helped raise

awareness among our Group employees of the importance of improving access to healthcare, including measures to prevent infectious diseases.

Availability

❖ Providing COVID-19 vaccines to countries in Southeast Asia

Under contract manufacturing of the COVID-19 vaccine “Vaxzevria™ intramuscular injection” developed by AstraZeneca, Daiichi Sankyo and Daiichi Sankyo Biotech have engaged in formulating the vaccine—including vial filling and packaging—since March 2021. After being dispatched from Daiichi Sankyo Biotech to AstraZeneca, the vaccine

has been delivered to countries in Southeast Asia via the Japanese government, and to various other countries and regions via COVAX Facility^{*3} and related schemes.

*3 COVAX Facility is an international scheme led by the Gavi, the Vaccine Alliance; the Coalition for Epidemic Preparedness Innovations (CEPI); and the World Health Organization (WHO) to jointly purchase vaccines and distribute them to developing countries.

Capacity Building (Improving Access to Healthcare in Developing Countries)

❖ Capacity Building projects

In developing countries, access to healthcare is restricted due to various factors such as the relative lack of healthcare systems and healthcare infrastructure and shortages of healthcare professionals. To resolve such issues, we are implementing several projects in FY2021 as shown in the table below, by forming partnerships with NGOs that possess robust infrastructure for conducting local activities:



Project	Country	NGO/NPO Partner	Period
Mobile Healthcare Services with Mobile Clinic Vehicles	Myanmar	Plan International Japan	April 2019–March 2022
Breast and Cervical Cancer Screening Camp	Nepal	AMDA Multisectoral & Integrated Development Services (AMDA-MINDS)	January 2021–December 2023
Strengthening Healthcare Infrastructure for SRHR ^{*4} and for Breast and Cervical Cancers	Zimbabwe	Plan International Japan	April 2021–March 2024

*4 Sexual and Reproductive Health and Rights

❖ Participation in Access Accelerated Initiatives

Daiichi Sankyo has participated in Access Accelerated Initiatives, which was launched in 2017 with the goal of improving the prevention, diagnosis, and treatment of non-communicable diseases (NCDs) in low and lower-middle income countries. Access Accelerated is a collective of more than 20 biopharmaceutical companies from Japan, the United States, and Europe, which works in partnership with The World

Bank Group and the Union for International Cancer Control. Access Accelerated is working to improve access to healthcare in various countries, as part of its efforts to achieve one of the targets of Goal 3 of the SDGs: “by 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.”



VOICE



Maiko Kobayashi
Country Director, Nepal Office,
AMDA-MINDS

Breakthrough the Barriers of Social Norms: For the Future of Women!

In Nepal, where medical screenings are not yet commonplace, the “Breast and Cervical Cancer Screening Camp Project” has succeeded in steadily increasing the number of women undergoing screenings. In light of this success, the city of Gokarneshwar has determined to provide support for a one-stop service that offers “screenings ⇒ complete examinations ⇒ definitive diagnoses,” and has started providing post-diagnosis subsidies.

This joint project with Daiichi Sankyo has been a great success in strengthening our ties with the local administration, and established a new scheme for screenings, diagnoses, and treatment for female-specific cancers in the region. Going forward, we intend to hold this project up as an example of best practice, and expand it to other regions; in this way, we hope to contribute both to the early detection of breast and cervical cancers, and to reductions in mortality rate.

Human Rights

We believe that respect for human rights is the foundation for the corporate activities to put our Mission into practice. To this end, we are strengthening our human rights initiatives in line with the Daiichi Sankyo Group Human Rights Policy.

Human Rights Due Diligence

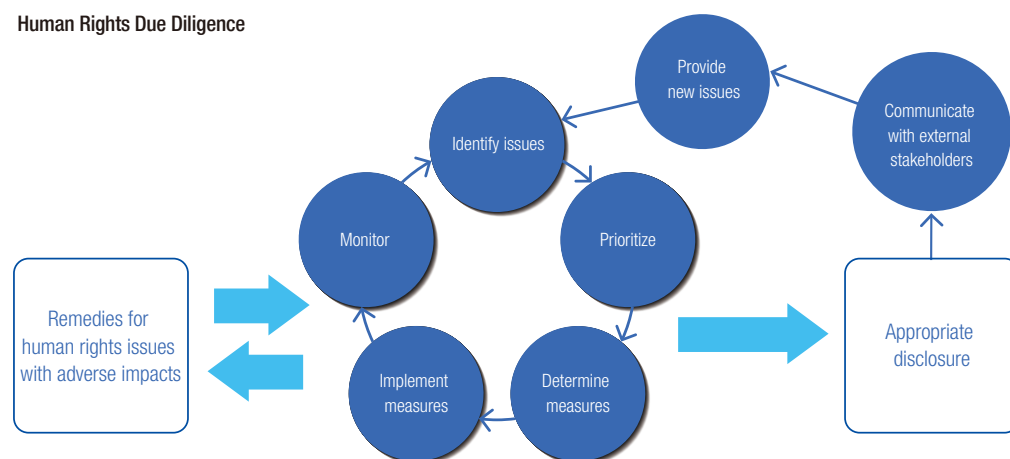
❖ Systems

After establishing the Daiichi Sankyo Group Human Rights Policy in FY2020, we set up an internal, cross-functional team—for which the Sustainability Promotion Department serves as administrative office—to address human rights issues and carry out human rights due diligence*1. We will continue to identify the need to review salient

human rights issues through human rights risk assessments and communication with our stakeholders, and make efforts to avoid any negative impact on human rights that may be an inadvertently consequence of our Group's business activities.

*1 A framework to assess, identify, prevent and mitigate any actual or potential human rights risks arising from our business activities

Human Rights Due Diligence



❖ Human rights risk assessment

In FY2019, prior to the establishment of the Human Rights Policy, we conducted a human rights risk assessment to examine the status of risk management in five areas of our business: wages; discrimination and inhumane treatment; human rights in the supply chain; human rights of participants of clinical trials; and access to healthcare.

As the next step after the above assessment, a questionnaire survey covering human rights due diligence topics was issued to all Group companies in FY2020. We checked the content of the survey as shown in the table below, and found no significant risks related to the

International Labor Organization (ILO) Core Labor Standards, such as no risk of forced labor of foreign workers and of child labor; prevention of discrimination; and respect for collective bargaining rights. We provided feedback on the results of the survey to each Group company in order to improve our initiatives. We plan to conduct the assessment every three years.

The Contents of the Questionnaire

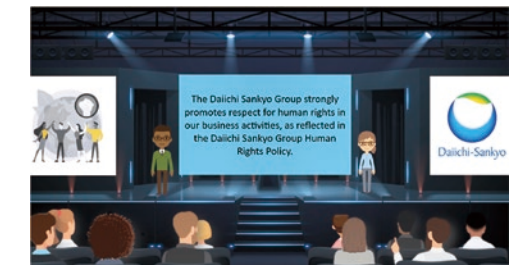
Item	Contents
Dissemination of human rights policies	Status of Human Rights Policy dissemination, Status of implementation of trainings related to human rights
Address to human rights issues	Forced labor and human trafficking, Child labor, Discrimination, Freedom of association and collective bargaining rights, Working hours, Wage and employment contract, Inhumane treatment, Privacy, Negative impact on local communities, Health and safety, Considerations for human rights in research and development
Management	Stakeholder engagement, Operation of reporting channels, Status of responsible procurement

Awareness Raising Activities on Human Rights

In order to fulfill our responsibilities on respecting human rights, we recognize the importance of deepening the awareness on the relationship between business activities and human rights for our executives and employees. We are conducting various educational

- E-learning or training on human rights at all Group companies
- Training on procurement compliance and sustainable procurement for employees in charge of procurement operations in Japan
- CEO message on the World Human Rights Day
- We endorsed the "My Human Rights Declaration Project," organized by the Ministry of Justice in Japan; we announced the "My Human Rights Declaration" of the Daiichi Sankyo Group, and we shared this declaration on our internal portal site in Japan.

and other training programs related to human rights. In addition, a management message is delivered every year on December 10th, the World Human Rights Day. In FY2021, we conducted the following educational and training programs:



Human rights training video in the U.S.

Human Rights Issues Related to the Daiichi Sankyo Group's Business Activities

❖ Human rights related to clinical trials

In the life science industry, high ethical standards are necessary because of the responsibility and impact of our work on patients. We are deeply committed to the safety of people's and patients' health and lives and are dedicated to fostering values based on a high level of ethics.

With regard to the implementation of clinical trials, Daiichi Sankyo has established the "Global Policy of Clinical Trials Standards," and conducts clinical trials in accordance with global standards taking into consideration human rights and safety of participants in clinical trials, and applying high ethical and scientific standards. Clinical trials are conducted in compliance with applicable regulations, the Declaration of Helsinki*2, and ICH*3 GCP*4, upon obtaining individuals' voluntary consent after providing detailed information (informed consent).

We conduct all clinical trials after both ethical propriety and scientific validity are confirmed in accordance with internal review processes. In particular, we ensure the first-in-human study is appropriate ethically

and scientifically through clinical trial review meetings that include qualified physicians as review members. Furthermore, clinical trials are conducted after external independent committee (Institutional Review Board / Independent Ethics Committee) reviews the ethics (human rights of trial participant, etc.) and scientific validity, and approves the conduct of clinical trials.

We ensure the training of standard operating procedures aimed for the ICH-GCP and clinical trial ethics to all individuals who are engaged in clinical trials.

An independent department of the Company conducts the audits of clinical trial activities and drives remedial actions and preventive measures.

*2 Ethical principles for medical research involving human subjects.

*3 International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use.

*4 Acronym of "Good Clinical Practice," an international ethical, scientific and practical standard to which all clinical research is conducted.

❖ Promotion of Inclusion and Diversity (I&D)

In the Daiichi Sankyo Group, "Inclusion" refers to the acceptance of diversity, and "Diversity" refers to diversity in various aspects, including gender, race, religion, sexual orientation, age, disability, values, and beliefs. We are working to reinforce a culture of mutual respect among

employees from both global and domestic perspectives, in which all employees proactively embrace individual diversity; by doing so, we believe we can empower all employees to maximize their potential.

❖ Employee health and safety initiatives

We have adopted the Health and Safety Declaration, which states, "The Daiichi Sankyo Group of companies recognizes that the mental and physical health and safety of employees is essential for employees and the company to achieve mutual growth toward the realization of the company's Purpose and Vision. The Daiichi Sankyo Group of companies hereby declares commitment to proactively create an environment in which all employees can work safely and maintain and improve

their health." Based on this declaration, we have formulated a global health and occupational safety strategy and are working to promote the health and safety of our employees. Group companies in Japan are also promoting health and safety measures based on the Health and Occupational Safety Strategy Map, which illustrates measures to address management issues and their expected results.

For further information regarding workplace health and safety, please see [P.82](#)

Safety of Pharmaceuticals

We have been achieving the high standards incorporated into the GMP (Good Manufacturing Practice) of Japan, Europe, the United States, and other countries, to ensure product quality by managing all processes based on scientific evidence, from receiving raw materials to manufacturing and releasing products, and to fulfill our responsibility for the market.

Initiatives to Achieve Quality

To deliver safe, top-quality products to patients and ensure safe use, we have established a management system that complies with GMP and GDP (Good Distribution Practice). We strive for consistency in quality assurance throughout our management, including raw material procurement and storage, pharmaceutical manufacturing, as well as the distribution.

We also regularly conduct audits of both Group company and business partners in an effort to maintain and strengthen suitable

quality management system and reduce quality risks. All Group-internal organizations implementing GMP or GDP are covered by the above. In FY2021, we conducted both document-based audit and remote audits, as on-site audits remained difficult due to the COVID-19 which shows no signs of abating.

In addition, in FY2021, our Group companies underwent 25 regulatory authority inspections, but no critical observation was identified.

Safety Management Structure

In Japan, our marketing supervisor-general, quality assurance supervisor and safety management supervisor (manufacturing/marketing triumvirate) report regularly to the management on the status of quality management and safety management of pharmaceuticals and other related matters, and the executives confirm that quality management and safety management are being properly implemented.

In addition to the reports on the status of regulatory authority inspections and quality events related to pharmaceuticals, etc., as well as the status of initiatives to address quality issues, regular reports are

also made to management regarding the handling of Company-wide/cross-departmental quality risks and issues as well as proposals for addressing issues and continuous improvements and other ideas. We have also started conducting Quality Management Reviews with the management, thereby creating a structure in which the management takes a leadership role in quality.

We establish a system to promptly inform governments, wholesalers, medical institutions, and other stakeholders of any problems and to voluntarily recall products.

Measures for Combating Counterfeit Pharmaceuticals

In response to the growing threat of counterfeit pharmaceuticals, Daiichi Sankyo Co., Ltd. is reviewing the sealing materials and box design of our products and introducing anti-counterfeit technologies. Serialization has been introduced in global pharmaceutical markets as one of the tools to prevent counterfeit pharmaceuticals and we have been applying it to our products in accordance with the regulations of each country. In Japan, for products shipped beginning in April 2021, the labeling of GS1 codes incorporating data on expiration dates and manufacturing numbers on the sales package unit and the tertiary package unit has become obligatory in order to enhance the traceability of pharmaceutical products. We have completed the requirements for all products subject to these obligations. In addition, the labeling of GS1 codes for medical narcotic products, which were previously exempted

from GS1 code labeling, will become obligatory moving forward, and we therefore plan to proceed with GS1 code labeling for these products as well. As a pharmaceutical supplier, we will continue to strengthen anti-counterfeit measures and traceability of our products in accordance with the respective risks in collaboration with the pharmaceutical industry and related bodies.

We are actively promoting compliance with GDP to ensure the quality and integrity of our products during the storage and transportation of pharmaceuticals. We are also striving to precisely respond in accordance with the regulations and risks in all countries and regions where we operate, in order to combat the global issue of counterfeit pharmaceuticals and are engaging in diligent study to ensure we can safely deliver pharmaceuticals to patients.

Promoting the Success and Development of Human Resources

We position our “people” as the most important “asset” for achieving the Daiichi Sankyo Group’s Mission and Vision, so we strive to acquire and develop human resources who not only possess skills and expertise but also have the ability to think and act in ways that lead to organizational and individual growth and social contribution.

Proactive Acquisition of Global Talent

To achieve our 2030 Vision, which is to become an innovative global healthcare company contributing to the sustainable development of society, we actively recruit and employ global talents. In our corporate staff internships, we set up opportunities for students to communicate with foreign employees in order to objectively certify their conversational English skills. In addition, in the hiring of new graduates for corporate staff, we conduct interviews to confirm the students’ ability to think and respond in a variety of situations based on their cross-cultural

experiences. We are also actively working to acquire global talents, and we are continuously hiring such human resources residing overseas through our fully online recruitment activities.

We have also launched a global talent acquisition project, in which the hiring managers at Daiichi Sankyo’s global sites in Japan, the United States, Europe, Asia, Central and South America, and other regions collaborate to promote initiatives that will lead to the active acquisition of global talents.

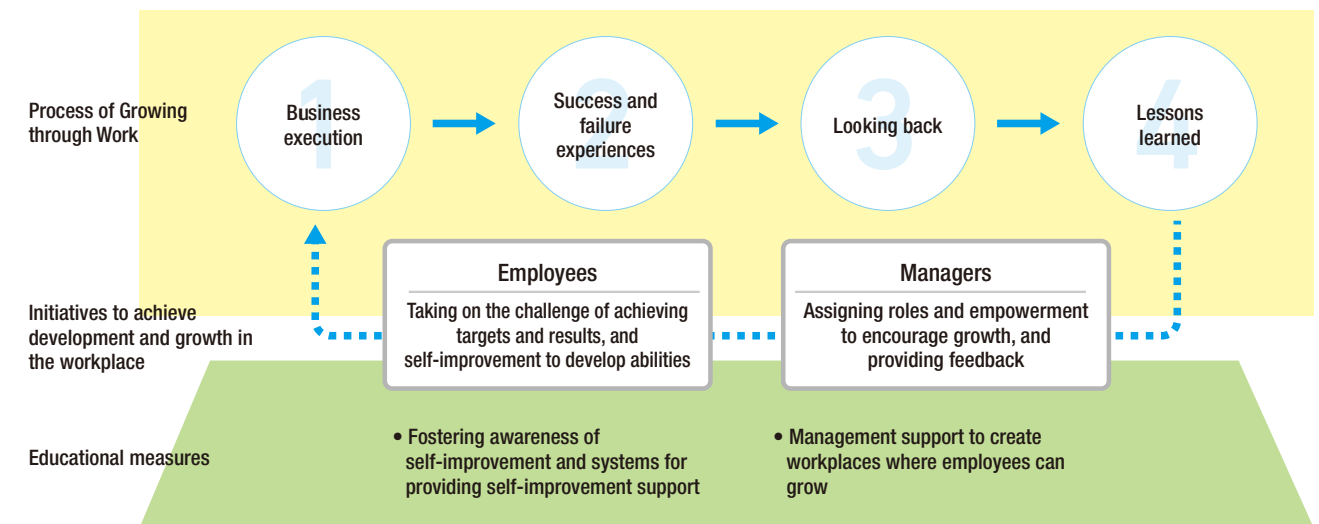
Our Approach to Human Resource Development

Based on the principle of growth through work, we utilize every possible personnel measure related to human resource development, including personnel shifting, evaluation, and training, to develop human resources we require. We also support individual employees who are voluntarily taking on challenges and striving to improve themselves through autonomous actions.

By linking the PDCA cycle of on-the-job training and evaluation at each workplace unit with self-improvement and various types of training opportunities, we are working to enhance the career development of each of our employees.

As an example, we continuously provide selective leadership development training for both mid-level and young employees. By having trainees understand and acquire the knowledge, skills, and mindset required for one level above their current positions and roles at an earlier stage, we are aiming to achieve early promotion to leadership positions and further career development, and thus realize our Vision by improving the capability of the organization. We also consider the promotion of a more active role for women in connection with the above initiatives, which contributes to an increase in the number of females in managerial and other high-level positions.

The Daiichi Sankyo Group’s Human Resource Development Policy



Inclusion and Diversity

We take a broad definition of diversity, which includes not only nationality, race, gender, age, and other attributes but also various specialties, approaches, values, religions, and lifestyles for each job category. We strive to create a corporate culture in which employees respect each other from both a global perspective and a Japanese perspective, believing that if all Group employees actively embrace the diversity of different individuals, they will be able to fully demonstrate their abilities, which will lead to our global business development and the creation of innovation.

As a global initiative, we promote “Creating One DS Culture through fostering our Core Behaviors,” which is included in the strategic pillars

of the current 5-year business plan. In March 2022, as part of these Core Behaviors, we announced our “Global I&D Statement” for all Group employees to promote inclusion and diversity throughout our global organization. We have also become a member of the “Healthcare Businesswomen’s Association,” which promotes more active leadership roles for women, to globally express our active promotion of such roles for women. In addition, as a global I&D measure, the leaders of each Daiichi Sankyo Group company produced a video message to express our company’s support for the LGBTQ+ community in June 2022 (Pride Month). This video is also available from outside the Company via social media.

Global I&D Statement

“Be Inclusive & Embrace Diversity”

We value people for who they are as individuals, and welcome diverse perspectives in our work, which enables us to achieve more as Daiichi Sankyo.

We are committed to creating a culture of inclusion and embracing the diversity of all, which enables our employees to realize their full potential in the workplace and create innovative treatments that impact our patients around the world.

Our Focus

Respect and appreciate people with diverse backgrounds and strive to create a working environment where everyone feels safe, heard, and valued, building a sense of belonging.

Ensure that all employees have equal opportunities to succeed, regardless of their gender, race, religion, sexual orientation, age, disability or other dimensions of diversity.

Encourage inclusive and diverse thinking and actions through the active collaboration across the global organization.

Promoting Occupational Health and Safety

To realize our Purpose, it is essential to ensure the mental and physical health of our employees. We consider the health of our employees to be an important management resource, and we therefore promote health

management based on our health and occupational safety strategy.

EHS Management Promotion Structure

Through our EHS (Environment, Health, and Safety) Management Committee, we have established global occupational health and safety (OHS) measures and targets to promote health and safety initiatives in each country and company. The EHS Management Committee has set numerical targets of “occupational accident frequency rate” and “the

number of people who took 30 days or more of non-occupational injury or illness leave” as KPIs for OHS activities to establish healthy, safe workplaces. In addition, we also promote health and safety measures based on our medium-term policy for health and safety management.

External Evaluations in Japan

- Kurumin / Platinum Kurumin certification
- Eruboshi Certification (three stars)
- Certificate of Outstanding Small- and Medium-sized Business Owners for the Employment of Persons with Disabilities (Monisu Certification): Daiichi Sankyo Happiness Co., Ltd.
- “Gold” at PRIDE Index 2021
- Award for Outstanding Offices for the Employment of Persons with Disabilities (Minister of Health, Labor and Welfare Award, JEED president’s Award)
- 2022 Certified Health and Productivity Management Organizations Recognition Program (Large Enterprise Category)—White 500
- Received a Minister of Health, Labor and Welfare Award (Special Encouragement Award) at the FY2021 Minister of Health, Labor and Welfare Awards for Companies that Promote Telework (the Kagayaku Telework Awards)



Initiatives Related to Health and Safety

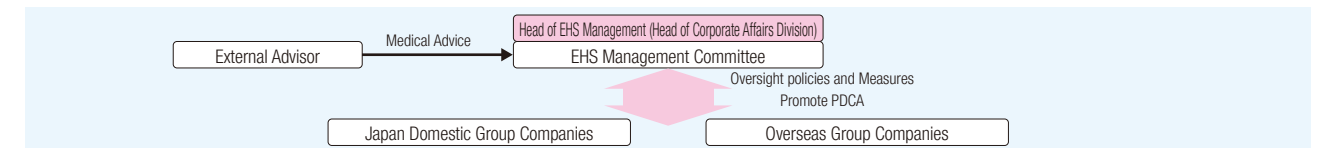
We promote a Health Promotion Plan in all sites of the Group companies globally with high-priority areas (lifestyle disease measures, mental health measures, and providing an environment that encourages employees to undergo medical checkups). In April 2021, we implemented Occupational Health and Safety Management System (OHSMS) based on ISO45001 as a safety measure. In FY2022, we held a contest for posters and slogans aimed at raising awareness of health and safety, and displayed the excellent works at all of our sites.

In Japan, we have established the position of Chief Health Officer (Japan Domestic) to oversee health management, and this position is handled by the CEO in order to promote measures to create an

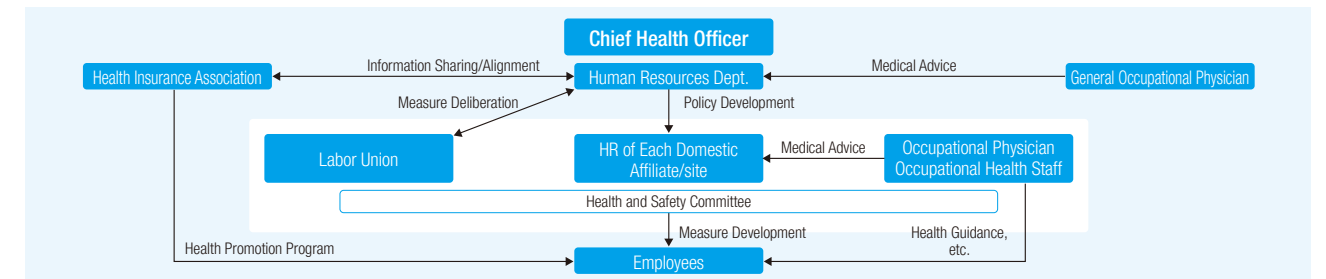
environment enabling our employees to stay healthy and safe at work. In FY2021, we established new evaluation metrics (see the figure below) and targets related to health maintenance and improvement with the aim of improving employee productivity, and we are promoting various measures, mainly in relation to our high-priority areas in Japan (improving lifestyle habits, cancer, motor function, and mental health). In FY2021, we also started providing an online health program tailored to diverse needs, with a total of almost 4,000 employees participating. In addition, we were selected for the White 500 of the 2022 Certified Health and Productivity Management Organizations Recognition Program (Large Enterprise Category).

Health and Productivity Management Promotion Structure

Global Structure



Japan Domestic Structure



Evaluation Metrics/Targets for Maintaining/Improving Health

Evaluation metrics	Benchmark (FY)	FY2021 results	Numerical targets			Comments
			FY2021	FY2022	FY2025	
① Absenteeism (Number of employees who took sick leave for 30 days or longer persons on personal sick leave for at least 30 days)	99 Persons (2019)	124 Persons	No settings*	No settings*	80 Persons	Down 20% from the standard value
② Percentage of loss from Presenteeism	18.3% (2020)	13.5%			14%	Down 20% from the standard value
③ Percentage of individuals with anomalous findings	Blood lipids	40.6% (2019)	No settings*	No settings*	30%	Improved to less than the general average in Japan (based on data provided by KENPOREN, National Federation of Health Insurance Societies, in 2019)
	Blood pressure	22.9% (2019)			16%	
	Hepatic function	21.3% (2019)			15%	
④ Incidence of accidental falls at work	24 Cases (2018)	19 Cases			12 Cases	50% lower than the standard value
⑤ Percentage of employees dealing with high-stress	4.0% (2020)	5.0%			3.0%	
⑥ Rate of participation in health events	8.1% (2020)	29%	15%	35%	40%	Number of participants in event/all employees
⑦ Ratio of conducting specific health guidance	39.6% (2019)	59.6%	50%	65%	70%	
⑧ Smoking rate	16.9% (2019)	12.6%	13%	11%	8%	0% in FY2030

*Medium-term targets. Targets are not set for a single year.

Support for Diverse Work Styles

We promote work style reforms in line with the situations of each unit and country. As an example, our R&D Unit has been promoting the global optimization of employee work-life balance in FY2021, by implementing measures such as No-Meeting Times globally. In Japan, under the DS Smart Work initiative, we are promoting the development of an environment enabling the selection of optimal work styles from three perspectives: diverse work style promotion, offices, and IT infrastructure. To promote diverse work styles, we have established flexible work systems, including a flex time system without core time, and diverse

leave schemes to contribute to work styles suitable for different business characteristics and lifestyles. In addition, we have gradually expanded our telework system ever since we first introduced the system in 2010, and all of our employees engaged in work for which telework is possible can now utilize the telework system without limitation on the number of days they can work. Our efforts in this regard have also been recognized, and, in FY2021, we won a Minister of Health, Labor and Welfare Award (Special Encouragement Award) at the Kagayaku Telework Awards organized by the Ministry of Health, Labor and Welfare.

Compliance

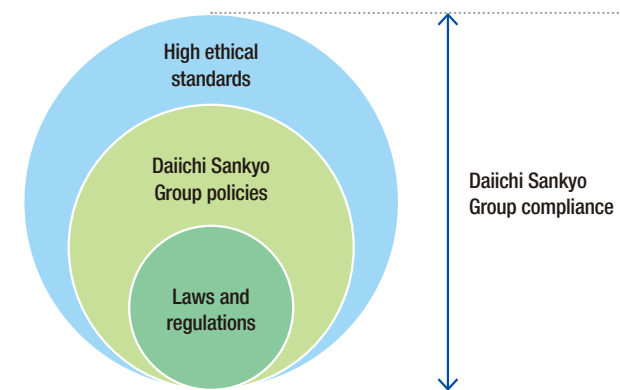
Compliance is indispensable to the sustainable growth of a company. The Daiichi Sankyo Group's approach to compliance management involves not only adhering to the applicable laws, regulations, and internal standards, but upholding high ethical standards and social norms becoming of a healthcare company when doing business.

Basic Approach

As a pharmaceutical company operating in the global marketplace, we consider compliance to be an all-encompassing factor that we must continue to address if we are to earn the trust of our diverse stakeholders. It also forms the basis of our decision making and value judgements in keeping with one of our core values—"Integrity". We do more than just abide by laws, regulations, and rules of business; we undertake activities with high ethical standards in consideration of not only our internal standards, but also social consciousness, mission, and our contributions to society.

To that end, we have established the Daiichi Sankyo Group Corporate Conduct Charter and the Daiichi Sankyo Group Employee Code of Conduct. Also, the Company and Group companies in Japan and overseas have formulated their own compliance code of practice as a detailed internal standards based on the spirit of the above-mentioned codes of conduct in order to meet the demands of society in their

respective regions. We ensure that all executives and employees have a thorough understanding of all these rules.



Compliance System

The development of a compliance system is stipulated in the Group's basic policy on establishing an internal control structure. In accordance with that policy, the head of the Corporate Affairs Division acts as the Compliance Officer to oversee the Group's compliance programs. Compliance officers are also appointed in each Group company in Japan and overseas as part of a Group-wide compliance system for promoting compliance practices in each company. We have also established a Corporate Ethics Committee partially comprising external

experts to deliberate and reach decisions on important issues, as well as a Global Compliance Advisory Committee chaired by the head of the Legal Affairs Department and comprised of compliance officers from Group companies in Europe and the United States as permanent committee members. This committee functions as an advisory board to the Corporate Ethics Committee and facilitates the global implementation of compliance practices.

Global Policy

In recent years, companies with global operations have been required to develop broad policies regarding the code of conduct for individuals in their respective organizations. We established the Daiichi Sankyo Group Employee Code of Conduct (the ECC) and regularly organize training programs in connection with the ECC in an effort to raise awareness about how every employee should conduct themselves. Personal information protection and the prevention of bribery and corruption are also topics of growing importance for companies that operate globally with tougher restrictions being enforced worldwide. In order to provide broader, uniform standards and further drive home an understanding of

these issues, we added new provisions to the ECC and also established the Daiichi Sankyo Group Privacy Policy and the Daiichi Sankyo Group Anti-Bribery & Anti-Corruption Policy. We will continually endeavor to abide by, and implement these policies.



Compliance Training and Awareness Activities

Ongoing compliance training, education, and awareness activities are indispensable to the promotion of compliance.

We are striving to further raise awareness of compliance among all employees by, for example, regularly sending out messages from the CEO to Group companies in Japan and overseas regarding the importance of compliance.

Every year Daiichi Sankyo and the Group companies in Japan conduct small group discussion training (interactive) using training

materials developed in-house. We also conduct compliance training annually for new employees and newly appointed managers in Japan. Furthermore, we periodically hold training by external specialists on a regular basis for the Company's executives, the presidents of domestic Group companies, and compliance officers. Training is also offered at our overseas Group companies with the use of case studies, e-learning or other methods, as appropriate to each region.

Ethical Marketing

In addition to establishing a code for the Company and our Group companies that complies with the industry code of each country and territory in which we operate based on the International Federation of Pharmaceutical Manufacturers & Associations Code of Practice (IFPMA Code), we have also established the Daiichi Sankyo Group Global Marketing Code of Conduct as a global policy with the aim of maintaining a high level of standard when interacting with healthcare professionals, medical institutions, and patient organizations, and also when promoting pharmaceutical products. In this policy, we have

clearly stated that our focus must rest on providing information about pharmaceuticals to healthcare professionals, providing scientific and educational information, and supporting medical research and education. The policy also prohibits the provision of entertainment, cash, and other personal gifts and stipulates stricter contractual terms and conditions in cases where we pay remuneration to healthcare professionals, as well as the appropriateness of that remuneration. In this way, we undertake appropriate marketing practices in accordance with the IFPMA Code.

Compliance Awareness Survey

Every three years at Daiichi Sankyo and domestic Group companies, executives and employees are asked to participate in a compliance awareness survey. In FY2020, around 9,500 people were surveyed, and we gained an idea of our strengths and issues to address going forward by analyzing how well employees understand the Group's mission and compliance policies, compliance implementation, and the state of our internal systems. Also, in FY2021 we started conducting, on

a Group-wide basis, a corporate culture awareness survey. The results of that survey are being managed as a KPI and will also be leveraged in measures aimed at fostering a culture that will lead to the building of a platform for compliance management. Up ahead, we intend to conduct the compliance awareness survey more regularly and make use of the results to promote compliance throughout the Group.

Introduction of Global Hotline and use of Whistleblowing System

The Group launched a global hotline that allows employees and people from outside of the Group to report compliance reporting and consultation anonymously. The reports received via the hotline are then dealt with appropriately at each Group company. We are also making it easier for employees at Daiichi Sankyo or domestic Group companies to submit reports about, or discuss, compliance matters by establishing and operating dedicated phone lines and e-mail addresses at each Group company along with harassment reporting and consultation service within the Company's Human Resources Department and each worksite. In accordance with the revision of the Whistleblower Protection

Act in Japan, which took effect on June 1, 2022, the Company and the Group companies in Japan are also currently revising our policies for handling whistleblowing and related matters in a timely manner. We also maintain a procedure that enables employees to report, or discuss, misconduct by an executive of an overseas Group company.

In order to foster an open workplace environment, we will continue to communicate not only the significance and importance of the reporting system but also the confidentiality, to the extent possible, of reporters and individuals seeking consultation to ensure its effective operation.

*Compliance Data for FY2021 (Global consolidated)

•Number of allegations received (excluding through our compliance monitoring processes): 157

•Measures: On the basis of the reports received, we conducted appropriate investigations for cases determined to require investigation. In case allegations have been found to be substantiated, we took appropriate measures, including disciplinary actions against any infringer.

Note: The results included in this information for FY2021 were calculated by each Group company based on the individual criteria; as such, the calculation of the number of allegations may be impacted by regional differences in laws, employment practices, and local policies and procedures.

VOICE



Kana Shimazu
Ethics & Compliance Group, Legal Affairs Department

Promoting Compliance on a Global Scale

The Ethics & Compliance Group of the Legal Affairs Department, to which I belong, plays a central role in the compliance promotion activities of the entire Group. In the promotion activities, it is necessary to develop and educate employees on various measures and rules, and to detect compliance risks at an early stage, etc. We believe it is important to foster an open workplace culture as a foundation for such activities. In an employee survey on corporate culture conducted in FY2021, we received 84% positive responses, and we hope to make the workplace culture more favorable for our employees. All of the domestic and overseas compliance members I spoke with shared the same view, and we have set a FY2022's common goal for the Group to once again address the importance of fostering an open workplace culture. In order to establish a workplace culture where each and every employee can feel comfortable expressing his or her opinions and ideas by listening to others, we will implement a variety of measures, respecting the local culture of each region, together with our colleagues in Japan and overseas who are promoting compliance.