

Materiality on Business

Daiichi Sankyo continues to create innovative pharmaceuticals, including new indications for Enhertu® and Datroway®.
We steadily deliver value to patients worldwide through the provision of high-quality medical information, a stable supply of pharmaceuticals, and improved healthcare access.

Creating Innovative Pharmaceuticals

FY2025 KPI Targets

- 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)^{*1}

FY2025 Results

- ① 10 Indications launched (as new indications during the mid term plan period)
Reference: FY 2025 Approval Updates
Enhertu®
 - Approval for HER2 Low or HER2 Ultralow BC*, chemo naïve (JP: Aug. 2025)
 - Approval for First-Line Treatment of HER2 Positive BC (US: Dec. 2025)
 - Approval for Neoadjuvant Treatment of HER2 Positive BC (CN: Mar. 2026)**Datroway®**
 - Approval for EGFR mutated NSCLC (US: Jun. 2025)
- ②
 - I-DXd: Granted Breakthrough Therapy Designation for Extensive-Stage SCLC (US: Aug. 2025)
 - R-DXd: Granted Breakthrough Therapy Designation for Platinum-Resistant Ovarian Cancer and others (US: Sep. 2025)
 - DS-3939: Phase 1/2 trial data presented in Advanced Solid Tumors (Oct. 2025)
- ③
 - DS3610 (STING agonist ADC) : Phase 1 trial initiated (Nov. 2025)
 - DS9051 (TPD molecule) : Phase 1 trial initiated (Nov. 2025)
- ④ FY2025 23 cases (Cumulative 51 from FY2023)

*BC: breast cancer, NSCLC: non-small cell lung cancer, SCLC: small cell lung cancer, TPD: targeted protein degradation

- ① **Economic value creation**
- ② **Social value creation**

- 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

FY2025 KPI Targets

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

FY2025 Results

- Expansion of supply capacity in response to demand forecast (Decision made to invest approx. 6 billion yen in FY2025 (cumulative total since FY2021, approx. 463 billion yen))^{*2}

- ① **Economic value creation**
- ② **Social value creation**

- 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

*1 Addition of KPI target in FY2023

*2 Recalculate the total investment amount up to 2023

Materiality on Business

Daiichi Sankyo continues to create innovative pharmaceuticals, including new indications for Enhertu® and Datroway®.
We steadily deliver value to patients worldwide through the provision of high-quality medical information, a stable supply of pharmaceuticals, and improved healthcare access.

Providing the Highest Quality Medical Information

FY2025 KPI Targets

Improvement of evaluation scores from stakeholders including healthcare professionals

FY2025 Results

Japan Business Unit MR: 1st in overall physician evaluation,
Product Information Center: 2nd in pharmacist evaluation^{*3}

- ① Economic value creation
- ② Social value creation

- 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

FY2025 KPI Targets

- 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 to contribute to mitigating new risks through cooperation with the regulatory authorities and other companies, Progress in development of DS-5670 as planned

FY2025 Results

- ① Enhertu launched: Cumulative 99 countries and regions (FY2025: 30 countries and regions),
Number of patients treated: Appx. 155,000 patients^{*4}
- ② DAICHIRONA®
Achieved KPI targets by the end of FY2024
<Reference Information>
 - Launched Omicron JN.1-adapted mRNA vaccine (JP: Sep. 2024)
 - Supplied 1.4 Mil. doses of Omicron XBB.1.5-adapted monovalent vaccine (JP: Dec. 2023)

- ① Economic value creation
- ② Social value creation

- 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

^{*3} MR: Aug. 2024, INTAGE Healthcare Inc., Product Information Center: Nov. 2024, transcossomos 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

We largely achieved our KPI targets across environmental management, compliance, corporate governance, and human capital, strengthening our business foundation. We recognize remaining challenges in certain areas and are committed to continuous improvement.

Promoting Environmental Management

FY2025 KPI Targets

- ① Reduction of CO₂ emissions (Scope1 + Scope2)*5 by 42% from FY2015
- ② • Reduction of CO₂ emissions intensity based on sales (Scope3, Cat1)*5 by 15% from FY2020
 - At least 70% of business partners (as procurement amount) set targets at the SBT level (1.5°C target)*1
- 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

FY2025 Results

- ① 48.5% reduction from FY2015 (104,509 t-CO₂*6)
- ② 13.7% reduction from FY2020 (166.4 t-CO₂/100 million yen)
Business partners with 1.5°C level targets: 58.5%
- ③ 79.7%*6
- ④ 79.6%*6
- ⑤ 32.8% reduction from FY2020 (3,769t*6)

① Economic value creation ② Social value creation

- 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

FY2025 KPI Targets

- ① Number of significant compliance violations*7: 0
- ② Number of Notable Industry Code Violations (NICV)*8: 0
- ③ Improvement of periodic employee survey scores on ethical culture following baseline
- ④ Implementation Rate of Daiichi Sankyo Group Employee Code of Conduct Training (Number of Companies)*9: 90%
- 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*10 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

FY2025 Results

- ① 0
- ② 2
- ③ Positive response rate of 93% (+9pt from FY2021)
- ④ 90%+
- ⑤ 53%
- ⑥ Conducted 2 external training sessions on environmental and health management through FY2025
- ⑦ No violations of ILO Core Labour Standards
- ⑧ Disclosed results of risk reduction initiatives on the corporate website and related disclosure materials

① Economic value creation ② Social value creation

- 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

*1 Addition of KPI target in FY2023

*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 Subject 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 Addition of KPI target in FY2025, Execution Rate Based on the Number of Group Companies Compared to the Plan

*10 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

Materiality on Business Foundations

We largely achieved our KPI targets across environmental management, compliance, corporate governance, and human capital, strengthening our business foundation. We recognize remaining challenges in certain areas and are committed to continuous improvement.

Corporate Governance Aimed at Fulfilling Our Mission

FY2025 KPI Targets

- ① Complying 100% with all the principles of the revised Corporate Governance Code in Japan
- ② Evaluating the Board of Directors and implementing measures for improvement (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

FY2025 Results

- ① Confirmed 100% compliance with the revised Corporate Governance Code
- ② • Implemented priority measures for FY2025 based on the FY2024 Board of Directors evaluation
 - Conducted the FY2025 Board of Directors Self-evaluation
 - Strengthened board diversity with appointment of 2 new internal Directors and 2 new Outside Directors.
- ③ • Conducted risk-focused interviews, including the key focus areas for FY2025.
 - Conducted Audit & Supervisory Board self-evaluation of the effectiveness for the FY2025.
- ④ • Enhanced the disclosure of corporate governance information in various media
 - Held Sustainability Meeting in Nov. 2025, with two Outside Directors presenting

- ① Economic value creation
- ② Social value creation

- 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

FY2025 KPI Targets

- ① Percentage of female in senior managerial employees^{*11} 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

FY2025 Results

- ① 26.9% (+2.7pt YoY)
- ② Positive response rate of 77% (FY2021: 75%, +2.6% increase)
- ③ Positive response rate of 78% (FY2021: 68%, +14.7% increase)
- ④ ¥226,536 (+¥19,106 YoY)

- ① Economic value creation
- ② Social value creation

- ① Enhance corporate value through developing talents to carry out business activities
- ② Diversity of human resources, respect for human rights, talent development

^{*11} 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.

<Item>

Creating Innovative Pharmaceuticals

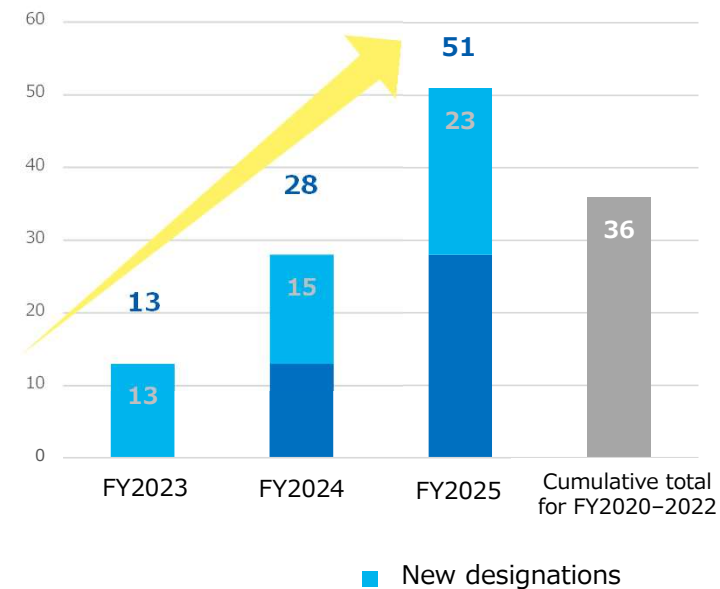
FY2025 KPI Targets :

Number of designations to the priority review system

Comparison of the cumulative total for FY2023–2025 with that for FY2020–2022

Results

(case)



FY2025

23 case

Cumulative total from FY2023

51 case

<Item>

Providing a Stable Supply of Top-Quality Pharmaceutical Products

KPI Target Values through FY2025 :

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

Results

Expansion of supply capacity

Expansion of supply capacity in response to demand forecast
Decision made to invest approx. **463 billion yen** cumulatively since FY2021



<Item>

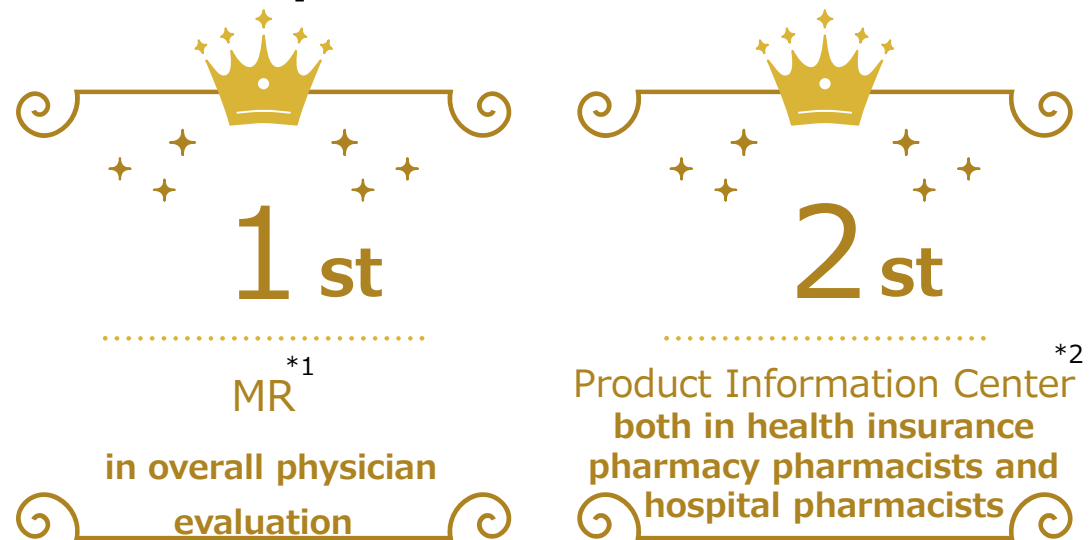
Providing the Highest Quality Medical Information

KPI Target Values through FY2025 :

Improvement of evaluation scores from stakeholders including healthcare professionals

Results

Japan Business Unit



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

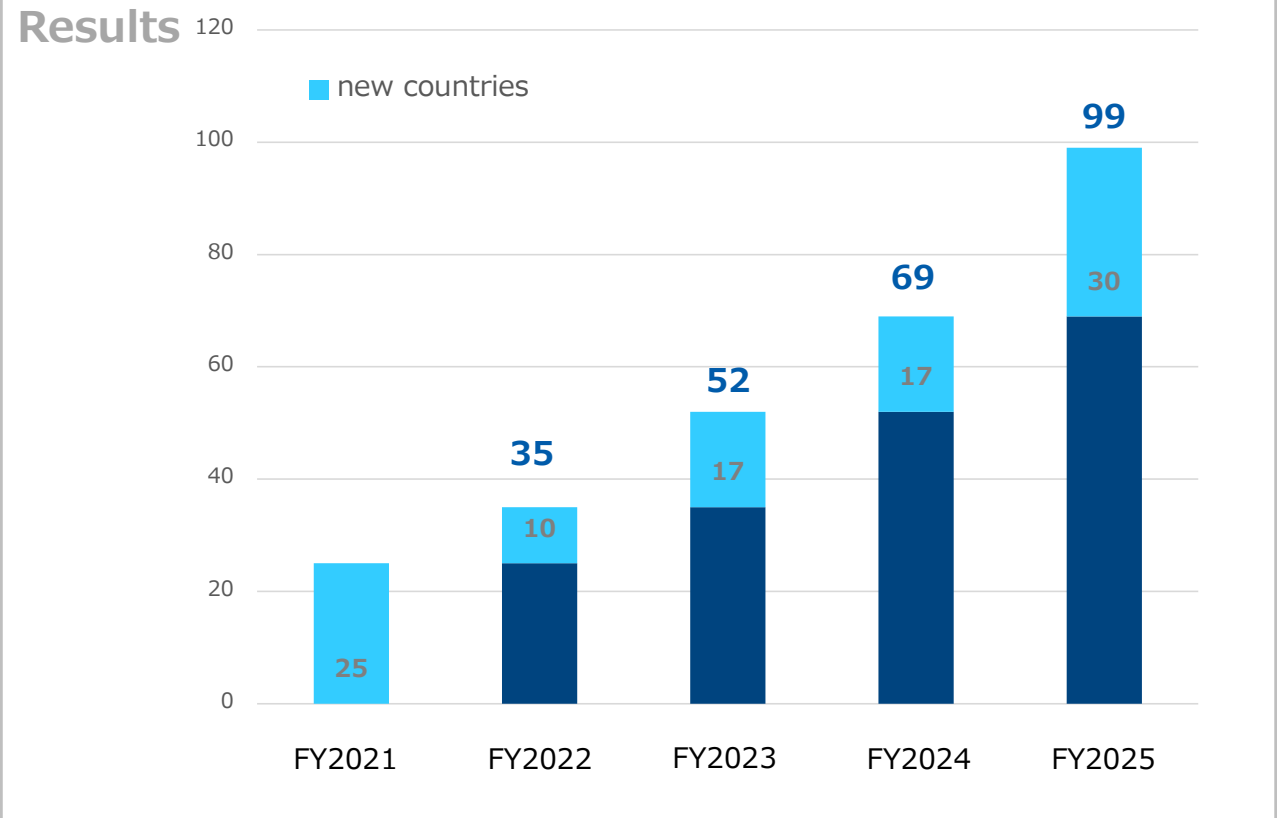
<Item>

Improving Access to Healthcare

FY2025 KPI Targets :

Increase the number of launched countries

Enhertu launched



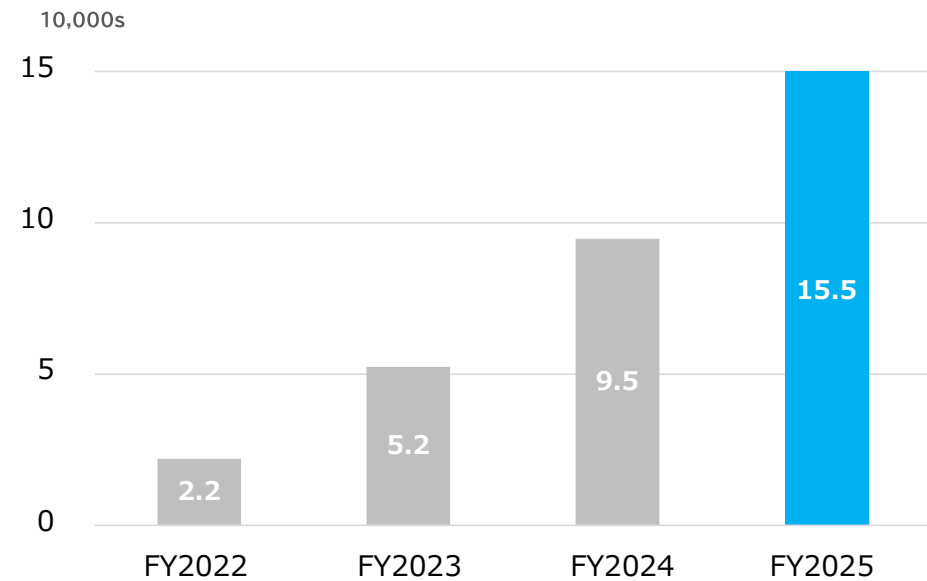
<Item>

Improving Access to Healthcare

FY2025 KPI Targets :

Estimated number of patients treated by Enhertu (10,000s)

Results



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

<Item>

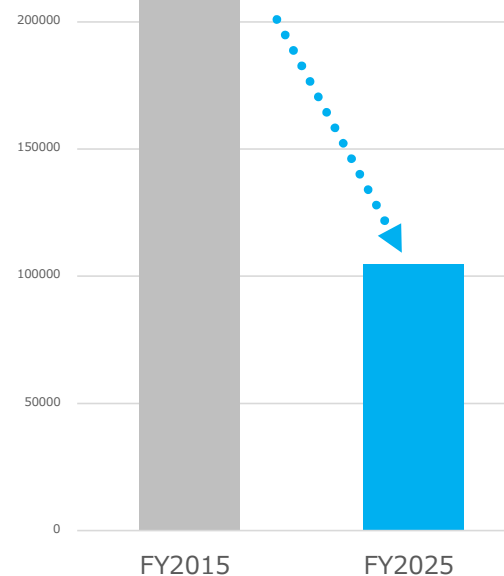
Promoting Environmental Management

KPI Target Values through FY2025 :

**Reduction of CO₂ emissions
(Scope1 + Scope2)*₁ by 42%
from FY2015**

Results

(t)



**48.5%
Reduction**

vs. FY2015
(104,509t-CO₂ *₂)



*₂ Subject to the third-party assurance

*₁ 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

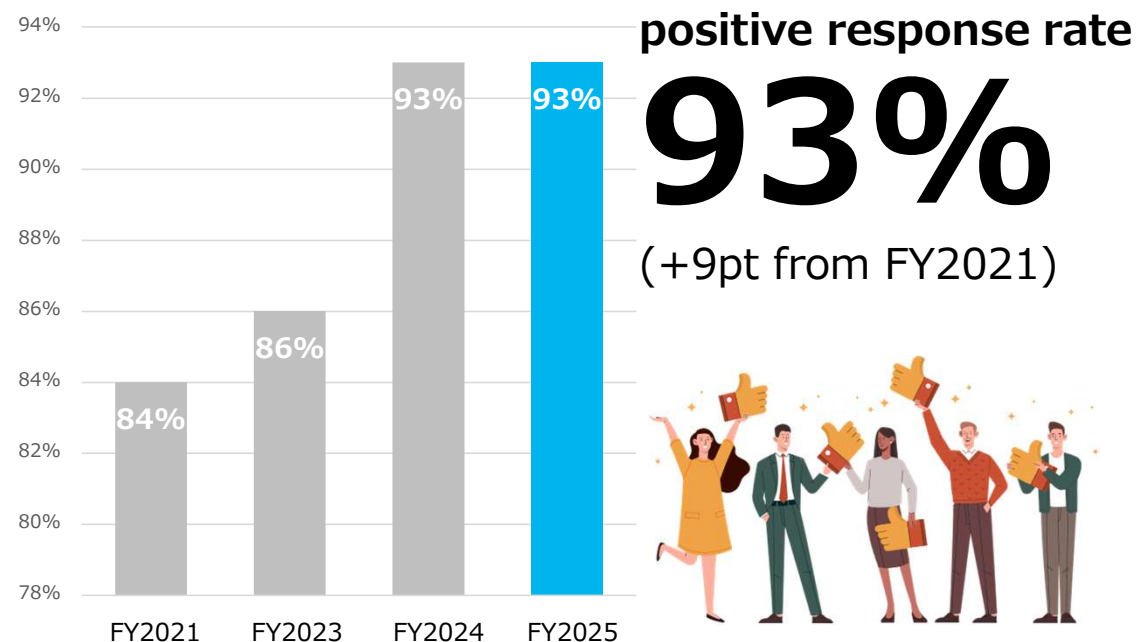
<Item>

Promoting Compliance Management

KPI Target Values through FY2025 :

Improvement of periodic employee survey scores on ethical culture following baseline

Results



Materiality on Business Foundations KPIs and Results

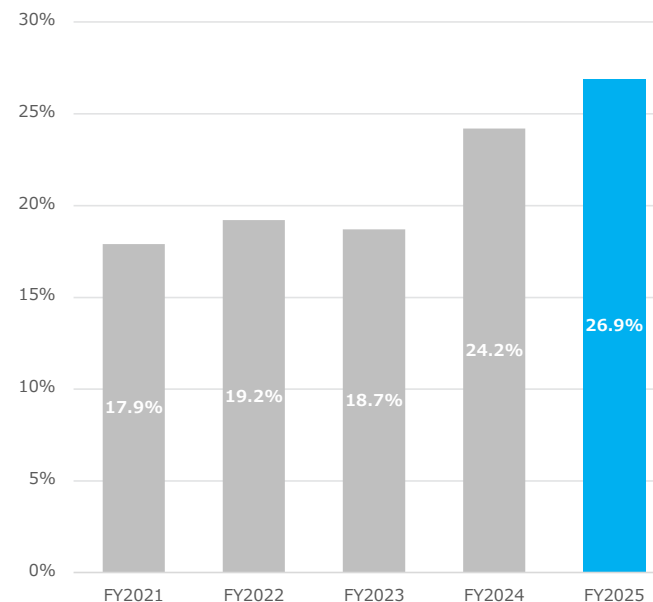
<Item>

Promoting the Success and Development of a Diverse Range of People Who Create Our Competitive Advantages

KPI Target Values through FY2025 :

Percentage of female in senior managerial employees* to **30%**

Results



26.9%
(+2.7pt YoY)



* 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.

Materiality on Business Foundations KPIs and Results

<Item>

Promoting the Success and Development of a Diverse Range of People Who Create Our Competitive Advantages

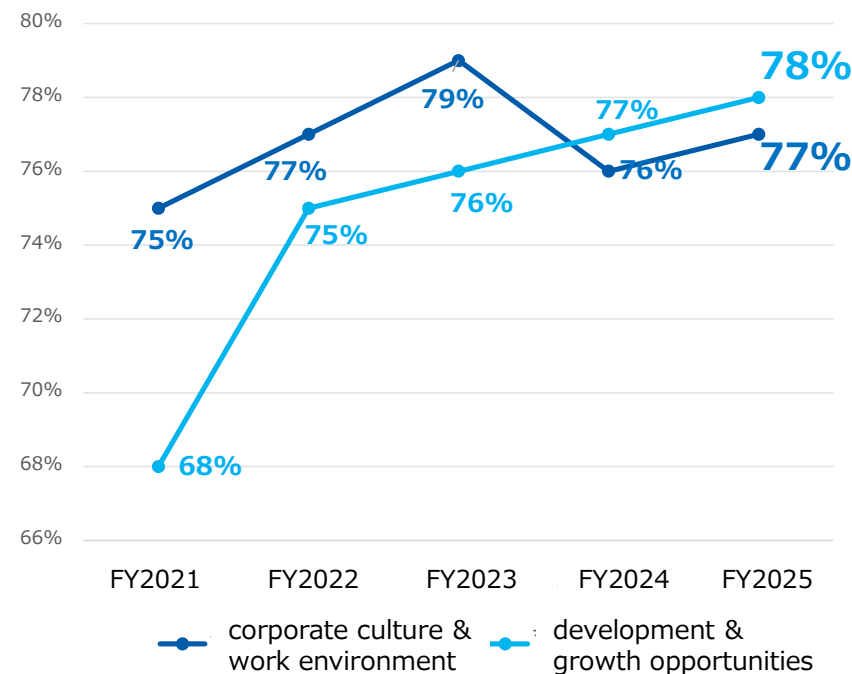
KPI 01 Target Values through FY2025 :

Positive response rate (%) on corporate culture & work environment through engagement survey to **80% or more**, or **10% or more increase compared to FY2021**

KPI 02 Target Values through FY2025 :

Positive response rate (%) on development & growth opportunities through engagement survey to **80% or more**, or **10% or more increase compared to FY2021**

Results



KPI 01:
Not Met

KPI 02:
+14%
vs. FY2021