

Stakeholder Engagement

The Daiichi Sankyo 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, the Group specifies "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 Approach to Engagement

Society is undergoing rapid changes, ranging from economic and geopolitical shifts to demographic shifts and changes in the global environment. It is essential for sustainable corporate activities to grasp the diverse demands of an ever-changing society, including addressing unmet medical needs, and to reflect stakeholder expectations and needs, as well as opinions based on diverse values, in our corporate activities.

We aim to be a company that earns the trust of society by actively engaging in dialogue with our stakeholders,

recognizing the demands and expectations placed on us by society, and responding to them through our business activities, as well as by promoting activities that help people understand our initiatives and approach. Moreover, we will work together with our stakeholders to create a sustainable society.

In our current 5-year business plan, one of our strategies is "creating shared value with stakeholders." This means working together with patients, shareholders and investors, society, and employees to create shared value.

Daiichi Sankyo Group Stakeholders



To achieve sustainable growth in society and to create corporate value over the mid-to-long-term, we must build and maintain healthy and productive relationships with stakeholders who are significantly affected by the activities, decisions, and businesses of the Group. In order 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 will not only comply with the laws and regulations of each country and region, but will also respect varying international norms, diverse cultures, and customs, and engage in constructive dialogue.

Overview of Engagement					
Stakeholder	Purpose of Engagement	Engagement Method (frequency)		FY2022 Engagement Activities	Stakeholder Opinions and Ways of Utilization
Patients and their Families	Understand the daily lives, needs, and hopes of patients and their families, through analyzing feedback and quality of life data from patients and healthcare professionals. Aim to improve the quality of life of patients and help them have an enjoyable life with their families with smiles on their faces by incorporating the results of this analysis into our initiatives.	<ul style="list-style-type: none"> Engage in dialogue with patients, families and healthcare professionals through COMPASS^{*1} activities (2-3 times/year) ▶ For details, please refer to P38 		Held the "Healthcare Café meets Cancer Notes" event as part of the Healthcare Café project as a collaboration with Takeda, Daiichi Sankyo, Kyowa Kirin, and Santen.	Foster patient centric mindset of Daiichi Sankyo Group members to help inform drug discovery by learning about the real needs of patients and their families, including improving quality of life.
		<ul style="list-style-type: none"> Collect patients' feedback through PFDD^{*2} and incorporate it into drug development-related materials (as appropriate) ▶ For details, please refer to P38 		Established a framework for collecting patient feedback and conducted reviews of clinical trial protocols/ explanatory and consent documents provided to patients as part of a domestic initiative.	Discussed and considered establishing clinical trial designs and conducting clinical trials from the patient's perspective, such as reducing the burden on patients when participating in clinical trials and improving the effectiveness of clinical trials, based on the opinions of patients and healthcare professionals who are working closely with patients.
Healthcare Professionals	Enhance therapeutic options and transform the standard of care by creating innovative pharmaceuticals and providing useful information to healthcare professionals to improve treatment satisfaction levels and understand the needs of healthcare professionals.	<ul style="list-style-type: none"> Engage in medical representative activities through interviews with healthcare professionals (as appropriate) Engage in Medical Affairs activities aimed at generating and disseminating new evidence (as appropriate) 		Provided information to understand and fulfill customer needs through medical representative activities and supported medical collaboration by area through lectures which was mainly held online. In addition, made contributions to healthcare by generating new data through medical affairs activities.	Understood that the issues and needs of areas and customers are diversifying along with environmental changes, and that these changes were accelerated by the COVID-19 pandemic. Contributed to local healthcare by providing information on the proper use of products, information related to medical coordination, etc., by leveraging digital technologies in our information provision activities.
Shareholders and Investors	Further enhance mutual understanding and growth by providing disclosures based on the principles of transparency, fairness and continuity, including actively sharing mid-to-long-term strategies, initiatives for sustainable growth, and other management information that will help shareholders and investors understand the Company, while reflecting their opinions in corporate management through constructive dialogue from a mid- to-long-term perspective.	<ul style="list-style-type: none"> Engaged in dialogue between the Management, IR Department and shareholders and investors through disclosure of information on management strategy, R&D, ESG, etc. (as appropriate) 		Held IR briefings led by senior management and R&D seniors on R&D data presented at major international conferences and exchanged opinions with shareholders and investors on the details and significance of the data.	Disclosed the latest oncology sales forecast and 3ADC launch plan in the FY2022 financial results, in response to comments that it would be appropriate to revise the forecast disclosed in the current 5-year business plan, in light of favorable trial results and acceleration of trials to expand indications.
Business Partners	Grow together and enhance mutual value over the long term as trusted business partners by seeking their understanding of the Group's approach to sustainability based on the Business Partner Code of Conduct (BPC) and promoting initiatives to create a sustainable society that takes human rights and the environment into consideration.	<ul style="list-style-type: none"> Engage in dialogue with business partners through the sustainable procurement survey and interviews based on the survey results (once every 3 years) ▶ For details, please refer to P39 		Conducted interviews with 20 suppliers selected based on the survey results. Held a mutual exchange of opinions with one company to promote sustainable procurement initiatives.	Based on the opinion that some business partners were highly interested in sustainability but did not know how to tackle it as a company, we created external training/education materials to support them. Planning to conduct training in FY2023.
Employees	Create an environment in which employees are highly engaged, grow as individuals, and thrive by respecting the diversity of each employee and promoting and developing human resources in each area of the value chain. Promote the mutual sustainable growth of our employees and the Company.	<ul style="list-style-type: none"> Foster corporate culture with all global employees (as appropriate) ▶ For details, please refer to P26, 40 Conduct consultation meetings and debriefing sessions with labor unions (multiple times a year) 		Established opportunities for discussions between labor and management with labor unions of Group companies in Japan regarding working conditions throughout the entire Group, as well as periodic exchanges of information and opinions on management or union activities.	The need for an hourly paid leave system that is not limited to nursing and caregiving situations (promoting diverse work styles, improving productivity, as well as improving productivity and ensuring rest and health between early morning and late night global meetings and normal work, etc.) was confirmed through the exchange of opinions with the labor union, and the hourly paid leave system was introduced in October 2022.
Local Communities	Enrich the quality of life around the world by collecting information on local needs, including local diseases and healthcare delivery systems, and using this information to provide the necessary human resource development and medical services in each region to advance and strengthen the healthcare infrastructure.	<ul style="list-style-type: none"> Conduct surveys of local government, local medical institutions, local residents, etc. through NGOs (as appropriate) 		Conducted a survey in Kenya for NGOs and government agencies to understand medical issues and needs. Also conducted interviews with local government, medical institutions, and local residents.	Discovered that cervical cancer screening, diagnosis, and treatment systems were not in place in the Kenya, and that local residents did not understand the necessity of screening due to lack of knowledge. With the aim of improving the screening rate and early detection of cancer, we made plans for educational activities, cancer screening, and treatment, which will be implemented in FY2023.
Natural Environment	Accurately grasp environmental conditions and social needs, reduce the environmental impact of our activities throughout the value chain, including by conserving resources and recycling resources, and reduce mutual risks between our business and the natural environment.	<ul style="list-style-type: none"> Engage in dialogue with civic groups and local communities (as appropriate) 		Engaged in dialogue with civic groups and local communities to contribute to local communities and their future as a good corporate citizen.	Invested in a wind farm in Germany's Pfaffenhofen region in cooperation with civic groups and local communities to contribute to the future supply of local green energy.
		<ul style="list-style-type: none"> Hold meetings with industry associations (4-5 times/year) 		Participated as vice-chairman of a study group on environmental issues in the Japan Pharmaceutical Manufacturers Association to address environmental issues in the pharmaceutical industry. Contributed to the establishment of working groups related to carbon neutrality and creating a recycling-oriented society, as well as to activities to raise awareness and disseminate information.	In response to the need for public-private partnerships to address environmental changes surrounding Japan and structural issues in the country, we promoted environment-related activities undertaken by pharmaceutical companies as an industry group and actively disseminated information in order to implement Green Transformation (GX), one of the priority investment areas outlined in the "Basic Policies for Economic and Fiscal Management and Reform 2022."
Governments, Administration, Regulatory Authorities, Payers (Insurer)	Contribute to ensure and expand access to drugs for patients around the world by building appropriate relationships of trust with national governments, administrations, regulatory authorities, and payers (insurer), and by ensuring appropriate evaluation of drug innovations, which will lead to a sustainable R&D investment cycle for creating innovative pharmaceuticals to address unmet medical needs.	<ul style="list-style-type: none"> Engage in advocacy, dialogue, and problem solving through industry associations (as appropriate) 		Took the lead in the industry in studying and implementing measures to strengthen the supply capacity of member companies (e.g., unifying terminology, ensuring thorough self-inspection) in order to restore a stable supply of drugs. Clarified the supply status of drugs in cooperation with the government in order to alleviate concerns of medical institutions.	Translated the opinions (review of industry structure, issues under the NHI drug price standard system, strengthening the supply chain, etc.) expressed at the "Expert Panel on Comprehensive Measures to Achieve a Rapid and Stable Supply of Pharmaceuticals" established by the MHLW (the Ministry of Health, Labour and Welfare) to study industry issues such as supply instability in Japan into concrete terms at a government conference body.

*1 Activities aimed at realizing "life with smile" for people around the world by providing opportunities for all Group members to understand the lives and needs of patients and to think about what we can do to help, based on the Group's slogan, "Compassion for Patients".
 *2 Acronym for Patient-Focused Drug Development, an initiative to reflect the voices of patients in drug development.