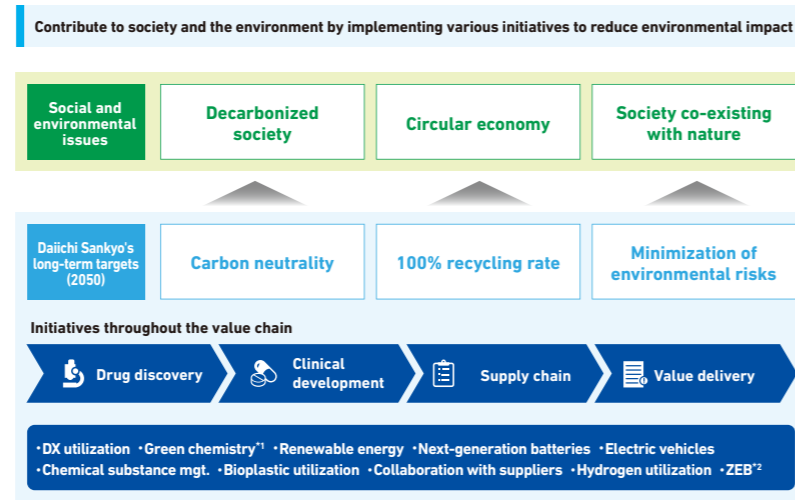


Environment

The Daiichi Sankyo Group promotes environmental management based on the understanding that environmental issues, such as global warming and extreme weather events, pose a threat to the development of a sustainable society and human health, while also being a risk factor that could affect our long-term business foundation, such as jeopardizing our ability to provide a stable supply of pharmaceuticals.

Promoting Environmental Management

We conduct business activities that contribute to the enrichment of quality of life by providing pharmaceutical products. However, we also understand that our activities can be a burden to the environment, and even cause environmental issues. What underlies our promotion of environmental management based on our Purpose is the belief that our 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 sustainable society by proactively implementing various initiatives to reduce environmental impact from R&D to sales all across the value chain.



*1 Manufacturing processes in consideration of the sustainability of the global environment, including prevention of environmental pollution, and reduction of raw material and energy consumption
*2 Net Zero Energy Building

Progress on Key Materiality KPIs

We have set materiality targets for reduction of CO₂ emissions, renewable electricity utilization rate, waste plastic recycling rate, and disposal of hazardous waste. Daiichi Sankyo's CO₂ emission reduction targets set in 2020 were certified as a "well-below 2°C target" by the Science Based Target Initiative (SBTi)*3. However, with the growing social demand for carbon neutrality, we revised the target to a more ambitious one in June 2022. Specifically, we established targets to reduce CO₂ emissions by 42% in FY2025 and 63% in FY2030 compared to FY2015 emissions, leading to our CO₂ emission reduction target being certified as a "1.5°C target" by the SBTi in June 2023.

To achieve these targets, we switched the electricity used at our head office building and all of our plants and research centers in Japan to electricity from renewable energy sources in FY2022. As a result, we achieved a 49.6% reduction in global CO₂ emissions (Scope 1 + Scope 2) against our FY2025 target of a 42% reduction from FY2015. In addition, our renewable electricity utilization rate was 78.1% against our target of at least 60% in FY2025. For FY2030, we aim to achieve a renewable electricity utilization rate of 100% as set forth in RE100*4 as soon as possible. Furthermore, to enhance the sustainability of the entire supply chain, we established a target of having at least 70% of our business partners set a 1.5°C level target by 2025, and in FY2022 we joined the CDP Supply Chain Program of CDP, an international environmental non-profit organization. Through this program,

we will promote initiatives to reduce CO₂ emissions with our business partners.

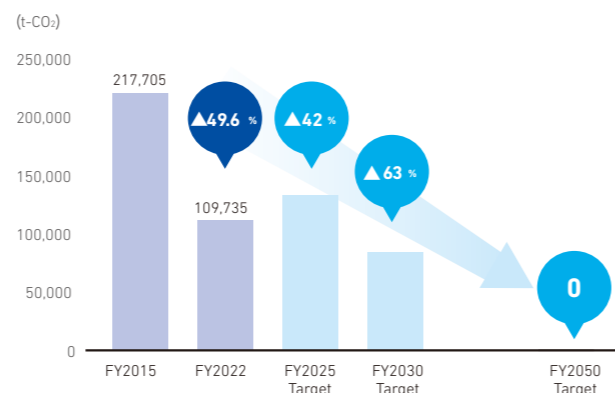
In order to reach our FY2030 targets and achieve carbon neutrality by 2050, we will continue to further promote the use of renewable energy for electricity and improving the efficiency of energy-consuming equipment such as boilers and air conditioners

*3 Abbreviation for Science Based Targets initiative, an international initiative that calls on companies to set greenhouse gas emission reduction targets consistent with the levels required by the Paris Agreement.

*4 A global initiative to promote 100% renewable energy, operated by The Climate Group, an international environmental NGO, and CDP that urges companies to disclose their climate change measures.

► For more information on Materiality, please refer to P29

FY2025 and FY2030 Target toward Carbon Neutrality



Contributing to the Realization of a Decarbonized Society

We have set three long-term targets for 2050 to achieve a sustainable society: "carbon neutrality" to achieve decarbonized society, "100% recycling rate" to achieve a circular economy, and "minimization of environmental risks" to fulfill our duties as a society in harmony with nature, and are promoting environmental management throughout the value chain. As part of our efforts towards decarbonization, we completed construction of a new administration building at Daiichi Sankyo Chemical Pharma's Onahama Plant in March 2023, which became the first building in the Group to receive the Nearly ZEB*5 certification under the Building-Housing Energy-efficiency Labeling System (BELS)*6. We aim to achieve a 78% reduction in energy consumption by effectively combining solar power generation with high-efficiency air conditioning, hot water supply, and lighting equipment. The solar power generation is expected to generate approximately 100,000 kWh of electricity annually, resulting in an estimated reduction of approximately 54 tons of CO₂ emission per year.

Following the Onahama Plant in Japan and the

Pfaffenhofen Plant in Germany, a solar power generation facility has been in operation since January 2023 at the Shanghai Plant of Daiichi Sankyo Pharmaceutical (Shanghai) Co., Ltd., which has been operational since January 2023. The expected annual power generation of 540,000 kWh is enough to cover the electricity consumption of the office building on the Shanghai Plant site, thus contributing to the reduction of our impact on the global environment.

*5 Buildings with net energy consumption reduced by 75% or more that are nearly a Net Zero Energy Building (ZEB), where energy consumption equals energy generation.
*6 Building-Housing Energy-efficiency Labeling System



Onahama Plant Administration Building | Solar panels seen from the roof of the Shanghai plant

Selected as 'A List' Companies in CDP Climate Change 2022 for Three Consecutive Years

The Daiichi Sankyo Group has been recognized by CDP*7, an international environmental non-profit organization, for its leadership in transparency and performance in corporate sustainability related to climate change, receiving the highest rating of "A-List" for three consecutive years. In addition, we have been participating in the CDP Supply Chain Program since FY2023 to achieve the engagement targets set with our business partners as part of our Materiality KPI for environmental management. Through this program, we work to

reduce greenhouse gas emissions through our supply chain and promote decarbonization by engaging with our suppliers.

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



Initiatives for Biodiversity

In December 2022, the COP15 of the Convention on Biological Diversity was held in Montreal, Canada, where the 30by30 target aiming to conserve at least 30% of both land and ocean by 2030 was adopted.

In addition, companies are now expected to assess the impact of their business on biodiversity and promote information disclosure.

As the loss of nature leads to a resource risk to companies, while companies burden biodiversity and nature through their business activities, biodiversity conservation initiatives can be seen as a key management priority. In its Basic Environmental Management Policy and Medium-Term Environmental Management Policy, our Group clearly states that it will conduct its business activities with consideration in biodiversity and ecosystem services. Based on these policies, we have formulated the Basic Biodiversity Principles and Action Guidelines*8.

We believe that conserving biodiversity and sustainably using ecosystem services are important elements in carrying

out our business. To raise awareness and promote understanding of employees, we offered an e-learning program in June 2023. In addition, we are strengthening environmental conservation activities in cooperation with suppliers and private organizations, promoting the procurement of raw materials with low environmental impact, and implementing social contribution measures that help conserve biodiversity.

In 2022, we participated in the 30by30 Alliance for Biodiversity launched by the Ministry of the Environment together with volunteer companies, local governments, and organizations, and we will continue our initiatives to contribute to the conservation of biodiversity.

*8 Basic Biodiversity Principles and Action Guidelines

https://www.daiichisankyo.com/sustainability/the_environment/risks/



TCFD Disclosures

The Daiichi Sankyo Group has been disclosing information in line with the TCFD*9 disclosure framework, including governance and scenario analysis results, since 2020. We will further reinforce our governance and business strategy with respect to climate change by promoting information disclosure in response to the revisions that were made into the TCFD recommendations in October 2021.

*9 Task Force on Climate-related Financial Disclosures

● Governance

We established the EHS Management Committee in an effort to protect the environment and ensure the health and safety of employees and to operate and promote management in an integrated manner. The committee is chaired by the Chief Executive Officer of EHS Management and comprise the Heads and Presidents of relevant divisions, including Directors, and the Presidents of Group companies. It meets twice a year to discuss and report on policies, target setting, and activities related to global EHS management, and it reports on the content of its deliberations and reporting to the Board of Directors, which supervises the committee's activities. In FY2022, the committee discussed setting new Scope 3 targets, the use of renewable energy, and internal carbon pricing.

● Risk management

The EHS Management Committee plays an important role in determining the risks and opportunities presented by climate change to our business, assessing and managing the financial impact, and enhancing our resilience. We strive to identify and address risks that may require changing our business activities, such as those related to climate change and water. Any significant risk concerns are reported to the Board of Directors and integrated into our overall risk management. In addition, the committee discusses and decides on mid-term and short-term targets and implementation plans for our transition toward carbon neutrality over the long term.

▶ See P41 for risk management

● Strategy

As the impact of various environmental factors increases, we will need to realize a sustainable society if we are to continue our corporate activities. Particularly for pharmaceuticals, which are life-related products, disruption of the supply chain due to worsening weather-related disasters and a decline in the supply capacity of pharmaceuticals are major risks, both from business and social perspectives. Accordingly, we believe it is important to reduce the environmental impact of our business and promote decarbonization, while working together with our business partners to promote decarbonization throughout our supply chain to achieve carbon neutrality and reduce our physical impact.

● Scenario analysis

Our cross-departmental task team, which we formed in FY2021, considered risks and opportunities for our business beyond 2030. The team uses net-zero scenarios published by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) to identify both transition and physical risks and opportunities for the entire value chain, and the risks and opportunities identified were deliberated and evaluated by the EHS Management Committee in FY2022. Specifically, we identified risks and opportunities in terms of procurement, direct operations, and demand for goods and services, and we classified them into six categories. We selected the 1.5°C scenario, where decarbonization is achieved, and the 4°C scenario, where decarbonization is not achieved, as we determined that it is important to assume and prepare in advance for extreme cases with regard to both the physical and transition risks. We categorized the potential impact and resilience of our business with regard to each risk in terms of frequency of occurrence, business impact, and investor interest and conducted a comprehensive evaluation of the risks and opportunities through to 2030 and 2050.

● Results of scenario analysis

While we recognize that the direct impact of transition risks on our business activities will be limited, our supply chain may be impacted by future increases in costs such as carbon taxes and transition measures. As for physical risks, there are concerns that intensifying weather disasters may affect stable supply. Based on the results of this analysis, we will address transition risks by avoiding carbon taxes and other burdens to cut costs and create business opportunities through the effective use of renewable energy, introduction of decarbonization technology, and collaboration with business partners, in addition to our ongoing energy conservation measures. With regard to physical risks, we will strengthen our BCP, including flood countermeasures, implement preventive measures to enhance supply chain stability, ensure diversity, secure supportive and alternative measures to avoid damage to the Group, and aim to sustainably increase corporate value. The EHS Management Committee and the Board of Directors will manage the progress of important risk measures that were assessed and identified in the scenario analysis for the entire Group.

| | Environmental changes | Risks and Opportunities | Potential impact on the Group | Impact | Actions for ensuring the Group's resilience | Business risk |
|---|--|--|---|--|---|--------------------|
| 1.5°C scenario (World with advanced transition) | Tightening 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 JPY. | Minor | The financial impact is limited and will be further minimized by promoting 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 JPY per year. | Minor | Reduce costs by promoting our measures, as additional costs for renewable energy and energy-saving facilities are on a downward trend. | Minor/Opportunity |
| | | 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 | Our decarbonization efforts are appreciated by ESG investors, which will lead to enhanced corporate value, including a higher stock price. | Opportunity |
| 4°C scenario (World with increasing physical impacts) | Increased frequency and scale of weather-related disasters (such as heavy rains, 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 JPY). 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 conditions (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 and respiratory diseases, 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 |
| | Water shortages | Temporary suspension of operations at company sites | 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 JPY. | 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 JPY); Minor (between 0.1 to 5.0 billion JPY); Medium (between 5.0 to 10.0 billion JPY); Major (between 10.0 to 30.0 billion JPY).
* Business risks are comprehensively assessed based on the degree of impact and frequency of occurrence.
* 1.5°C scenario (IEA SDS (WEO2021), IEA NZE 2050), 4°C scenario (IPCC RCP8.5)

● Indicators and Targets

| | |
|---|---|
| CO ₂ emissions (Scope 1 + Scope 2) | 2025 target: 42% reduction compared to FY2015 2030 target: 63% reduction compared to FY2015 |
| CO ₂ emissions (Scope3, Cat.1) | 2025 target: 15% reduction in CO ₂ emissions intensity based on sales compared to FY2020 |
| Business partner engagement (Scope3, Cat.1) | 2025 target: Have more than 70% of business partners set targets based on the 1.5°C scenario |
| Renewable energy utilization rate | 2025 target: 60% or more 2030 target: 100% |

▶ For more information on FY2022 results, please refer to P31

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, environment, and economic development.

Business Partner Code of Conduct

In today’s world, companies are required to address global social issues across the entire value chain. Based on the belief that not only our Company, but our business partners too, play a very important role in this regard, we revised the Daiichi Sankyo Group Corporate Conduct Charter in April 2019 to clearly specify what we deemed to be “responsible procurement” and “encouragement for our business partners to take actions”. At the same time, we also established a new Business Partner Code of Conduct. This Code of Conduct clearly expresses the

commitment of the Daiichi Sankyo Group and the expectations we have of our business partners. It comprises of six items which are aligned with the principles of the non-profit organization PSCI*: 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.

* Pharmaceutical Supply Chain Initiative

Sustainable Procurement Survey

In order to gain an understanding of our business partners’ efforts on addressing social issues, we conduct a sustainable procurement survey towards our major business partners in Japan and overseas on a three-year cycle. The survey asks 57 questions across the aforementioned six sections. In the second survey (FY2020–2022), the survey was sent to 403 of our major business partners in Japan and overseas and as of the end of March 2023, we have received responses from

399 companies(99%). We have also engaged in face-to-face communication with 20 partners that were selected based on the results of the survey.

In preparation for the third survey in FY2023, we plan to look back on the last survey results and review the survey contents.

See here for more information about the result of the sustainable procurement survey

https://www.daiichisankyo.com/about_us/responsibility/ethics-compliance/procurement/

Establishing a Business Partner Management System

To avoid the risk of damage to our corporate value stemming from problems caused by our business partners, we conduct risk assessments on corruption, privacy and confidentiality, human rights, and environmental protection when engaging with a business partner for the first time, followed by a process of continuous risk monitoring thereafter. In Japan, we established the Business Partner Management Guideline in September 2021 and then the Daiichi Sankyo Group Business Partner Management Guidelines for our global operations in October 2022.

Since then, we have conducted business partner risk assessments globally through the use of an IT system. In addition, risk assessments in each risk area are conducted

based on the combination of (1) the attributes of business partners such as countries and industries, and (2) the results of questionnaire responses collected from the business partner. When a business partner alert is detected prior to or during transactions, we consider the impact of the risk on the Group’s business and social credibility and decide whether to do business with them. In addition, when an existing business partner is deemed to be high risk, we take appropriate mitigation measures based on the nature and degree of the identified risk. Through these measures, we will avoid/reduce the impact on our own business through thorough risk management and work together with our business partners to achieve a sustainable society.

Stable Procurement Initiatives

The world has come face to face with various risks of an unpredictable nature in recent years, namely large-scale natural disasters, pandemics, and international conflicts. Maintaining and stabilizing 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 information (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 are also committed to strengthening stable procurement by conducting our sustainable procurement survey on particularly important suppliers of raw materials from Tier 2 onwards who do not have a direct contractual relationship with the company.

Declaration of Partnership Building

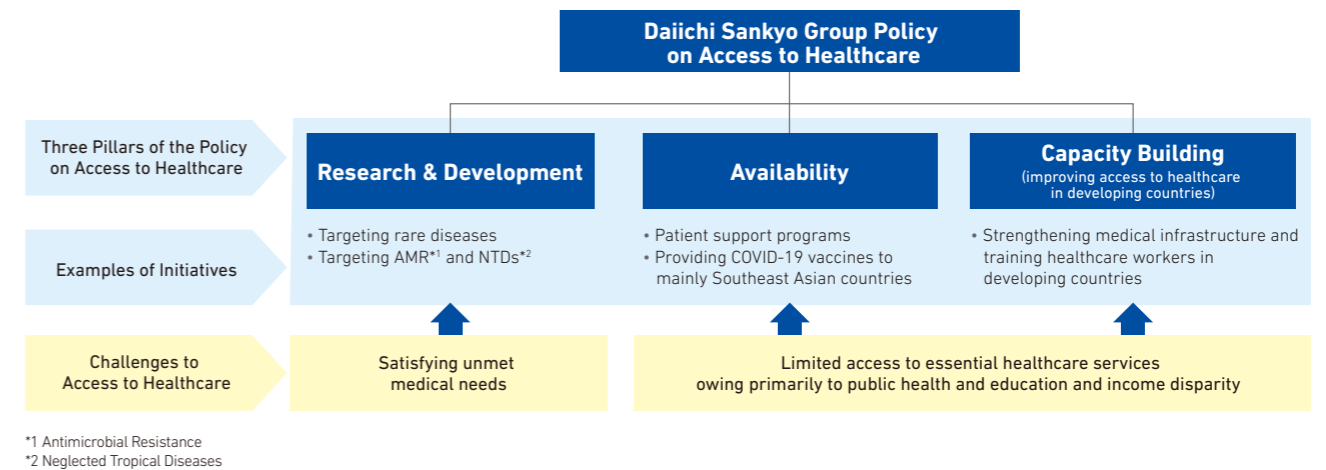
In endorsing the aims of the Council on Promoting Partnership Building for Cultivating the Future, a government-business initiative spearheaded mainly by the Cabinet Office and the Small and Medium Enterprise Agency, we signed on to the Declaration of Partnership Building framework on January 30, 2023. We are committed to mutually beneficial relationships across the

entire supply chain and new collaborations that transcend business scale and affiliation. With an emphasis on complying with the promotion criteria, the general standards for subcontractors and parent companies in Japan, we will put an effort into building new partnerships with businesses in the supply chain and other businesses that contribute to value creation.

Access to Healthcare

We have appointed a “Head of Access to Healthcare” based on the Daiichi Sankyo Group Policy on Access to Healthcare and are committed to contributing to the enrichment of quality of life around the world by undertaking activities in three key areas: Research & Development, Availability, and Capacity Building.

Daiichi Sankyo Group Policy on Access to Healthcare



Research & Development

● Targeting rare diseases

We are actively engaged in the development of pharmaceuticals for rare diseases. There is a strong demand in society for such drugs because of the small number of patients and a lack of effective treatment methods. *DS-4108*, a nucleic acid drug that utilizes our proprietary nucleic acid modification technology to target glycogen storage disease type Ia, is currently undergoing pre-clinical studies. Meanwhile, phase 2 clinical trials in Europe and the US have commenced for the TNAP*3 inhibitor *DS-1211*, which targets pseudoxanthoma elasticum*4. Also, *DS-2325* (KLK5 inhibitor), which targets Netherton syndrome*5, has been granted orphan drug and fast track designations by the FDA. Phase 1 clinical trials have commenced in the US.

Leveraging our strengths in Science & Technology, we will continue to embrace the challenge of creating innovative pharmaceuticals to treat rare diseases.

*3 Tissue-nonspecific alkaline phosphatase. A membrane-bound enzyme that degrades pyrophosphate

*4 Degeneration and calcification of elastic fibers leading to tissue dysfunction; an autosomal recessive hereditary disorder that presents with various symptoms in the skin, eyes, cardiovascular system, and gastrointestinal tract

*5 One type of ichthyosis syndrome characterized by congenital ichthyosis complicated with abnormal hair and atopic disorders

● AMR initiatives

Bacterial AMR*6 has become a major issue for global public health and the increasing prevalence of these bacteria, against which antibacterial drugs are ineffective, is fueling concerns about elevated infection risks and the impact this might have on surgical procedures and anti-cancer drug treatment. A recent research article*7 reported that the estimated number of deaths globally in 2019 attributable to AMR

was 1.27 million and that the situation remains a so-called “silent pandemic” despite the efforts of governments worldwide to implement action plans. To contribute to the advancement of R&D into new antibiotics to combat bacterial AMR, in July 2020 we decided to contribute a total of US\$20 million to the AMR Action Fund, which had been set up to support the clinical development of new antibiotics and to realize a sustainable antibiotics market. Please visit the website of the AMR Action Fund for information about our investment.

<https://www.amractionfund.com/blog-2022>



In addition to our vaccine initiatives, in April 2021 we established the EReDS*8 and commenced activities to stimulate research and development into anti-infective agents. By leveraging our strengths 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.

*6 Antimicrobial resistance

*7 Global burden of bacterial antimicrobial resistance in 2019: a systematic analysis (The Lancet)

*8 Emerging and Re-emerging Infectious Diseases Research Special Team

● **Combating Malaria, tuberculosis, and NTDs through GHIT Fund partnerships**

We continue to promote partnership-based drug discovery because collaborations with partners that possess networks and cutting-edge scientific knowledge in different global regions can generate synergies in endeavors that we would struggle to accomplish alone. These activities also contribute towards Goal 17 of the SDGs: Partnerships for the goals. Since its establishment in April 2013, 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. In 2023, the GHIT Fund entered its third phase of operations, and we continue to pledge our support and contribute funds. We are currently capitalizing on partnerships formed through the GHIT Fund to undertake several projects, such as screening for active

compounds for drugs to treat both Malaria and Chagas disease, the latter considered to be one of the NTDs, and investigating anti-tuberculosis drug candidates from natural products.

● **Vaccine initiatives**

By providing a stable supply of vaccines with a primary focus on influenza HA and the measles-mumps-rubella combination, we aim to enhance Japan's preventive healthcare environment and improve public health and hygiene, which could even be seen as one form of national security. We will also contribute to safeguarding people's health by establishing a technology and production supply system for mRNA vaccines so that we can swiftly provide domestically produced vaccines if there is an outbreak of an emerging/re-emerging infectious disease.

Availability

● **Expanded access to investigational drugs**

In countries and regions where our drugs have not yet been approved, we provide unapproved new drugs through the Expanded Access Program to patients suffering from a serious life-threatening disease or condition who are unable to enroll in an ongoing clinical trial.

For the programs that facilitate the early delivery of medicines to patients in countries and regions where the drugs remain unapproved, we have established a special risk management system to ensure patient safety.

Capacity Building (Improving access to healthcare in developing countries)

● **Capacity-building projects**

In developing countries, limited access to healthcare services is attributable to various factors, such as underdeveloped health insurance schemes and medical infrastructure and shortages of medical professionals. We have formed

partnerships with NGOs that have a strong local presence to address these healthcare access challenges.

In FY2022 we launched new projects in Honduras and Vietnam, bringing the total number of projects to six.



Awareness raising activities in Zimbabwe



Cancer screening camp in Nepal

| Country | Project | NGO/NPO Partner | Period |
|----------|---|---|-----------------------------|
| Myanmar | Mobile health services with mobile clinic vehicles | Plan International Japan | April 2019–March 2022 |
| Nepal | Breast and cervical cancer screening camp | AMDA Multisectoral & Integrated Development Services | January 2021–December 2023 |
| Zimbabwe | Improving healthcare infrastructure for SRHR*9 and breast/cervical cancer | Plan International Japan | April 2021–March 2024 |
| Kenya | Promoting cervical cancer screening for preventive awareness | Japanese Organization for International Cooperation in Family Planning (JOICFP) | July 2022–June 2025 |
| Honduras | Promoting breast/cervical cancer screening for preventive awareness | AMDA Multisectoral & Integrated Development Services | December 2022–November 2025 |
| Vietnam | Adolescent sexual and reproductive health services for safeguarding maternal and child health | Save the Children Japan | January 2021–May 2025 |

*9 Sexual and reproductive health and rights

● **Participation in Access Accelerated initiative**

We participate in the Access Accelerated initiative, a partnership launched in 2017 with the goal of improving the prevention, diagnosis, and treatment of NCDs*10 in low- and middle-income countries. Access Accelerated is a collective of more than 20 pharmaceutical companies from Japan, the US, and Europe working in partnership with the World Bank Group and the Union for International Cancer Control. Through the second phase of the initiative that wrapped up at the end of 2022, Access Accelerated leveraged \$1.6 billion in investments to help improve access to healthcare for 700 million people across 37 countries. We continue to participate

in the third phase of the initiative, primarily in collaboration with the World Bank, and contribute to improving healthcare access. Please visit the Access Accelerated website for more information about the initiative's projects.

<https://keylessons.accessaccelerated.org/>

*10 Non-communicable diseases; NCDs include cancer, cardiovascular diseases, chronic respiratory diseases, and diabetes



VOICE



Maki Enokita
Program Officer
Plan International Japan

Providing accurate knowledge of breast and cervical cancer to live a healthy life

The project in Zimbabwe, which is focused on raising awareness of SRHR and improving medical services for breast and cervical cancer, is making steady progress.

At middle schools, churches, community meetings, shopping centers, and on various other occasions in ward 6 of Mwenezi in Masvingo Province, we have organized awareness campaigns for adolescents and parents concerning the importance of gender equality, as well as the early detection of cervical and breast cancer. Also, through this project, we were able to provide a cervical cancer screening service to HIV-negative individuals in a non-hospital setting in the previously challenging Neshuro area.

The collaboration with Daiichi Sankyo on this project has been a catalyst for strengthening partnerships with various stakeholders, including the Zimbabwean government, the Ministry of Health and Child Care, the Ministry of Women Affairs, local councils, and communities. It is enabling us to advance awareness campaigns for SRHR, breast cancer, and cervical cancer in the region to help local residents lead healthier lives.

Human Rights

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

Human Rights Due Diligence

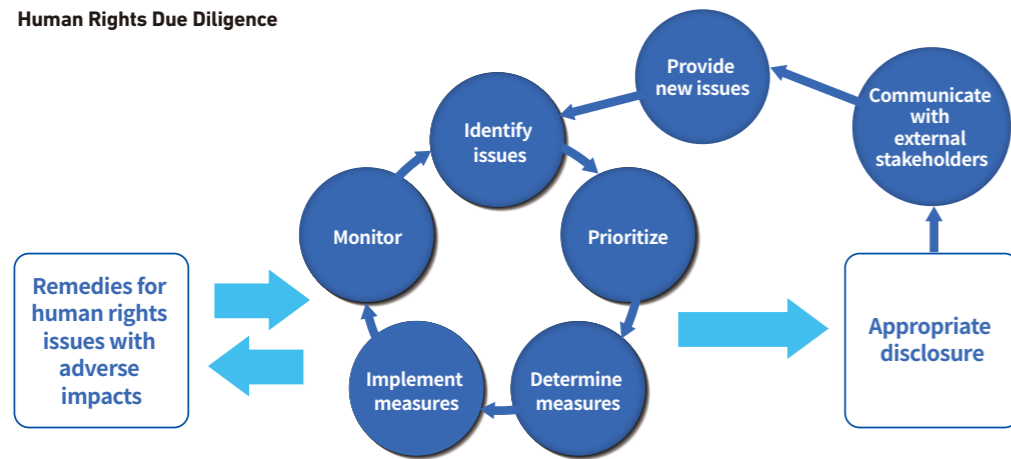
Management systems

After establishing the Daiichi Sankyo Group Human Rights Policy in FY2020, we established the Human Rights Issues Response Team, with the Sustainability Promotion Department as its administrative office, as an internal cross-functional organization to handle human rights due

diligence*1 in Japan. We will strive to identify human rights issues through human rights risk assessments and communication with stakeholders, and make efforts to avoid any negative impacts on human rights.

*1 A framework to assess, identify, prevent, and mitigate any actual and 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 desktop survey to examine the status of human rights risk management in five areas (wages, discrimination and inhumane treatment, human rights issues of business partners, human rights of clinical trial participants, and access to healthcare) related to our businesses. In FY2020, we conducted a human rights risk assessment using a questionnaire for all Group companies that operate businesses. We checked the status of each company's initiatives with regard to the items in the table below and confirmed that there were no significant issues in the items related to the ILO*2 Core Labor Standards, including risks of forced

labor of foreign workers and child labor, prevention of discrimination, and respect for collective bargaining rights. The results of the assessment are provided as feedback to each Group company to help them improve their initiatives. Based on the results of the questionnaire, in FY2022, we also examined the human rights due diligence system within the Group and made preparations for establishing a human rights due diligence procedure manual. We plan to conduct the assessment every three years, with the second assessment to be conducted in FY2023.

*2 International Labor Organization

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

We believe that in order to fulfill our responsibilities to respect human rights, it is important for executives and employees to deepen their understanding of the relationship between human rights and corporate activities, and we are providing various education and training programs related to human rights. In addition, as an opportunity to reaffirm the importance of addressing human rights issues, the CEO message is delivered to all employees every year on December 10, the World Human Rights Day. In FY2022, we conducted the following educational and training programs.

- E-learning or training on human rights at all Group companies
- Training on business partner management systems at ASCA (Asia, South & Central America)
- Training session for domestic procurement staff to ensure procurement compliance
- Training on business and human rights for management in Japan

Collaboration and Dialogue with Stakeholders

In advancing our human rights initiatives, we believe it is important to seek opinions from external parties and gain insight into the excellent initiatives of other companies. In FY2022, we participated in the B+HR Academy organized by UNDP*3, where we deepened our knowledge of how to

identify key human rights issues and how to perform human rights due diligence through dialogue with domestic and foreign experts at the individual guidance sessions.

*3 United Nations Development Programme

Human Rights Issues related to Daiichi Sankyo Group's Business Activities

Human rights in 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*4, and ICH*5 Good Clinical Practice (GCP)*6, upon obtaining individuals' voluntary consent after providing detailed information (informed consent).

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.

*4 Ethical principles for medical research involving human subjects

*5 International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use

*6 An international ethical, scientific and practical standard to which all clinical research is conducted

Employee health and safety initiatives

We have adopted the Employee 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 developed 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 refer to P82

https://www.daiichisankyo.com/sustainability/our_workplace/employee_health/

Safety of Pharmaceuticals

To deliver safe pharmaceuticals to patients, we have established a system to ensure product quality by managing all processes based on scientific evidence, from importing raw materials to shipping products, and to fulfill our responsibility to 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 (Good Manufacturing Practice) and GDP (Good Distribution Practice). We strive for consistency in quality assurance throughout our whole process, from raw material procurement and storage to pharmaceutical manufacturing, and distribution.

We also regularly conduct audits of both Group companies

and business partners in an effort to maintain and strengthen the suitable quality management system and reduce risks. The audits are conducted on all the organizations implementing GMP or GDP within the Group. In FY2022, we continued to conduct both document-based and remote audits. In FY2022, our Group companies underwent 20 regulatory inspections, and 0 significant finding were identified.

Safety Management Structure

We have established internal systems to take every possible safety management measure while also striving to raise employee awareness of safety measures.

In Japan, our marketing supervisor-general, quality assurance supervisor, and safety management supervisor (three key players in manufacturing/marketing) report regularly to the management on the status of quality management and safety management of pharmaceuticals, and the management confirms that quality management and safety management are being properly implemented. In terms of our global operations, in addition to reports on the status of regulatory

inspections and quality events related to pharmaceuticals, as well as the status of initiatives to address quality issues, reports are also made to the management on a regular basis regarding the handling of Company-wide/cross-departmental quality risks and issues as well as proposals for continuous improvements and other ideas.

We have established a system to promptly inform governments, wholesalers, medical institutions, and other related parties of any problems connected with the quality, efficacy, or safety of pharmaceuticals and to voluntarily recall such 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. Furthermore, for medical narcotic products shipped beginning December 1, 2022, 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.

We have completed the requirements for all products subject to these obligations. 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.

Mutual Growth of Employees and the Company

We consider “people” to be our most important “asset” as we work towards achieving our Mission and Vision. We are committed to encouraging high levels of engagement and contribution among employees with a view to realizing mutual long-term growth of employees and the Company.

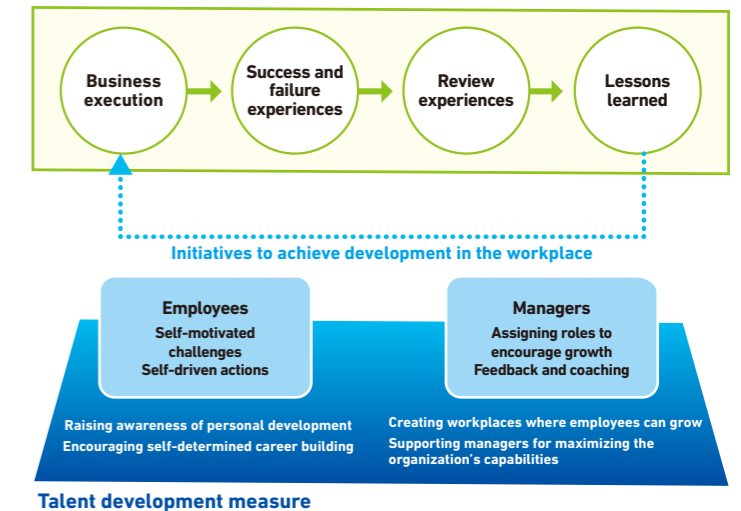
Our Approach to Human Resource Recruitment & Development

When we recruit and employ personnel, we look for people who can get excited about our Purpose of “contributing to the enrichment of quality of life around the world” and can carry out the following three actions: (1) valuing people for who they are as individuals, and welcoming diverse perspectives in their work; (2) treating each other with respect and building trust through transparency and willingness to listen; and (3) learning, experimenting, and taking initiative, which enables us to grow together every day.

Based on the principle of growth through work, we utilize every possible measure related to human resource development. To that end, we support individuals who are willing to challenge and improve themselves on their own accord through self-driven actions to achieve ambitious goals. In proactively implementing the experiential learning cycle shown below, appropriate guidance through feedback and coaching from management and also assigned roles that lead to personal growth can be provided, thereby achieving solid growth.

The Daiichi Sankyo Group's Human Resource Development Policy

Process of Growth through Work



● Human resource recruitment initiatives

Through the Global Talent Acquisition project, those in charge of hiring at our global sites (Daiichi Sankyo, Inc. American Regent, Inc., Daiichi Sankyo Europe GmbH, and ASCA^{*1}) exchange opinions and share information with each other about their respective recruitment activities, thereby leveraging each other's knowhow. As an example, global onboarding materials have been produced and are provided to candidates for employment so they can learn about and deepen their understanding of the Company. This also contributes to a higher level of engagement after joining the company. As another initiative, we run an onboarding program at our global sites with the aim of ensuring the successful integration of mid-career recruitments.

^{*1} Asia, South & Central America

● Human resource development initiatives

We have designed and implemented numerous training programs that cater to different purposes. They include role-based training to understand their responsibilities, selection-based training to nurture next-generation leaders, recommendation-based training for enhancing global skills, voluntary training to facilitate self-improvement, a variety of e-learning modules accessible anytime, anywhere, and as many times as needed, transition training to support self-driven career building, and specialized training for

different occupations.

Moreover, as part of our efforts to digitally transform the Company, we provide support to employees wishing to take the so-called “IT Passport” exam. More than 2,000 employees have applied to sit the examination. Through these opportunities, both the Company and employees are putting into practice the Core Behaviors “Develop & Grow.”

● Career support initiatives

In FY2022, after a hiatus of roughly 10 years, we restarted the Career Challenge Program to provide employees with opportunities to challenge themselves to further their careers through self-determined efforts. The broader aim of the program is to effectively encourage an ambitious mindset among employees and foster a new corporate culture. Employees that want to grow can voluntarily apply for positions available within the Company and secure a transfer if they pass the selection process. In FY2022, there were 34 openings under this program and 95 applications were received for 17 of them. As a result, 18 employees were successfully transferred. Going forward, we aim to further expand the Career Challenge Program and promote a shift in mindset towards self-realization (career planning) for more employees. By providing more opportunities to ambitious employees, we hope to foster a culture of challenge and self-improvement.

Our Approach and Initiatives to Inclusion and Diversity (I&D)

We define diversity as encompassing a wide range of differences, including nationality, race, gender, age, disabilities, as well as professional expertise and ways of thinking in different occupations, values, religion, and lifestyle. And by actively embracing the individual diversity of all our employees, we believe each person can fully demonstrate their true potential, which can lead to the expansion of global business and the creation of innovation.

Together with our Group companies in the ASCA region, in FY2022, we joined the Healthcare Businesswomen's

Association (HBA) with the aim of empowering women on a global scale (Daiichi Sankyo, Inc. joined in 2020, followed by Daiichi Sankyo Europe GmbH in 2021). The Daiichi Sankyo Group attended the awards ceremony of the HBA, which recognizes employees who have made significant contributions to the healthcare industry. This time, there were 68 nominations in the Group and two employees were selected for the Rising Star Award and one person for the Luminary Award.

▶ For more information on other I&D initiatives, please refer to P26

VOICE



Rising Star Award winner, R&D Division, Research Function, Discovery Research Laboratories I, Group I** Akiko Zembutsu
*2 At the time of the award

I won the Rising Star Award in recognition for my efforts in expanding the DXd-ADC pipeline with external partners, developing a cross-project information sharing system for the efficient global development of new drugs created in research laboratories, and my track record of identifying and proposing improvements to new challenges faced by research laboratories as a result of rapid globalization. At the awards ceremony, I was impressed by how female leaders from different countries praised each other highly for their significant achievements whilst continuing to confront the gender-specific barriers for women that still exist at home and in the workplace. By garnering the support and understanding of my superiors and colleagues, I get the feeling that we are entering an age in which we can overcome these barriers. With people working in many different ways these days, I hope to help foster a corporate culture in which individuals, regardless of gender, can make meaningful contributions to the organization and society by leveraging their respective strengths.

Promoting Occupational Health and Safety

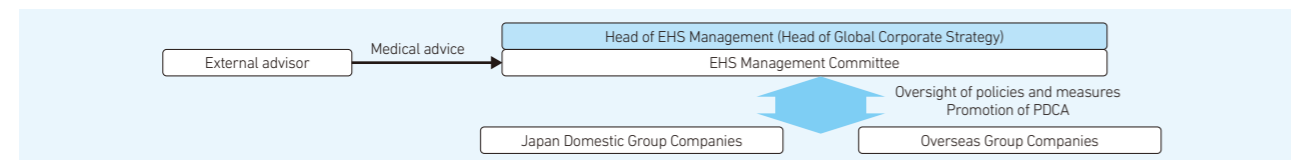
It is imperative that our employees maintain good physical and mental health if we are to realize our Purpose. We consider the health of employees to be a key management resource and we therefore promote health management practices based on an occupational health and safety strategy.

● The EHS management promotion structure

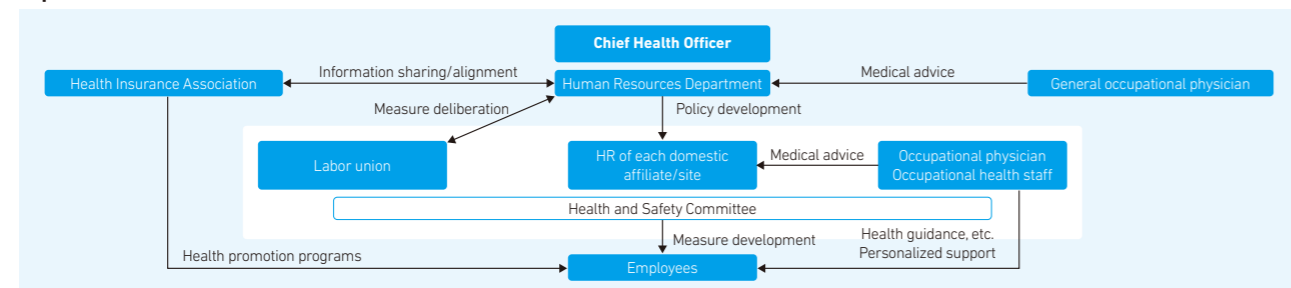
The EHS (Environment, Health, and Safety) Management Committee has established a medium-term global occupational health and safety policy, as well as annual measures and the like, in order to promote health and safety initiatives in each country and at each Group company. The committee evaluates activities with two KPIs: (1) lost time injuries frequency rate and (2) the number of employees who took 30 days or more of

non-occupational injury or illness leave. It has set targets for these KPIs in an effort to establish healthy and safe workplaces. In FY2022, we developed a system to globally promote EHS matters under the same framework with a view to the integrated authentication of our future environmental management and occupational health and safety management systems. We also conducted EHS audits at two plants in Europe.

Global Structure



Japan Domestic Structure



● Initiatives related to health and safety

At all of our global sites we utilize health promotion plans tailored to certain focus areas, such as measures to prevent the onset of lifestyle diseases, mental health measures, and providing opportunities for employees to undergo health checkups. Also, as a safety measure since April 2021, we have implemented an occupational health and safety management system (OHSMS) based on ISO 45001. In FY2022 we called on employees to submit posters and slogans aimed at raising awareness of health and safety and the best entries were then put on display at all of our sites.

In Japan, we have created a Chief Health Officer position to oversee health management. The president has assumed this role to spearhead measures geared towards developing

an environment in which employees can stay healthy and safe at work. Evaluation metrics that seek to boost the productivity of employees have been established (see below) and various measures are being carried out centering on the improvement of lifestyle habits, cancer, exercise, and mental health. In FY2022 we developed our own original physical exercise program with the aim of maintaining and improving mobility, and we also produced a promotional video for the program featuring the participation of some 1,000 Group employees in Japan and overseas.

We have also been selected in the White 500 for 2023 as an organization having outstanding health and productivity management.

Evaluation metrics and targets for maintaining and improving health (Japan domestic Group companies)

| Evaluation metric | Benchmark (FY) | FY2022 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) | 120 persons | No settings*3 | No settings*3 | 80 persons | Down 20% from the standard value | | |
| (2) Percentage of loss from Presenteeism | 18.3% (2020) | 16.8% | | | 14% | 20% decrease from benchmark | | |
| (3) Percentage of employees with abnormal findings in health checkups | Blood lipids | 40.6% (2019) | | | 39.8% | 30% | | |
| | Blood pressure | 22.9% (2019) | | | 23.9% | 16% | | |
| | Hepatic function | 21.3% (2019) | | | 20.0% | 15% | | |
| (4) Incidence of accidental falls at work | 24 cases (2018) | 20 cases | | | | | 12 cases | 50% lower than the standard value |
| (5) Percentage of employees dealing with high-stress | 4.0% (2020) | 5.2% | | | | | 3.0% | |
| (6) Rate of participation in health events | 8.1% (2020) | 37.0% | | | 15% | 35% | 40% | Number of participants in event/all employees |
| (7) Ratio of conducting specific health guidance | 39.6% (2019) | None implemented**4 | 50% | 65% | 70% | | | |
| (8) Smoking rate | 16.9% (2019) | 10.8% | 13% | 11% | 8% | 0% in FY2030 | | |

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

**4 Due to a change in the timing of health checkups owing to the integration of health checkups and comprehensive medical examinations

● Support for diverse work styles

Given that opportunities for communication and meetings that straddle multiple countries and regions have increased in recent years, in the fourth quarter of FY2021, we launched a project called Global Work Style in a bid to resolve the issues that have arisen as a result of this global working style; the main issues being culture, language, differences in work practices, and time differences. Together with a message from the CEO, in April 2022, we globally rolled out a Global Meeting Guideline to serve as the basic concept of the Global Work Style, and then later in September we announced a set of Global Meeting Measures to be adopted by all countries, regions, and units.

Furthermore, at our Group companies in Japan, we are committed to supporting a work-life cycle (WLC) conducive to the creation of a positive cycle between work and personal

life based on the belief that not only work experiences but also the sense of fulfillment and satisfaction synergistically generated from time spent outside of work, as well as various experiences and perspectives, knowledge, and ways of thinking, are all important sources that contribute to the mutual growth of individuals and organizations and continuous value creation. So that every employee can realize this kind of WLC, we are promoting the use of flexible work styles not bound by time or location—i.e., systems that offer varied working hours and the option of teleworking. We are also supporting the work-life balance of employees so they can easily juggle childcare or nursing care obligations, or receive medical treatment. In addition, we provide career development support by offering special leave and side job opportunities and we hold different types of seminars and information sessions for the benefit of employees.

External Evaluations in Japan

- 2023 Certified Health and Productivity Management Organizations Recognition Program (Large Enterprise Category)—White 500
- "Gold" at PRIDE Index 2022
- Kurumin / Platinum Kurumin certification
- Eruboshi Certification (three stars)



Compliance

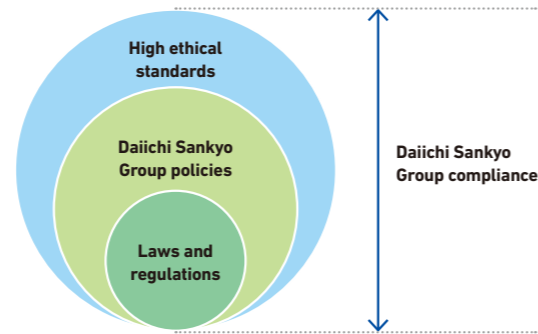
Compliance is essential for the sustainable growth of a company. In addition to complying with applicable laws, regulations, and rules, the Daiichi Sankyo Group promotes compliance management, acting with high ethical standards and social decency appropriate for a healthcare company.

Basic Approach

As a pharmaceutical company with global operations, we consider compliance as a way to “continue to earn the trust of a diverse range of stakeholders” and have adopted “Integrity” as one of our core values, making compliance the basis for decision-making and value judgment. In addition to compliance with laws, regulations, and industry rules, we are committed to maintaining high ethical standards that take into consideration not only internal company norms, but also social decency, philosophy, and social contribution.

Accordingly, we established the Daiichi Sankyo Group Corporate Conduct Charter and Daiichi Sankyo Group Employee Code of Conduct. Furthermore, the Company and its Group companies both in Japan and overseas have established their own compliance code of practice that reflects the social

demands of each region as specific internal rules based on the spirit of the two charters above, and are thoroughly disseminating these rules among all executives and employees.



Compliance System

We have stipulated the establishment of a compliance system as one of our basic policies for the establishment of an internal control structure, and in accordance with this policy, the Head of Global Compliance & Risk serves as the Compliance Officer and oversees the Group’s compliance programs. At Group companies both in Japan and overseas, we promote compliance at each company by having a compliance officer responsible for overseeing the compliance programs at each company. In

addition, we promote compliance globally by establishing the Corporate Ethics Committee, which is a deliberative and decision-making body that includes external experts, and the Global Compliance Advisory Committee, which is an advisory body to the Corporate Ethics Committee, chaired by the Vice President of the Compliance & Risk Management Department and composed of compliance officers from Group companies in Europe and the US.

Global Policy

In recent years, companies with global operations have been expected to develop broad policies regarding the Employee Code of Conduct in their respective organizations. We have established and implemented the Daiichi Sankyo Group Employee Code of Conduct, and conduct periodic training sessions to ensure that all employees fully understand this policy. In addition, regulations regarding protection of personal information and bribery and corruption prevention are becoming stricter in many countries around the world, and this is becoming increasingly important for companies with global operations. Therefore, in order to clearly define our global uniform standards and to further ensure their thorough implementation, we have established and

implemented the Daiichi Sankyo Group Privacy Policy and the Daiichi Sankyo Group Anti-Bribery & Anti-Corruption Policy, in addition to setting forth provisions in the Daiichi Sankyo Group Employee Code of Conduct. We will continue striving to further comply with and implement these policies.



Compliance Training and Awareness Activities

Promoting compliance requires ongoing compliance awareness activities, training, and education. We regularly disseminate messages from our CEO regarding the importance of compliance both in Japan and overseas, conducting other educational activities to further raise the compliance awareness of each and every one of our employees.

Each year, we conduct small-group discussion training (interactive training) using original training materials for each organization at Daiichi Sankyo in Japan. Furthermore,

we provide annual training by job level for new employees and newly appointed managers. In addition, we regularly conduct training sessions inviting external lecturers for the Company’s executives, the presidents and compliance officers of Group companies in Japan. At overseas Group companies, we conduct case studies, e-learning training, and other training programs every year, as appropriate to the circumstances in each region.

Ethical Marketing

In addition to establishing codes at Daiichi Sankyo and its Group companies in accordance with industry codes in each country and region based on the IFPMA Code of Practice (International Federation of Pharmaceutical Manufacturers and Associations Code), we have established the Daiichi Sankyo Group Global Marketing Code of Conduct as a global policy for the purpose of maintaining high standards of interaction with medical professionals, medical institutions, and patient groups, and in promoting pharmaceutical

products. This policy states that we must focus on providing pharmaceutical information to medical professionals, offering scientific and educational information, and supporting medical research and education. We promote appropriate marketing activities in accordance with the Code by prohibiting the provision of entertainment, cash, or personal gifts, and by stipulating stricter contractual requirements for compensation to medical professionals and the appropriateness of compensation.

Conducting Compliance Awareness Surveys

As part of the initiatives for “Promoting Compliance Management,” one of our Materiality on business foundations, we conduct global awareness surveys on corporate culture among executives and employees, and are tracking the results as a KPI until FY2025. Furthermore, in Japan, we conduct a compliance awareness survey of executives and employees once every three years. The most recent survey was conducted in FY2020 on approximately 9,500 people to

analyze their understanding of the Company’s Mission and compliance-related norms, as well as the status of compliance practices and internal systems to identify our strengths and issues. We will continue to conduct compliance awareness surveys on a regular basis and use the survey results to help create a culture that builds a foundation for compliance management within the Group.

Introducing a Global Hotline and Utilizing the Compliance Reporting System

We introduced a global hotline that can be used anonymously by employees and outsiders, and each Group company appropriately handles reported cases. In addition, Daiichi Sankyo and its domestic Group companies have established hotlines within each company with dedicated telephone lines and e-mails, as well as harassment reporting and consultation contact points at the Daiichi Sankyo Group Human Resources Department and at each business site to make it easier to report and consult on compliance issues. Furthermore, in response to the revision of the Whistleblower

Protection Act in Japan, which took effect in June 2022, we are revising the policies for handling whistleblowing and related matters of each company in Japan. Moreover, we put in place a system for reporting and consulting on misconduct by officers of overseas Group companies. To foster an open workplace environment, we will continue to inform employees of the significance and importance of the hotline as well as the protection of whistleblowers and consultants, and strive to ensure the effective operation of the hotline.

* Compliance-related data for FY2022 (Global)
 • Number of reports received: 207
 • Response measures: We conducted appropriate investigations for reports we received and deemed to require investigation. Among these, we have taken necessary disciplinary actions, including dismissal, against the offenders in cases where they have been found to be non-compliant.
 Note: The data included in this information for FY2022 has been calculated by each Group company on an individual basis and is subject to the impact of regional differences in laws, employment practices, and local policies and procedures.

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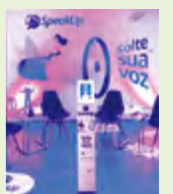
Tatiane Schofield
 Daiichi Sankyo Brasil
 Compliance Officer
 (Compliance, Legal, Privacy,
 Internal Audit (IA) &
 Inst. Affairs, Director)

Speak Up Campaign: Promoting Compliance at Daiichi Sankyo Brasil (DSBR)

In my role as Compliance Officer at DSBR, I sincerely hope to foster a culture of mutual respect where employees can freely think and speak their minds.

While culture-building measures have always been an important part of our compliance promotion activities, last year our Compliance Department globally rolled out the Speak Up Campaign to foster a better culture. DSBR installed “Speak up totems” in its Sao Paulo office and Alphaville plant to listen to the voices of its employees and resolved various questions and concerns of employees. In addition, when we featured an episode about Speak Up in a comic strip on the theme of compliance, which we have been using for some time in our compliance awareness activities, it was well received with many employees showing interest.

By continuing these initiatives, I look forward to working with all of you to raise awareness of compliance, and will continue making the right decisions one by one with high ethical standards going forward, taking all laws and regulations related to our daily operations and the policies that are important to us in the Daiichi Sankyo Group seriously.



Speak up totem