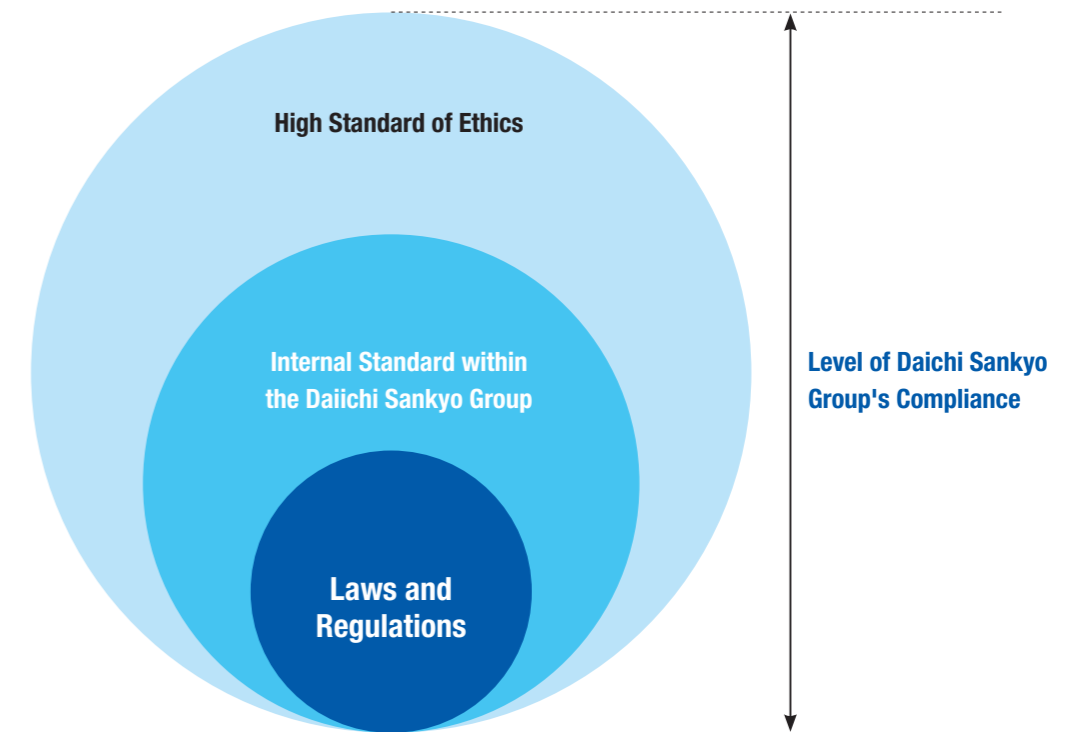


Compliance

Basic Policy

The Group defines “Integrity” as one of our Core Values. We have therefore positioned compliance as the standard we use in making decisions and judging values. In conducting our global business operations, we conduct compliance management with a strong focus on ensuring the high standards of ethics, which is essential for a healthcare company. To help employees deepen their understanding of this concept and embody it in practice, we have established the Daiichi Sankyo Group Corporate Conduct Charter and

the Daiichi Sankyo Group Employee Code of Conduct as the Group’s common codes of conduct. In addition, as specific internal guidance based on the spirit of these codes, each Group company has established its own code of conduct that meets the social needs of each region and ensures that all executives and employees are familiar with these standards.



Governance

As a global group of pharmaceutical companies, we consider compliance practices as continuing to earn the trust of our diverse stakeholders, and we conduct activities with high ethical standards that take into account not only internal standards, but also social consciousness, philosophy, and social contribution, while adhering to the applicable laws and regulations of the markets in which we operate.

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Compliance

Internal Control System and Compliance

We consider adhering to high ethical standards, laws, regulations, industry codes, and the Group's employee code of conduct, and various internal rules when executives and employees conduct their work, as well as building an internal control system for ensuring compliance with such norms, laws, regulations, codes, and policies as a priority in continuously creating corporate value. Therefore, the development of a compliance system has been described in the basic policy for building an internal control system.

Together with establishing the Daiichi Sankyo Group Corporate Conduct Charter, the Daiichi Sankyo Group Employee Code of Conduct, and other codes of conduct for executives and employees, each Group company has established its own compliance committee or conference body regarding compliance matters. In addition, the Company has established a committee that includes outside experts to oversee the compliance system of the Group as a whole.

Furthermore, persons in charge of major regions, corporations, and functions appointed by the parent Company's CEO in accordance with the Daiichi Sankyo Group Global Management Policy and the heads of organizations, etc. appointed by the President of each Group company in accordance with each company's Organizational Management Regulations take charge of the operations for which they are responsible, and supervise, manage, and provide instructions to members belonging to such regions, corporations, and functions.

Our specialized functions related to system development, such as human resource, legal affairs, compliance, risk management, etc., communicate and manage policies and provide guidance to all organizations of the Group. The Internal Audit Department conducts internal audits of the various companies within the Group with regards to the status of compliance with laws and regulations, the Articles of Incorporation, and various internal policies and procedures in the Group.

Operation of the Compliance System

The CEO has appointed a Chief Compliance Officer (CCO), to oversee and manage the global compliance and risk management unit. In accordance with the Compliance Promotion Rules, the Company's Corporate Ethics Committee serves as a deliberation and decision-making body for compliance across the Group. The Committee is chaired by Daiichi Sankyo Company, Limited (the "Company")'s compliance officer and consists of 13 members, including 12 internal representatives and an appointed external attorney who ensures that the committee operates in a transparent and reliable manner. The committee convenes twice per year, and full-time members of the Company's Audit and Supervisory Board and the heads of the Company's Internal Audit Department and the Business Management Department also participate as observers. Each Group company has a designated compliance officer or an equivalent staff who is responsible for overseeing the compliance programs and promoting compliance programs within their respective companies. Furthermore, to ensure the effectiveness of the Group's global compliance system, the Global Compliance Advisory Committee has been established as an advisory

board to the Company's Corporate Ethics Committee. This Committee, chaired by the CCO, includes compliance officers from the Group company subsidiaries in Japan, the United States and Europe. Its responsibilities include examining the global policies, annual compliance objectives of the Group and proposing global compliance initiatives. The discussions of the Company's Corporate Ethics Committee and the Global Compliance Advisory Committee are reported to the Company's CEO and Board of Directors as part of the compliance promotion activities for the fiscal year.

Matters to be Reported to the Board of Directors Regarding Compliance Promotion Activities in FY2023

- Summary of Matters Discussed and Reported by the Corporate Ethics Committee
- Overview of Compliance Promotion Activities (Global and in Japan)
- Responding to Compliance Incidents
- Global Compliance Targets for FY2024

Compliance with the Employee Code of Conduct and Related Internal Policies and Regulations

The Daiichi Sankyo Group Employee Code of Conduct (the ECC) was established in April 2020 to provide clearer global uniform standards of the individual behavior expected of the Group's executives and employees. We conduct training programs regularly to increase awareness of the ECC.

In accordance with the Daiichi Sankyo Group Corporate Conduct Charter and the ECC, the Company and the Group companies in Japan have established their own local Codes of Conducts. In Japan, the Codes of Conduct also take into account the contents of the JPMA Compliance Program Guidelines of the Japan Pharmaceutical Manufacturers Association. Group companies outside of Japan have established internal rules, local codes of conduct, policies, and procedures that are tailored to the laws, regulations, and characteristics of their respective countries and regions as necessary.

[Daiichi Sankyo Employee Code of Conduct](#)



Compliance Training and Educational Activities

In order to promote the awareness of compliance, encourage the highest ethical standards, and cultivate an open workplace environment, the Company and the Group companies in Japan conduct small group discussion periodically (Compliance Communication Meeting) using training materials developed in-house.

Furthermore, the Company conducts compliance training by external specialists on a regular basis for the Company's Board Members, members of the Audit and Supervisory Board, corporate officers of the Company, and Presidents and Auditors in Group companies in Japan. The Group companies

in Japan also conduct compliance training annually for new employees and managers.

Group companies outside of Japan conduct compliance training through the face-to-face conversation, e-learning or other methods, as appropriate to each region.

Furthermore, we are striving to further raise compliance awareness within the Group by conducting activities, such as periodic messages (twice a year) from our CEO to the Group regarding the importance of compliance.

Employee Survey on Ethical Culture

As part of our efforts to promote "compliance management" as a Materiality in the business foundation, the Company conducts an annual global compliance survey on corporate culture, targeting all executives and employees of domestic and overseas Group companies. This initiative will be measured as

a Key Performance Indicator (KPI) until FY2025. The Company also conducts periodic employee surveys on ethical culture for executives and employees of all domestic Group companies. Most recently, in FY2023, approximately 9,800 individuals participated in the survey.



Protection of Whistle-blowers, Animal Welfare

Global Hotline and Compliance Reporting System

The Group has introduced a global unified whistleblowing hotline (Global Hotline) for compliance reporting. The Global Hotline is available 24 hours a day, 365 days a year, for compliance reporting and consultation. It is available in the languages of all countries and regions where the Group companies are located. The Group also accepts reports and consultations from people outside the Group on the Company and Group websites. In Japan, we have established and operated internal hotlines for whistleblowing via dedicated telephone lines and e-mail addresses, as well as a harassment reporting and

consultation service. In addition, the Group maintains a procedure requiring a direct report to the Chief Compliance Officer of the Group when a compliance officer of any Group company worldwide suspects significant misconduct involving specific Senior Executives (Senior Executive Misconduct Reporting Procedure: SEMRP). In accordance with the revision of the Whistleblower Protection Act in Japan, which took effect on June 1, 2022, the Company and the Group companies in Japan are revising their rules for handling whistleblowing and related matters in a timely manner.

Compliance Data for FY2023 (Global consolidated)

Number of allegations received (excluding through our compliance monitoring processes): 315

- Measures: On the basis of the reports that we received, we conducted appropriate investigations for cases determined to require investigation. In cases in which allegations were found to be substantiated, we took appropriate measures, including disciplinary actions against any infringer.

Note: The results included in this information for FY2023 were calculated by each Group company based on the individual criteria; as such, the calculation of the number of allegations may be impacted by regional differences in laws, employment practices, and local policies and procedures.

Animal Welfare (R&D Ethics)

Daiichi Sankyo has established an internal regulation called the "Detailed Regulations on Animal Experimentation," which is based on Japanese laws and guidelines, including the "Act on Welfare and Management of Animals," the "Standards for the Care and Keeping of Laboratory Animals and the Alleviation of Pain and Suffering," and the "Basic Guidelines for the Conduct of Animal Experiments at the Conducting Institutions under the Jurisdiction of the Ministry of Health, Labor and Welfare." We promote the 3Rs of Animal Usage¹ based on our understanding of the importance of the above.

All animal-use protocol must be reviewed at the planning stage for scientific appropriateness, alternative methods, and experiment details, including the 3Rs of Animal Usage, by the Company's Institutional Animal Care and Use

Committee, and only the protocols that have been approved can be carried out. We also provide in-house annual training for animal experimentation personnel.

The R&D Division has continued to receive its full accreditation from the AAALAC International². The Vaccine Research Laboratories have continued to receive its certification from the Center for Accreditation of Laboratory Animal Care (the Japan Pharmaceutical Information Center).

¹ Replacement (methods that avoid using animals), Reduction (use of fewer animals), and Refinement (minimize or eliminate pain and distress).

² Association for Assessment and Accreditation of Laboratory Animal Care International.

Detailed Regulations on Animal Experimentation [Here](#)

Relationship with Business Partners

Business Partner Code of Conduct

The Group has established its Business Partner Code of Conduct based on the Daiichi Sankyo Group Procurement Policy. This code sets out our expectations for our business partners who provide products and services to us to help creating a sustainable society. We are committed to fulfilling our social re-

sponsibilities and achieving a sustainable society through communicating and working together with our business partners.

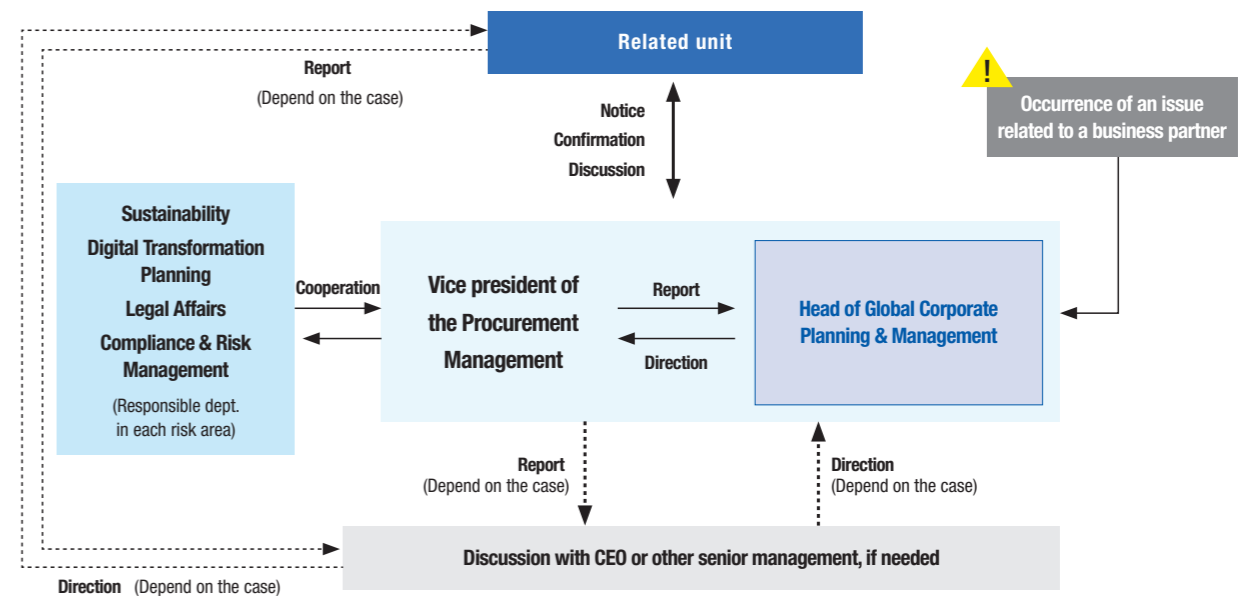
[Daiichi Sankyo Group Procurement Policy](#)

[Business Partner Code of Conduct](#)

Establishment of a Business Partner Management System

The Group mitigates potential risk related to business partner selection and ongoing relationships through due diligence assessments, which begin at the outset of business partner onboarding and continue through regular monitoring in the fields of corruption, data privacy and confidentiality, human rights and environmental protection. We are monitoring approximately 6,400 companies at this point. For business partners identified as high risk before and during the transaction, the Group decides on the advisability of the trans-

action, considering the impact on the business and social credibility of the Group. In Japan, Daiichi Sankyo established the Business Partner Management Guideline (Japanese version), which summarizes the Business Partner Management process, in September 2021. For Group companies outside of Japan, the Daiichi Sankyo Group Business Partner Management Guidelines (Global Guidelines) were established in October 2022.





Relationship with Business Partners

Sustainable Procurement Survey

We conduct a “Sustainable Procurement Survey” with key business partners on a three-year cycle in order to confirm their understanding of and alignment with the Group’s approach to sustainability and to strengthen interactive communications.

In this survey, respondents are asked to answer some questions related to the following six areas based on the Business Partner Code of Conduct: “business activities with integrity based on ethical standards,” “respect for human rights and labor,” “health and safety,” “promoting environmental management,” “securing optimal quality, cost, and stable supply,” and “management systems”. The survey is also aligned with the principles of the PSCI¹, a non-profit organization composed of global pharmaceutical companies.

During the cycle covering the period of FY2020-FY2022, the survey was sent to 403 business partners of Daiichi Sankyo in Japan and overseas, and as of the end of March 2023, 399 companies (99%) have responded. Based on the survey results and scoring, further communications with 20 selected business partners were conducted. Also, 30 of those key business partners took our training on environment. We have started our 3rd survey cycle using an updated questionnaire.

¹ PSCI (Pharmaceutical Supply Chain Initiative) is a non-profit membership organization formed by large pharmaceutical companies with the objective of improving social, economic, and environmental outcomes through the supply chain. It aims to ensure safe working conditions for workers, promote sustainable processes and factory facilities, contribute to economic development, and maintain a clean environment in local communities.

[Sustainable Procurement](#)

Measures to Ensure Stable Procurement

In recent years, many companies are facing unprecedented natural disasters, infectious diseases, and geopolitical risks. Maintaining and stabilizing the supply chain, not limited to Tier 1 suppliers, but including Tier 2 or 3, which are upstream suppliers, is a challenge. In Japan, we conducted a retrospective assessment of suppliers covering approximately 1,200 raw materials for our five main plants in Hiratsuka, Odawara, Onahama, Tatebayashi and Kitamoto to understand geographical risks. Of these, we asked Non-Tier 1 suppliers of

critical raw materials, upstream suppliers of raw materials for our products that have no direct contracts with Daiichi Sankyo, to complete the above Sustainable Procurement Survey. While seeking an understanding of our policy and strengthening co-creation relationships through mutual understanding, we will continue to reinforce our efforts for stable procurement through interactive communication with our business partners.

Declaration of Partnership Building

The Group endorses the purpose of the “Conference for the Promotion of Building Partnerships for the Future,” which is being promoted by the Cabinet Office, the Small and Medium Enterprise Agency, and other public and private organizations, and joined the “Declaration of Partnership” as of January 30,

2023. We will focus on co-existence and co-prosperity throughout the supply chain, new partnerships that transcend scale and affiliation, and compliance with the “Promotion Standards,” aiming to build new partnerships with supply chain business partners and value-creating businesses.

Prevention of Corruption and Bribery

Ethical Marketing Practice

In addition to establishing Daiichi Sankyo Group Marketing Code of Conduct in accordance with the industry code of each country and territory in which we operate based on the International Federation of Pharmaceutical Manufacturers & Associations Code of Practice (“IFPMA Code”), we established the “Daiichi Sankyo Group Global Marketing Code of Conduct” in FY2016 and as of 2024, we revised the title to “Daiichi Sankyo Group Policy on Interactions with Healthcare Professionals and Healthcare Organizations”, adding new provisions and updated the contents. This document serves as the Group’s common global policy with the aim of maintaining a high standard of ethics when interacting with healthcare professionals, medical institutions, and patient organizations, as well as when promoting pharmaceutical products.

In this global policy, we clearly state that relationships between each Group company and healthcare professionals must be maintained for the purpose of improving the quality of healthcare, with a focus on providing information on pharmaceutical products to healthcare professionals, providing scientific and educational information, and supporting medical research and education.

In line with the revision of the IFPMA Code in January 2019, we revised the policy, prohibiting the provision of gifts and promotional aids to healthcare professionals, etc. We also prohibit the provision of entertainment, cash, and other personal gifts and stipulate stricter terms and conditions of contract in cases where we pay remuneration to healthcare professionals, as well as consider the appropriateness of the remuneration. In this way, we promote appropriate marketing practices in accordance with the IFPMA Code.

Compliance with Global Policies Related to Preventing Bribery and Corruption

Laws and regulations against bribery and other forms of corruption in countries around the world continue to be strengthened each year. Thus, it is becoming increasingly important for global companies to implement initiatives for detecting and preventing bribery and other forms of corruption.

The Group has specified the prevention of bribery and corruption in the ECC. In order to further ensure compliance particularly in this regard, we have also established the Daiichi Sankyo Group Anti-Bribery & Anti-Corruption Policy, which sets forth more detailed rules on the prevention of bribery and

corruption, including the prohibition of cash payments to government officials and healthcare professionals.

The Group also continues to conduct training for anti-bribery and anti-corruption to further bolster our anti-bribery and anti-corruption structure. In addition, we have implemented at each Group Company a due diligence monitoring process for bribery and corruption risks of our third-party suppliers.

[Daiichi Sankyo Group Anti-Bribery & Anti-Corruption Policy](#)