

CEO Message



As a Global Pharma Innovator with Competitive Advantage in Oncology, We Continue to Take on New Challenges by Leveraging Our Excellence in Science and Technology and the Power of Our Human Resources.

Representative Director,
Executive Chairperson & CEO

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The Challenge of Sustainable Growth with Our Purpose at the Core

First and foremost, I would like to extend my sincere gratitude to all our stakeholders for your continued support and understanding of our management.

Our company is accelerating efforts toward sustainable growth, to realize our purpose of contributing to the enrichment of quality of life around the world. Looking ahead to 2030, we have set forth a vision to become an "Innovative Global Healthcare Company Contributing to the Sustainable Development of Society." This fiscal year marks the final year of our current 5-year Business Plan (FY2021-FY2025), and all our employees are working together as one to deliver outcomes that exceed the targets we set at its launch. In parallel, we are advancing discussions on our 2035 Vision and our next 5-year Business Plan (FY2026-FY2030) as a roadmap for our next stage of growth. Taking on the significant responsibility of serving as CEO of Daiichi Sankyo at such a pivotal juncture in our journey, I feel a profound sense of mission and renewed determination to lead the company forward.

Under our current 5-year Business Plan, we have accelerated growth in oncology with the goal of becoming a "global pharma innovator with competitive advantage in oncology" as a FY2025 target. In FY2024, we achieved numerous remarkable results, particularly with our DXd ADC products. Enhertu®, our strongest growth driver, continues to transform cancer treatment by acquiring new indications primarily in breast cancer and providing new therapeutic options for patients for whom conventional therapies had limited efficacy. In recognition of its global innovation, Enhertu was awarded the Prix Galien USA the equivalent of the most prestigious award in the pharmaceutical industry, in November 2024. Datroway®, our second DXd ADC product, has also obtained regulatory approval in Japan, the United States, and Europe, expanding access to new treatment options for more patients. We are accelerating development for our five late-stage DXd ADCs, through strategic partnerships with AstraZeneca and Merck & Co., Inc., Rahway, NJ, USA, so that we can deliver these innovations to as many patients around the world and as quickly as possible.

I have placed great value on the Japanese management philosophy of "sanpoyoshi" (Three-Way Good). This philosophy embodies the idea that the revenues and profits generated through Daiichi Sankyo's business activities, conducted in line with our Purpose, should be distributed fairly and in a well-balanced manner to all stakeholders. It reflects our fundamental belief in the importance of value co-creation with multiple

stakeholders. The world today is experiencing an extraordinary level of uncertainty and complexity, brought about by factors such as multipolarity of the international order, shifts in trade policies. In such an environment, companies are required not only to respond swiftly and flexibly to immediate changes, but also to take a long-term view of risks and opportunities, and to adapt with resilience and agility. Precisely because we are navigating such an era, we are more committed than ever to genuine, open dialogue with all our stakeholders. By actively listening to their voices and engaging with them to create value, we aim to build relationships rooted in trust and collaboration, and to co-create value that benefits all. Through our business activities, we will continue to contribute to solving social issues and remain firmly dedicated to realizing sustainability management that delivers both, social and economic value.

And to remain a company that all our stakeholders can truly say they are glad it exists, I wholeheartedly reaffirm our unwavering commitment to continuously creating new value for the future.



Q What kind of leadership style and organization are you aiming for as a top leader?

A I place great importance on a "coaching-style leadership" —one that trusts in people and draws out their potential through open dialogue, along with fostering a company-wide quality culture. Under my leadership, I will continue to build a trustworthy organization that earns trust from within and outside the company.

To realize our Purpose through our business activities and to build an organization that earns the trust of society, I am focusing on two essential pillars in my daily leadership: people and quality. These two elements form the foundation of how I approach management on the ground each day.

First, regarding the "people" front, I view the enhancement of talent as a key management priority. I have placed a strong emphasis on respecting the diverse potential and empowerment of our employees, and encouraging them to use their talents through meaningful dialogue. As our Group continues to grow at an unprecedented speed and scale, I am convinced that the key to sustaining this momentum lies in how we can unlock the strengths of each individual and unite them as the collective power of the organization. This is the essence of what we call "coaching-style leadership," not only leading from the front, but also running alongside, offering support, and at times leaning on others, all while mutually elevating each other. By nurturing each employee to be a true protagonist in achieving our goals, we aim to build an organization where team building and sustainable value creation are driven from within.

Since FY2024, I have been working with Chief Human Resources Officer (CHRO) Matsumoto on "CEO & CHRO's Visit," visiting our Group companies around the world to engage in direct dialogue with employees. This initiative is aimed at enhancing employee engagement and strengthening organizational cohesion, with the goal of reaching all approximately 20,000 employees across the Daiichi Sankyo Group by the end of FY2025. At each site, I engage in dialogue about the company's direction and my own thoughts while sincerely listening to employees' voice and encouraging open and lively exchanges. What I feel through these interactions is that the sense of unity within the Daiichi Sankyo Group has grown even stronger through dialogue, and there are moments when employees reframe the company's goals and challenges as their own. This represents an accountable mindset - the awareness that they too are part of the change - and this

mindset is what serves as a wellspring of strength for our organization.

The other pillar I value is "quality." Through my past experience of confronting serious issues related to quality and integrity at a generic pharmaceutical company we had acquired, I came to deeply understand that "quality is trust itself." I believe that, no matter the situation, if we return to this foundational principle of quality, we will always be guided to make the right decisions.

People use Daiichi Sankyo's products with confidence because they can trust the quality. Maintaining this unwavering stance in all processes related to products and services leads to Daiichi Sankyo's credibility and continued growth. What embodies this philosophy is the value of "Patient First, Quality Always" declared by our Chief Quality Officer (CQO) Shimizu. We aim to embed this value as a quality culture, enabling employees to naturally act in alignment with it.

Furthermore, by fostering a workplace culture where employees feel empowered to speak up and openly share on-the-ground issues and insights, we aim to further strengthen our commitment to compliance—making the trust placed in us even more unshakable.

Both leadership and our commitment to quality are ultimately about earning and maintaining trust as an organization. As I continue to learn and grow myself, I aspire to build an organization that embraces change and takes on challenges together with my colleagues.



A Moment from the CEO & CHRO's Visit

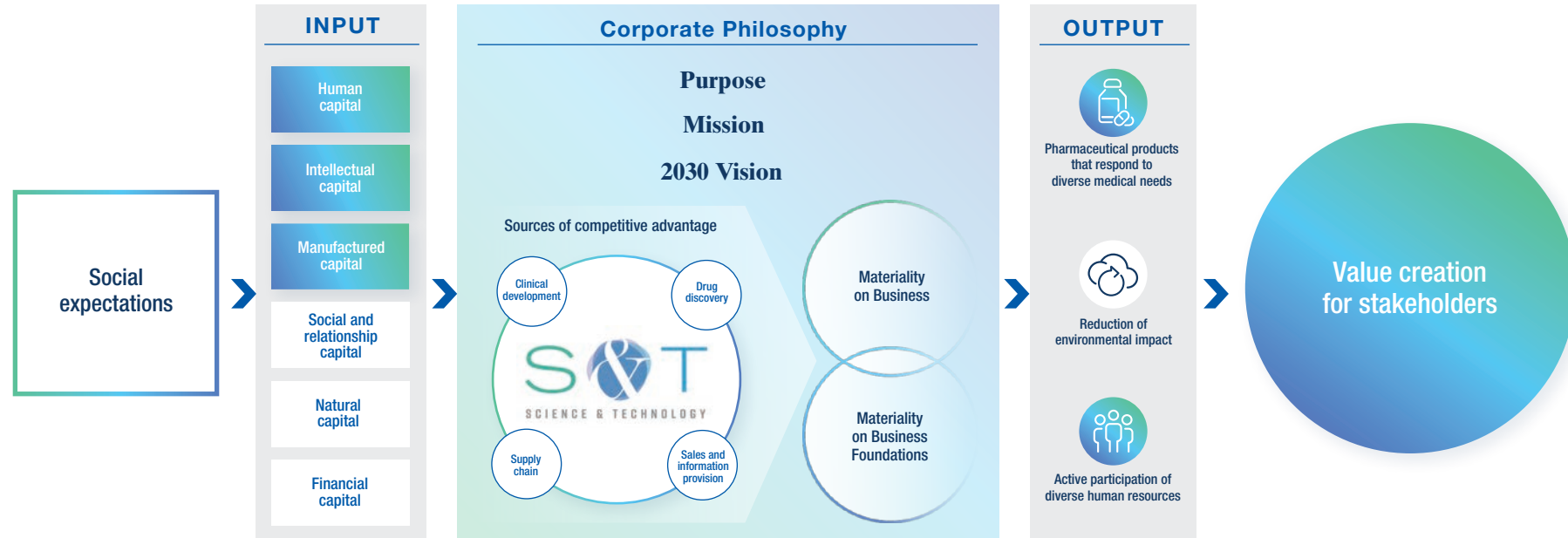
Q Please tell us about Daiichi Sankyo's unique competitive advantages, strengths, and related initiatives in driving value creation.

A Excellence in Science & Technology that we have cultivated over many years, the people of Daiichi Sankyo who are the driving force behind that excellence, and our deeply rooted patient-centric corporate culture. These three elements form the solid foundation of our competitive advantage.

Our Group has created numerous innovative pharmaceuticals through our advanced research and development capabilities, leveraging our strengths in Science & Technology. As an innovative pharmaceutical company, we are united in addressing even the most difficult challenges by putting patients first and basing our decisions on sound science.

Daiichi Sankyo's Uniqueness - Bringing Japanese Innovation to the World with Science & Technology at its Core

Daiichi Sankyo has a proven track record of creating global products such as olmesartan and edoxaban, as well as, more recently, innovative oncology drugs like Enhertu and Datroway. All of these products originated from our research laboratories in Japan, which demonstrates our world-class drug discovery capabilities. What underpins this high level of drug discovery capability is our strength in Science & Technology namely, exceptional talent with a deep understanding of and curiosity about science, as well as a robust R&D culture that has been cultivated over many years as a pharmaceutical company. This culture embodies the following concepts: Scientific Freedom, which encourages researchers to engage in open and active discussions regardless of their role or level of experience and to propose their own research themes, and craftsmanship, which represents our dedication to quality and careful coordination of techniques and attention to detail. Furthermore, there is the attitude of Learning from success and failure, which is, recognizing that research is a continuous journey



of challenges, where both successes and failures are valuable learning opportunities.

While science remains our foundation, we place strong emphasis on cross-functional and cross-disciplinary collaboration, driving integrated, company-wide efforts across discovery, development, manufacturing, and supply. For example, in drug discovery research that creates seeds for future medicines, we actively challenge ourselves with modality diversification. Additionally, through early information sharing and close collaboration with our Technology Unit, our ability to globally design and build optimal production technology, manufacturing systems, and supply frameworks for products from the early research stage is also a unique strength of Daiichi Sankyo.

To further strengthen these capabilities in a sustainable manner, we are expanding our global research innovation hubs, and in 2025, we established a cutting-edge smart research laboratory in San Diego, USA.

We will continue to value the perspective of "from Japan to the world" as we strive to create innovative pharmaceuticals. Backed by our global organizational capabilities, we aim to become a unique global pharmaceutical company originating from Japan that consistently executes the entire value chain - from drug discovery and clinical trials to manufacturing, supply, and information provision.

For more information about our Science & Technology strengths, please see **P27**

"People" as the Driving Force of Value Creation —Aiming for an Organization Where People and Business Grow Together

The uniqueness of Daiichi Sankyo and the strength of our R&D are supported by the power of our people. Since becoming President, I have been deeply committed to strengthening our human capital. Based on the belief that "people are the source of Daiichi Sankyo's value creation," I have focused on this as an important theme while aligning our human resources strategy with our overall management strategy. Currently, we are advancing large-scale investments in three areas: R&D, facilities, and human resources. A common thread running through all of these is the vital role of people. It is people who conduct research, and it is people who operate and manage sophisticated facilities - everything relies on human capabilities. I believe these investments will bring new challenges and growth opportunities to each employee, helping them expand their expertise and deepen their experience.

As part of our human resource development, we are advancing the training and strengthening of specialized talent globally—particularly in priority areas such as



biopharmaceuticals—centered on enhancing our competitive advantage in Science & Technology. In addition, in FY2024 we launched the "DS Academy," a two-year development program for approximately 30 next-generation leader candidates selected from around the world, who are expected to drive our future global growth. This program not only strengthens leadership but also cultivates a company-wide strategic perspective. Participants are also given opportunities to elevate their viewpoint through direct dialogue with Executive Management Committee members, helping them elevate their leadership mindset. Feedback from participants has been highly positive and encouraging.

For specific initiatives regarding human capital, please see **P33**

Starting with the Patient: Company-wide Implementation of Patient Centricity

By bringing together the power of people and organizations, we are advancing all of our business activities based on the shared value of for patients.

Patient Centricity is the very reason for our existence as a drug discovery company and our greatest motivation. With our corporate slogan "Passion for Innovation, Compassion for Patients.®" in our hearts, approximately 20,000 employees around the world embrace patient centricity as a shared value. With a deep sense of purpose—knowing why we work and why we exist—each of us approaches our daily responsibilities with commitment and care. As employees with diverse roles collaborate across borders and languages, this shared value binds us together and strengthens our sense of cohesion as an organization.

Furthermore, in April 2024, we newly established a Special Assignment on Patient

Centricity role, strengthening our ability to oversee and promote initiatives across our entire group in a global and cross-functional manner. By consistently engaging with patients in an open and sincere manner and listening carefully to their voices, we are elevating innovation even more meaningful.

No matter what challenges lie ahead, I will continue to lead with determination so that all employees can continue to move forward together with pride in contributing to patients.

For specific Patient Centricity initiatives, please see **P39**

Q Please tell us about your initiatives for achieving sustainable growth and the current status of discussions on the next 5-year Business Plan.

A Even amid an uncertain market environment, we plan to develop a robust strategy together with all EMC* members to drive growth over the short, medium, long, and extended time horizons.

*Executive Management Committee

We have been striving to achieve sustainable growth by strengthening our R&D capabilities and accelerating global product launches through strategic partnerships with external partners.

At the core of our efforts lies the R&D of DXd ADCs, an area in which we possess world-class competitiveness. We are steadily advancing initiatives toward the market launch of products following Enhertu and Datroway. At the same time, with a view toward the maturity phase of the DXd ADC franchise, we are focusing on the research and development of next-generation ADCs, as well as exploring novel modalities beyond ADCs. These efforts are aimed at continuously generating technologies and products that underpin sustainable growth.

In the area of clinical development, we have strengthened our ability to deliver innovative drugs more rapidly to more patients through strategic alliances with global partners such as AstraZeneca and Merck & Co., Inc., Rahway, NJ, USA. Alliances themselves are one of our key investment areas; however, we recognize the critical importance of optimizing R&D expenditures through appropriate partnership management based on clear prioritization, while maintaining a comprehensive view of Daiichi Sankyo's asset portfolio.

Looking ahead, we will further accelerate our global expansion and evolve into an even more resilient organization—one that not only builds on the organizational strength cultivated through these alliances but is also capable of pursuing development and commercialization independently.

During the next 5-year Business Plan period, several of our key products, including Lixiana®, which has supported our business and oncology investments, will reach important milestones in their product life cycles. In order to secure short-term earnings while continuing to invest for the future, it is increasingly important to reassess and optimize our business and organizational structure, set clear priorities for areas of focus, and make timely and accurate decisions.

To define our future direction, we have been engaging in deep discussions at the EMC since April 2024 such themes as: What do our stakeholders expect from Daiichi Sankyo? What should our 2035 Vision and the next 5-year Business Plan look like? What should we prioritize, and what should we not pursue? Through this process, each member of the management team has come to strongly embrace an enterprise mindset, taking responsibility as a leader for the entire Group. We are working together as one, with the mindset that we are an “EMT (Team)” rather than an “EMC (Committee)” to make decisions with a forward-looking view.

Our discussions are still ongoing, but we aim to present our 2035 Vision and our goals and strategies through 2030 in the early part of the next fiscal year. We sincerely hope you look forward to these updates.