Toward Value Co-Creation with Stakeholders

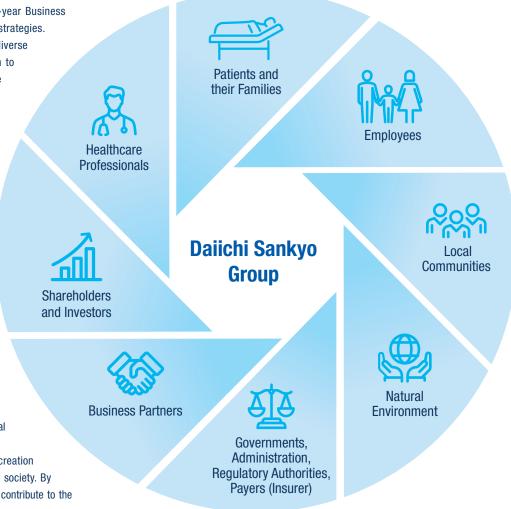
To achieve our Group's Purpose of "contributing to the health and enriched lives of people around the world," and continuously enhance corporate value, it is essential to understand and respond to various demands, including unmet medical needs from a constantly changing society, and to reflect these in our corporate activities. In our current 5-year Business Plan (FY2021-FY2025), we have positioned "creating shared value with stakeholders" as one of our strategies. We actively engage in dialogue with all stakeholders and identify expectations and needs rooted in diverse values. These are integrated into our management strategy as sustainability challenges that we aim to address. By aligning these perspectives with our business activities, we strive to create unique value that only Daiichi Sankyo can deliver.

Shared Value Creation Process with Stakeholders

Our Group believes that communication with various stakeholders is essential for sustainable growth in society and long-term enhancement of corporate value and social values. These stakeholders include patients and their families, employees, local communities, natural environment, governments, administration, regulatory authorities and payers (insurer), business partners, shareholders and investors, and healthcare professionals. We are committed to engaging in appropriate and constructive collaboration with all of these stakeholders.

Our Group actively engages in dialogue with stakeholders to better understand the social demands and expectations placed upon us. We aim to become a company that earns society's trust by responding to these expectations through our business activities, as well as by promoting initiatives that help stakeholders understand our efforts and approaches. Additionally, we strive to build and maintain relationships with stakeholders not only by complying with laws and regulations in the countries and regions where we operate, but also by respecting various international standards and diverse cultures and customs.

We believe that appropriately sharing the profits and outcomes generated through value co-creation via collaboration with these multiple stakeholders contributes to the sustainable development of society. By continuously advancing this value co-creation process and enhancing its quality and scale, we will contribute to the improvement of both corporate value and social values.

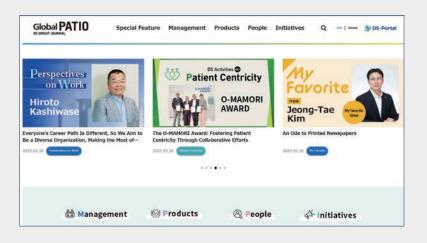


Case study

Case Study 1

Revitalizing Internal Communication

We are working to revitalize internal communication with the goal of "understanding and permeating management information" and "fostering a culture where the organization and employees unite globally to take on challenges." We regularly publish the webbased internal newsletter "PATIO" for all global employees, which features management messages utilizing video and images, company-wide award recipients, and messages from new employees on our internal portal site. On our internal bulletin board "Management's Daily Room," management shares casual updates, insights and behind visions and strategies, and day-to-day thoughts, while employee can engage with these posts by likes and comments, promoting open and visible interaction. Another section of the bulletin board "Hot Topics," highlights notable achievements from each department and unique internal activities. We also conduct two-way communication between management and employees through management caravans that visit various Group locations and global town halls open to all employees, while actively implementing internal communication to monitor progress and help achieve the goals of our current 5-year Business Plan.



Case Study 2

Sustainability Dialogue with Investors

In addition to traditional communication centered on financial information, we are increasingly engaging in dialogue on sustainability-related themes such as governance, access to healthcare, and environmental initiatives during meetings with institutional investors. To facilitate more constructive dialogue, we are working to enhance the quality and scope of our pre-financial information disclosure. In December 2024, we held our fourth "Sustainability Dialogue Session" (formerly ESG briefing) for institutional investors, securities analysts, and media representatives. This dialogue session utilizes our "Value Report 2024" published in September 2024, with the aim of deepening understanding of our management while incorporating feedback from investors and others into our future management practices to connect to sustainable value creation. This session was held in a hybrid format combining in-person and online participation, allowing for active dialogue with many participants. Both Inside and Outside Directors took the stage to explain our approaches to sustainability management and human capital, as well as our specific initiatives focusing on our greatest strengths of "Science & Technology" and "Governance," while receiving valuable feedback from investors.

