

# ESG Data

## Environment

### Promoting Environmental Management

Aspect	Classification	Items	Scope*1	Unit	FY2016	FY2017	FY2018			
CO2	CO2 emissions	Sales vehicles	In Japan	t-CO2	6,238	6,193	5,991			
			Global	t-CO2	21,907	20,826	17,179			
		Offices	In Japan	t-CO2	6,497	6,236	5,756			
			Global	t-CO2	10,893	12,986	11,787			
		Plants and research facilities	In Japan	t-CO2	163,997	153,504	144,576			
			Global	t-CO2	203,362	191,013	182,594			
		Total	In Japan	t-CO2	✓	176,732	✓	165,933	✓	156,323
			Global	t-CO2		236,162		224,826		211,560
	CO2 emissions by Greenhouse Gas Protocol classification	Scope 1	In Japan	t-CO2	✓	91,662	✓	84,283	✓	79,505
			Global	t-CO2		115,474		108,106		100,503
		Scope 2	In Japan	t-CO2	✓	90,182	✓	85,382	✓	79,901
			Global	t-CO2		125,799		120,451		114,140
		Scope 3	In Japan	t-CO2		630,996		770,193		799,497
Energy	Breakdown of energy use (in Japan)	Electricity	In Japan	Thousand GJ	1,856	1,750	1,662			
		City gas	In Japan	Thousand GJ	1,608	1,486	1,405			
		Others (LPG, LNG, heavy oil, kerosene, diesel oil, gasoline)	In Japan	Thousand GJ	103	112	103			
		Steam	In Japan	Thousand GJ	0	0	0			
		Total	In Japan	Thousand GJ	3,567	3,339	3,170			
		Breakdown of energy use (global)	Electricity	Global	Thousand GJ	2,366	2,271	2,109		
	City gas		Global	Thousand GJ	1,759	1,671	1,593			
	Others (LPG, LNG, heavy oil, kerosene, diesel oil, gasoline)		Global	Thousand GJ	494	385	329			
	Total		Global	Thousand GJ	4,619	4,327	4,031			
						✓	✓	✓		

Water resources	Water used	In Japan	1,000 m3	<input checked="" type="checkbox"/>	10,986	<input checked="" type="checkbox"/>	10,311	<input checked="" type="checkbox"/>	9,867
		Global	1,000 m3		11,534		10,828		10,393
	Wastewater	In Japan	1,000 m3	<input checked="" type="checkbox"/>	9,934	<input checked="" type="checkbox"/>	9,856	<input checked="" type="checkbox"/>	9,476
		Global	1,000 m3		10,370		10,283		9,809
	Effective water usage volume*2	Global	1,000 m3		1,163		544		584
Water quality	BOD	In Japan	t		10		10		13
		Global	t		34		32		32
	COD	In Japan	t		14		14		12
		Global	t		70		61		54
Waste	Waste generated	In Japan	t	<input checked="" type="checkbox"/>	20,588	<input checked="" type="checkbox"/>	14,682	<input checked="" type="checkbox"/>	14,684
		Global	t		22,778		16,747		17,044
	Total amount of waste generated (outsourced waste treatment)	In Japan	t		15,648		10,281		10,933
		Global	t		17,816		14,114		13,293
	Recycled waste	In Japan	t		5,484		3,771		3,045
		Global	t		6,429		4,786		3,995
	Recycling rate	In Japan	%		35		37		28
	Final disposal	In Japan	t		143		63		74
		Global	t		1,214		840		1,027
	Final disposal rate	In Japan	%		0.69		0.43		0.5
Amount of office paper consumed	In Japan	10,000 sheets		5,355		5,360		5,109	
Air	SOx emissions	In Japan	t		0.3		0.2		0.6
		Global	t		1.54		0.53		1.5
	NOx emissions	In Japan	t		49		36		41
		Global	t		56		42		45
PRTR substances	Amount handled	In Japan	t		3,182		1,278		1,798
	Amount discharged (air)	In Japan	t		49		5		7
	Amount discharged (water)	In Japan	t		0		0		0
	Amount transferred (sewage)	In Japan	t		120		0		0
	Amount transferred (waste)	In Japan	t		428		1,211		1,626

Containers and packaging	Containers and packaging materials recovery and recycling	Required amount of recycled products	In Japan	t	2,003	1,807	1,854
Management	Acquisition of ISO14001 certification (Number of certified sites)		In Japan	Sites	6	6	6
			Global	Sites	7	7	10
Biodiversity	Ecological footprint		In Japan	gha	303,123	345,061	354,398

## Social

### Promoting Compliance Management

Aspect	Classification	Items	Scope*1	Unit	FY2016	FY2017	FY2018
Compliance	Compliance training	Total	In Japan	Persons	436	520	531
		Training new employees	In Japan	Persons	167	180	187
		Training newly appointed managerial employees	In Japan	Persons	136	189	182
		Training newly appointed executive candidates	In Japan	Persons	100	105	134
		Training mid-career hire employees	In Japan	Persons	33	46	28
	Training on Daiichi Sankyo Group Individual Conduct Principles	Number of employees participating in e-learning and group training	In Japan	Persons	-	-	9,248
			Outside Japan	Persons	-	-	Approx. 6,100
	Compliance awareness surveys*3	Response rate	In Japan	%	-	96.7	-
	Compliance training based on U.S. CIA*4		In Japan	Persons	125	147	170
			Outside Japan	Persons	2,001	2,074	1,837
	Information security training	Ratio of employees participating in e-learning	In Japan	%	94.9	96.6	93.5
	Company brand training*5	Ratio of employees	In Japan	%	93	81	-

		participating in e-learning					
	Social media training*5	Ratio of employees participating in e-learning	In Japan	%	80.0	95.4	-
	GVP*6 training	Ratio of GVP-related employees undergoing training	Non-consolidated	%	100	100	100
		Ratio of all employees (excluding GVP-related employees) undergoing training	Non-consolidated	%	99.8	99.9	99.9
	GQP*7 training	Ratio of GQP-related employees undergoing training	Non-consolidated	%	100	100	100
	Development-related training (including GCP)	Aggregate number of e-learning programs and group training sessions	Non-consolidated	Times	93	93	86
	Ratio of new employees who passed the MR certification test	Test pass rate	In Japan	%	100	100	100
	Number of recalls (Class I*8)	Number of recalls	Global	Cases	0	0	0

## Mutual Growth of Employees and the Company

Aspect	Classification	Items	Scope*1	Unit	FY2016	FY2017	FY2018	
Employees	Number of employees by region*9	Japan	In Japan	Persons	8,648	8,765	✓ 8,865	
		Outside Japan	Outside Japan	Persons	6,022	5,681	✓ 6,022	
		Total						
		Asia	Outside Japan	Persons	1,601	1,553	1,678	
		South and Central America	Outside Japan	Persons	379	355	394	
		United States	Outside Japan	Persons	2,464	2,191	2,172	
		Europe	Outside Japan	Persons	1,578	1,582	1,778	
	Total	Global	Persons	14,670	14,446	✓ 14,887		
	Employee	Number of	In Japan	Persons	2,005	2,102	✓ 2,170	

data*9	female employees		%	23.2	24.0	✓	24.5
		Outside Japan	Persons	2,934	2,793	✓	2,946
			%	48.7	49.2	✓	48.9
		Global	Persons	4,939	4,895	✓	5,116
			%	33.7	33.9	✓	34.4
	Number of male employees	In Japan	Persons	6,643	6,663	✓	6,695
		Outside Japan	Persons	3,088	2,888	✓	3,076
		Global	Persons	9,731	9,551	✓	9,771
	Temporary employees	In Japan	Persons	509	499		409
		Outside Japan	Persons	9	12		9
	Average years of service	In Japan	Years	18.7	18.9		19.0
		In Japan (male)	Years	19.5	19.9		20.1
		In Japan (female)	Years	15.8	15.8		15.5
		Outside Japan	Years	-	-		8.3
		Outside Japan (male)	Years	-	-		8.4
		Outside Japan (female)	Years	-	-		8.2
		Global	Years	-	-		14.7
		Global (male)	Years	-	-		16.5
		Global (female)	Years	-	-		11.4
		Managerial employees	In Japan	Persons	2,735	2,845	
	In Japan (female)		Persons	148	171		189
			%	5.4	6.0	✓	6.5
	Global		Persons	4,505	4,617		4,746
	Global (female)		Persons	1,019	960		1,066
			%	22.6	21.3	✓	22.5
	Female senior managerial employees*10	In Japan	%	-	-		2.1
		Global	%	-	-		22.5
	New employees	In Japan (male)	Persons	109	106		111
		In Japan (female)	Persons	83	93		104
		In Japan (total)	Persons	192	199		215
	Mid-career hire employees	In Japan (male)	Persons	20	25		28
		In Japan (female)	Persons	8	14		2
		In Japan (total)	Persons	28	39		30
	Total new employees	In Japan (male)	Persons	129	131		139
		In	Persons	91	107		106

		Japan (female)					
		In Japan (total)	Persons	220	238	245	
		Global (male)	Persons	-	-	786	
		Global (female)	Persons	-	-	797	
		Global (total)	Persons	-	-	1,583	
	Ratio of newly appointed female managerial employees	In Japan	%	12.4	13.5	17.5	
	Employment rate of people with physical or mental disabilities	In Japan	%	2.44	2.45	2.43	✓
		Outside Japan	%	2.42	2.83	1.53	
Human resource development	Number of company award winners*11	In Japan	Persons	47	41	44	
	Aggregate amount of training time by level of seniority	In Japan	Hours	20,259	31,473	34,142	
	Aggregate voluntary training time	In Japan	Hours	6,123	5,708	5,803	
	Total turnover rate	In Japan	%	-	1.6	1.5	
		Global	%	-	10.3	10.3	
	Turnover rate (due to personal reasons)	In Japan	%	0.8	1.1	1.0	
		Global	%	5.3	6.0	6.0	
	Retention rate of employees in their 3rd year of service	In Japan (male)	%	-	-	92.9	
		In Japan (female)	%	-	-	91.2	
		In Japan (total)	%	-	95.2	92.2	
Employees taking childcare leave	Employees taking childcare leave (male)	In Japan	Persons	6	12	14	
	Employees taking childcare leave (female)	In Japan	Persons	65	54	60	
	Ratio of employees returning to work after childcare leave*12 (male)	In Japan	%	100	100	100	
	Ratio of employees returning to work after childcare	In Japan	%	97	100	100	

	leave*12 (female)						
	Retention rate of employees after taking childcare leave*13 (male)	In Japan	%	100	100	100	
	Retention rate of employees after taking childcare leave*13 (female)	In Japan	%	98	96	96	
Employees taking leave to care for children	Employees taking leave to care for children (male)	In Japan	Persons	233	265	284	
	Employees taking leave to care for children (female)	In Japan	Persons	277	318	317	
Employees taking long-term nursing care leave	Employees taking long-term nursing care leave (male)	In Japan	Persons	1	1	0	
	Employees taking long-term nursing care leave (female)	In Japan	Persons	3	2	2	
Employees taking short-term nursing care leave	Employees taking short-term nursing care leave (male)	In Japan	Persons	71	91	114	
	Employees taking short-term nursing care leave (female)	In Japan	Persons	65	90	113	
Occupational health and safety	Paid vacation usage rate	In Japan	%	62.9	64.5	68.5	
	Total hours worked in a year	In Japan	Hours	1,835	1,818	1,801	
	Lost time injuries frequency rate*14	In Japan	-	0.17	0.40	✓	0.29
		Outside Japan	-	5.76	7.01	✓	3.66
		Global	-	2.55	3.00	✓	1.65
	Accident severity rate*15	In Japan	-	0.0012	0.0089		0.0016
		Outside Japan	-	-	-		0.0397
Global		-	-	-		0.0170	
Stock ownership	Eligible people	In Japan	Persons	8,894	8,998	9,181	
	Members	In Japan	Persons	4,692	4,789	4,907	
	Participation rate	In Japan	%	52.8	53.2	53.4	
Labor union	Coverage of	In Japan	%	100	100	100	

		collective bargaining	Global	%	-	71	67
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## Enhancement of Communication with Stakeholders

Aspect	Classification	Items	Scope*1	Unit	FY2016	FY2017	FY2018
Patients and medical professionals	Evaluation of corporate stance and MR activities	Overall assessment of MRs (all responding physicians)*16	In Japan	Rank	1st	1st	1st
		Overall assessment of MRs (hospital doctors)*16	In Japan	Rank	1st	1st	1st
		Overall assessment of MRs (private-practice physicians)*16	In Japan	Rank	1st	1st	1st
	Number of inquiries received by the product information center from outside the company (prescription pharmaceuticals)		In Japan	1,000cases	99	101	89
Shareholders	Dividends per share	Interim	Non-consolidated	Yen	35	35	35
		Year-end	Non-consolidated	Yen	35	35	35
		Total	Non-consolidated	Yen	70	70	70
Social	Political contributions · Lobby activity expenses	Total amount	Global	¥ Million	52.8	120.8	43.0
Social	Industry group participation fee	Total amount	Global	¥ Million	642.2	655.5	370.5

## Improving Access to Healthcare

Aspect	Classification	Items	Scope	Unit	FY2016	FY2017	FY2018
Social	Number of mobile healthcare field clinics	Aggregate (January to December)	In Tanzania	Times	102	521	1,090
	Number of participants in	Aggregate (January 2016 to December 2018)	In China	Persons	-	257	-



	IMCI*17 training						
	Number of people participating in CCDN*18 activities	Aggregate (January 2016 to December 2018)	In China	Persons	-	9,923	4,860
	Number of development projects conducted through the GHIT Fund*19	Aggregate (January to December)	In Japan		5	5	4

## Social Contribution Activities

Aspect	Classification	Items	Scope*1	Unit	FY2016	FY2017	FY2018
Social	Amount of contributions		Non-consolidated	¥ Million	2,003	1,671	1,532
	Number of visitors to our laboratories and plants		In Japan	Persons	1,200	1,100	849
	Number of visitors to Kusuri Museum		Non-consolidated	Persons	14,793	22,137	24,362
Employees	Number of employees taking short-term volunteer leave		In Japan	Persons	9	18	17
	Number of employees taking long-term leave for volunteer activities		In Japan	Persons	1	1	1
	Number of employees taking leave for bone marrow donation		In Japan	Persons	1	0	1

## Governance

Aspect	Classification	Items	Scope*1	Unit	FY2016	FY2017	FY2018
Governance	Structure of Board of Directors	Number of directors	Non-consolidated	Persons	10	9	9
		Number of outside directors	Non-consolidated	Persons	4	4	4

		Number of female directors	Non-consolidated	Persons	0	0	0
Structure of Audit and Supervisory Board		Number of Audit & Supervisory Board members	Non-consolidated	Persons	4	5	5
		Number of Outside Audit & Supervisory Board members	Non-consolidated	Persons	2	3	3
		Number of Outside Audit & Supervisory Board members (female)	Non-consolidated	Persons	1	2	2
Remuneration to Members of the Board	Total	Non-consolidated	¥ Million	578	609	650	
Remuneration to Members of the Audit and Supervisory Board	Total	Non-consolidated	¥ Million	105	117	120	
Training for board members		In Japan	Persons	-	7	4	
Structure of the Compensation Committee	Ratio of independent directors and auditors	Non-consolidated	%	100	100	100	
Structure of the Nomination Committee	Ratio of independent directors and auditors	Non-consolidated	%	100	100	100	
Number of the meetings of the Board of Directors held		Non-consolidated	Times	-	13	14	
Attendance rate for meetings of the Board of Directors (Members of the Board)		Non-consolidated	%	-	99	98.4	
Attendance rate for meetings of the Board of Directors (Members of the Audit and Supervisory Board)		Non-consolidated	%	-	100	98.6	

Number of meetings of the Audit and Supervisory Board held		Non-consolidated	Times	-	14	13
Attendance rate for the meetings of Audit and Supervisory Board		Non-consolidated	%	-	98.6	99
Number of Nomination Committees held		Non-consolidated	Times	-	5	8
Attendance rate for the Nomination Committees		Non-consolidated	%	-	95	96.9
Number of Compensation Committees held		Non-consolidated	Times	-	3	6
Attendance rate for the Compensation Committees		Non-consolidated	%	-	100	95.8

Information with this mark has been verified by SGS Japan Inc.

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\*1 In Japan, outside Japan, and global indicate non-consolidated and domestic consolidated subsidiaries, overseas consolidated subsidiaries, and non-consolidated and all consolidated subsidiaries, respectively.

\*2 Water intake-Wastewater

\*3 Conducted every three years

\*4 Corporate Integrity Agreement. An agreement on legal compliance.

\*5 Not conducted in fiscal 2018

\*6 Good Vigilance Practice. Standards for safety management of pharmaceuticals, quasi-pharmaceuticals, cosmetics, and medical devices after manufacturing and selling.

\*7 Good Quality Practice. A ministerial ordinance on quality management standards for pharmaceuticals, quasi-pharmaceuticals, cosmetics, and medical devices.

\*8 A situation where there is a reasonable probability that the use of or exposure to the product will severely affect the health or cause death.

\*9 The numbers of employees as of the settlement date of each Group company (as of Sunday, March 31, 2019 for fiscal 2018). Average years of service is as of April 1 of the next fiscal year.

\*10 Female employees in a division head or higher position

\*11 Total number of employees who received a prize for culture-building and achievement awards.

\*12 (Total number of employees returning to work after childcare leave/Total number of employees scheduled to return to work after childcare leave in the given fiscal year)\*100

\*13 (Total number of employees who continued to work for 12 months after returning to work after childcare leave/Total number of employees who returned to work after childcare leave in the previous fiscal year)\*100

\*14 Number of work-related deaths and injuries/Total hours worked\*1,000,000

The number of work-related deaths and injuries counts cases that involved at least a day of leave.

\*15 Number of total work hours lost due to work-related deaths and injuries/Total hours worked\*1,000

\*16 Conducted by ANTERIO Inc. (FY2016–FY2018)

\*17 Integrated Management of Childhood Illness Strategy. Integrated management of childhood illness. The training was conducted only in 2017.

\*18 Community Child Development Network. Child development support in communities.

\*19 Global Health Innovative Technology Fund



## Independent Assurance Report

To the President and COO of Daiichi Sankyo Co, Ltd.

We were engaged by Daiichi Sankyo Co., Ltd. (the “Company”) to undertake a limited assurance engagement of the social performance indicators marked with  (the “Indicators”) for the period from April 1, 2018 to March 31, 2019 included in its ESG Data webpage ([www.daiichisankyo.com/about\\_us/responsibility/csr/esg/](http://www.daiichisankyo.com/about_us/responsibility/csr/esg/)) (the “Webpage”).

### The Company's Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Webpage.

### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Webpage, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the Webpage and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Evaluating the overall presentation of the Indicators.

### Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Webpage are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Webpage.

### Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

*KPMG AZSA Sustainability Co., Ltd.*

KPMG AZSA Sustainability Co., Ltd.

Tokyo, Japan

November 11, 2019

**For disclosing ESG data, we referred to the following guidelines.**

- IIRC (International Integrated Reporting Council), “International Integrated Reporting Framework”
- ISO 26000 (Guidance on Social Responsibility)
- Japanese Ministry of the Environment, “Environmental Reporting Guidelines, 2018 Edition”
- International norms such as 10 Principles of UN Global Compact