

Passion for Innovation.  
Compassion for Patients.™



# **FY2021 ESG Briefing**

**November 19, 2021**

**President and CEO  
Sunao Manabe**

**Chairman of the Board (Outside Director)  
Noritaka Uji**

**DAIICHI SANKYO CO., LTD.**

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Management strategies and plans, financial forecasts, future projections and policies, and R&D information that Daiichi Sankyo discloses in this material are all classified as Daiichi Sankyo's future prospects. These forward-looking statements were determined by Daiichi Sankyo based on information obtained as of today with certain assumptions, premises and future forecasts, and thus, there are various inherent risks as well as uncertainties involved. As such, please note that actual results of Daiichi Sankyo may diverge materially from Daiichi Sankyo's outlook or the content of this material. Furthermore, there is no assurance that any forward-looking statements in this material will be realized. Regardless of the actual results or facts, Daiichi Sankyo is not obliged and does not have in its policy the duty to update the content of this material from the date of this material onward.

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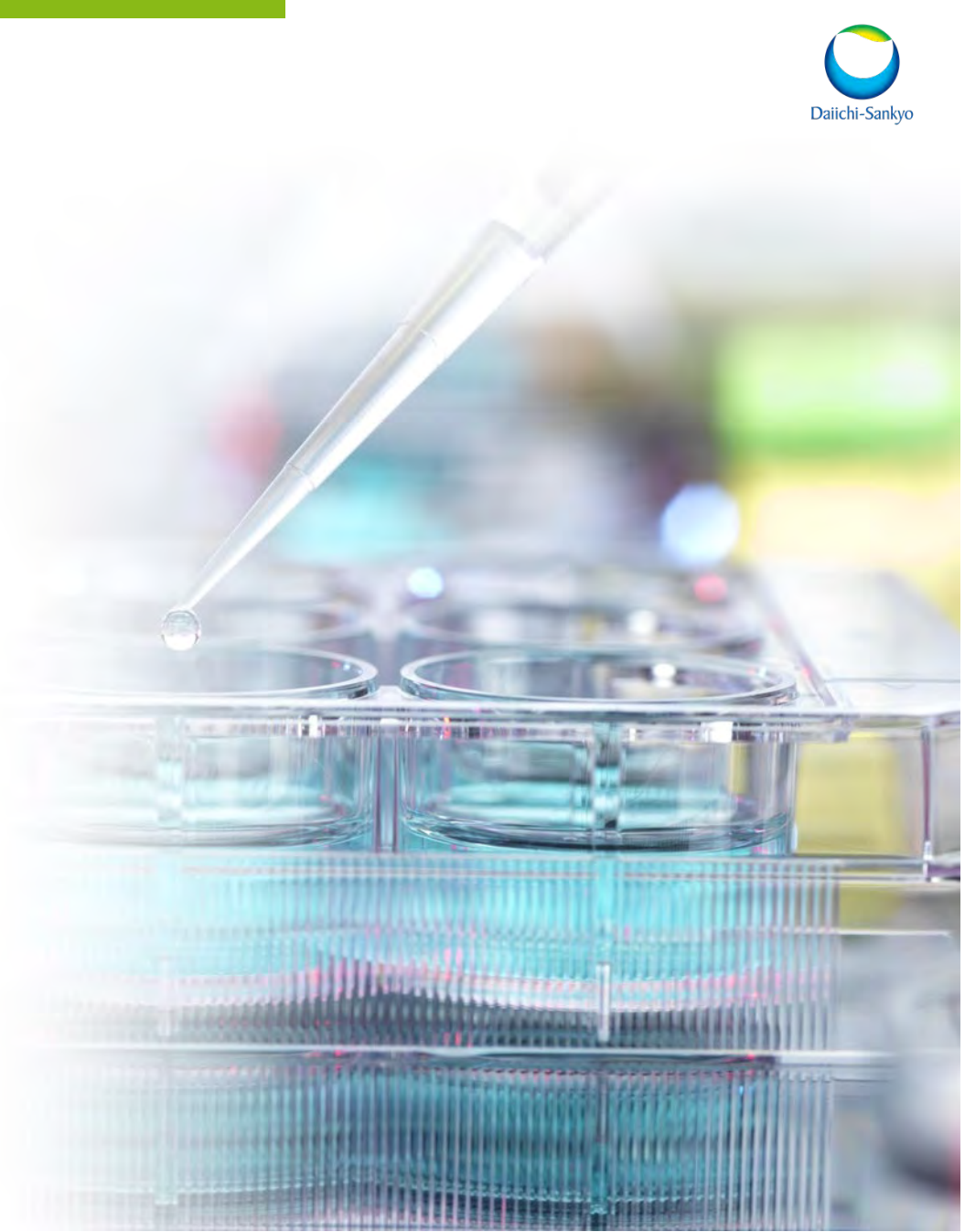
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# Agenda

**① Promotion of ESG Management**

**② Chairman's Oversight of the Group Management**

**③ Q&A Sessions**



# Agenda

## ① Promotion of ESG Management

## ② Chairman's Oversight of the Group Management

## ③ Q&A Sessions



# Towards the Realization of our Purpose and 2030 Vision

## Purpose

**Contribute to the enrichment of  
quality of life around the world**

## 2030 Vision



## Innovative Global Healthcare Company Contributing to the Sustainable Development of Society

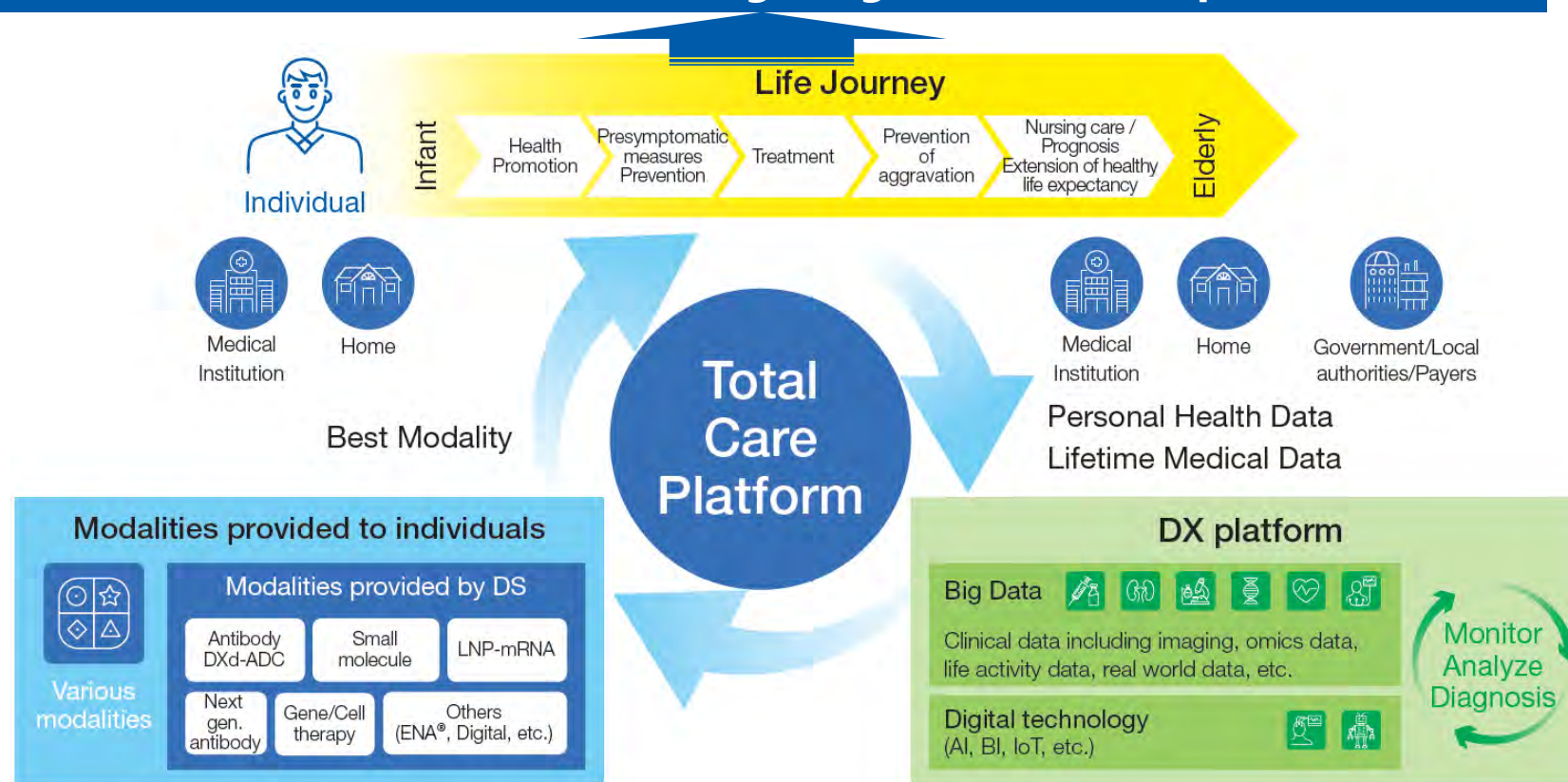
To realize our Purpose, the Daiichi Sankyo Group aims to address the social issues (creating innovative pharmaceuticals, initiatives for SDGs, etc.) that we are expected by society to solve through our business activities. We challenge ourselves to continuously provide innovative solutions based on our strength: Science & Technology.



# External Environment and Value provided by Daiichi Sankyo

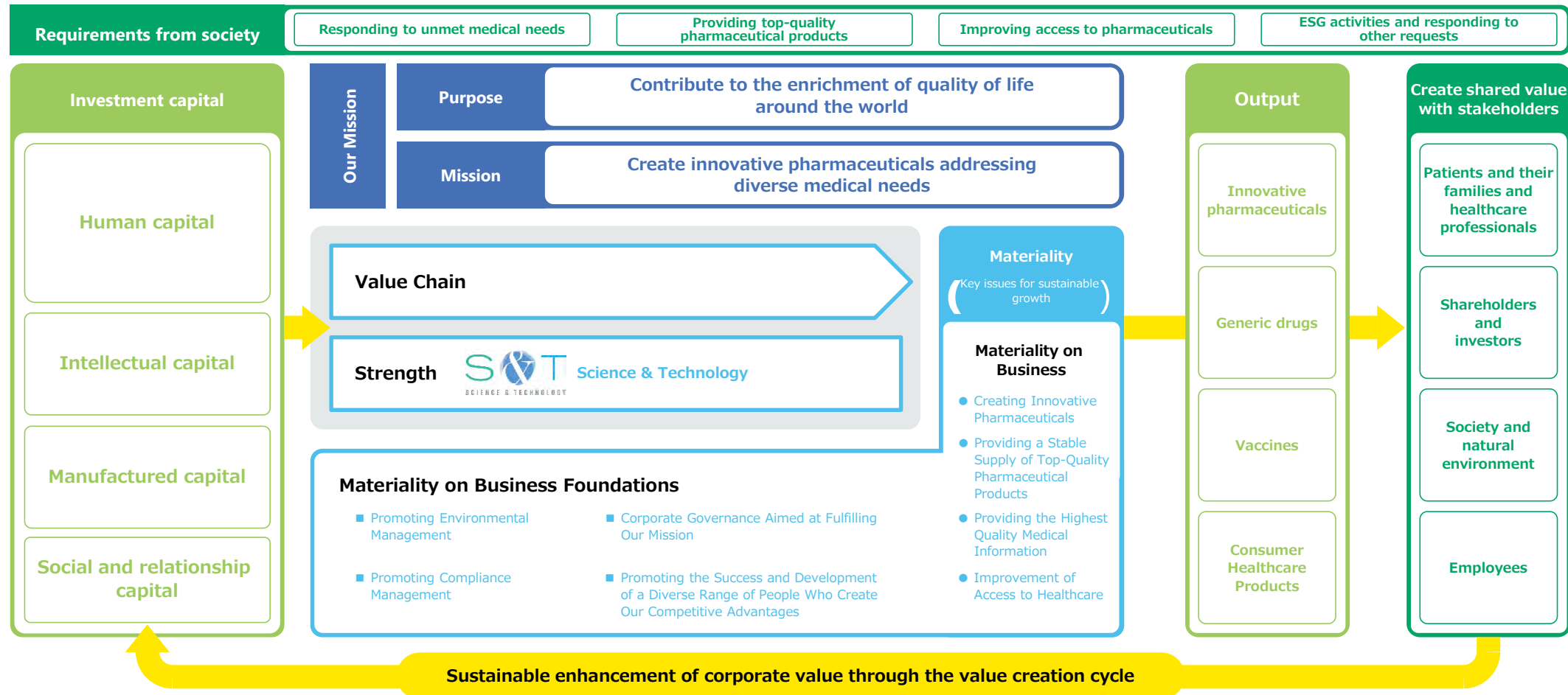
Provide the best modality leveraging our strength, Science & Technology, while providing total care beyond traditional pharma/healthcare according to an individual's life journey.

We will provide social value to each individual, address difficulties that could not be solved with existing drugs, and meet expectations.



# Value Creation Process

In response to the requirements from society, we provide stakeholders as well as society with social and economic value through our innovative pharmaceuticals with our strengths in science and technology as our source of competitive advantage by leveraging our important capital.



# Our Strength : Science & Technology (S&T)

**Driving forces for our strength in S&T: Scientific assessment capabilities of diverse researchers with a high level of expertise developed in corporate culture with a free and open-minded manner, technologies originated from craftspersonship, and eagerness for innovation.**

## Our Strength

- **Our corporate culture:**  
Researchers respect each other as a specialist in science and exchange opinions in a free and open-minded manner regardless of positions and tenure.
- **Techniques and experiences of drug development handed down through our history**

**Human Resources**

- **Diverse talent with high level of expertise**
- **Scientific assessment capabilities**
- **Technologies originated from craftspersonship**
- **A high level of engagement**
- **Eagerness for innovation**

**Corporate Culture**



**Core Technologies**

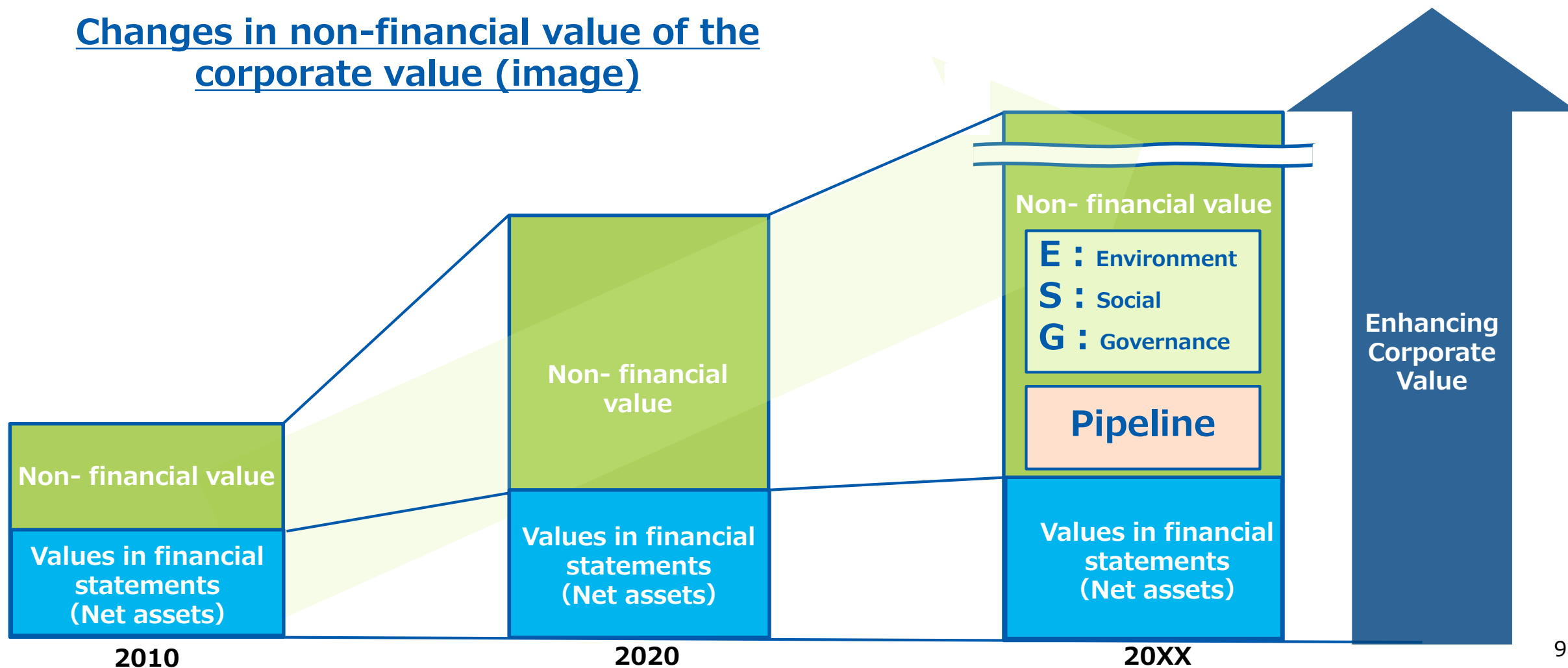
- **Our proprietary ADC technology platform**
- **Medicinal chemistry, protein engineering, drug evaluation, computational science, and translational research**



# Daiichi Sankyo ESG Management Promotion

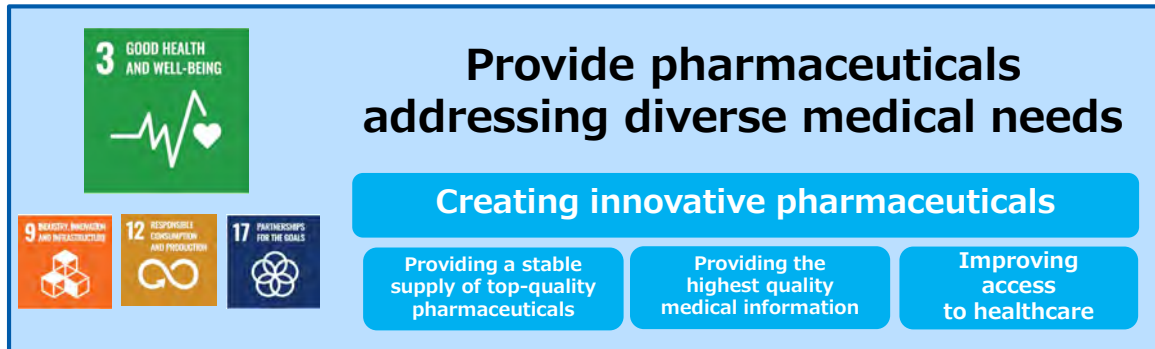
We aim to improve our corporate value sustainably by conducting ESG management with a long-term perspective and enhancing both financial and non-financial value.  
To this end, we will promote appropriate disclosure of non-financial value.

## Changes in non-financial value of the corporate value (image)



# Social Value Creation through Materiality

We realize the social significance of the Group (Purpose) through our efforts around Materiality.  
The social value we create leads to contribution to the SDGs.



# Materiality Identification and KPIs Setting Process

**Materiality KPIs linked to the 5-year business plan were set, after meetings of the Board of Directors.**

## ◆ 4 Steps for Setting Materiality and Materiality KPIs

### STEP1 : Address key issues in CSR activities

- Identified 36 CSR issues (FY2015)
- Narrowed down to 21 (FY2018)

### STEP2: From CSR issues to Materiality

- Extracted mid-to-long-term initiatives and challenges (FY2019)
- Prepared proposal for material issues considering ESG factors (enhancement of corporate value)

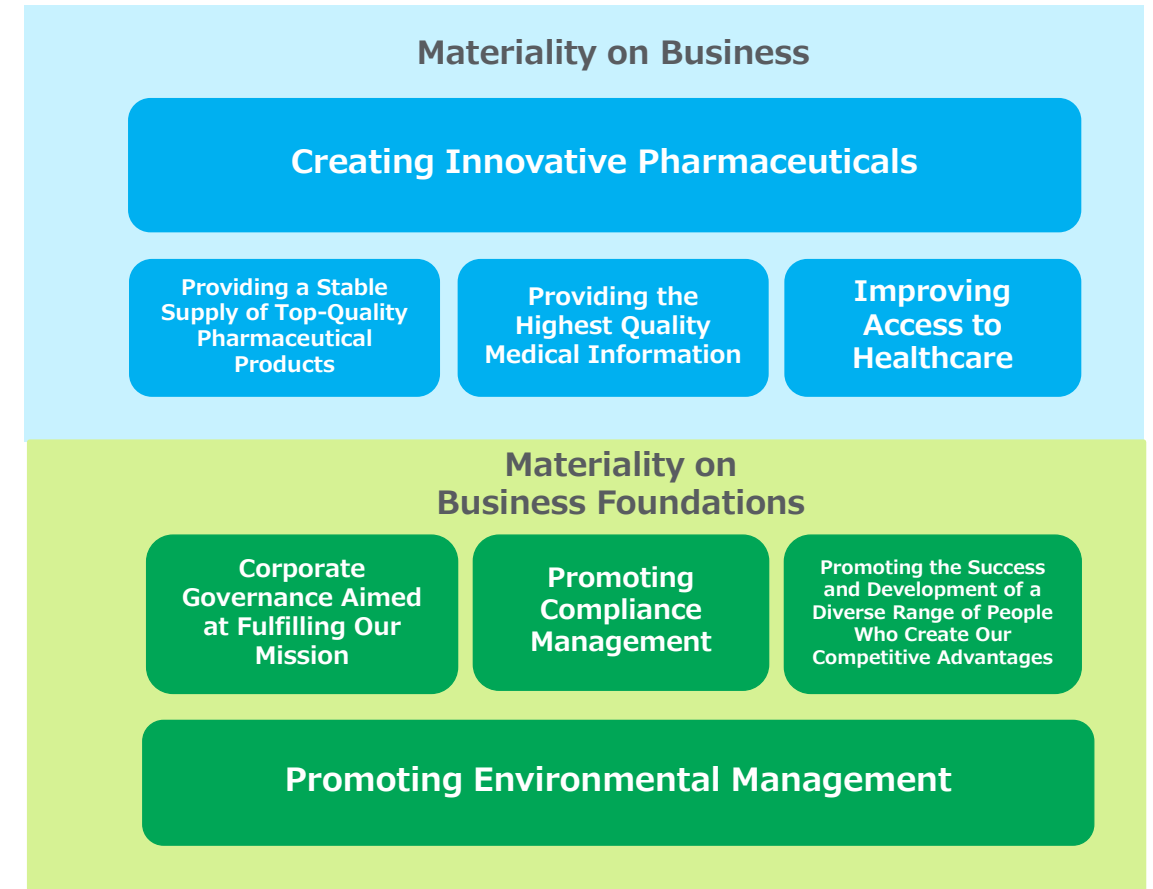
### STEP3 : Identify Materiality

- Identified eight material issues after meetings of the Board of Directors (March 2020)

### STEP4 : Set KPIs

- Considered KPIs and KPI target values by each related unit/department
- Considered KPIs and KPI target values on the management level
  - Discussions by the management team (twice)
  - Discussions by the members of the Board of Directors (3 times)
- Discussed at the Corporate Ethics Committee (Compliance), EHS Management Committee (Environment) (February 2021)
- Approved KPIs at the Executive Management Committee and the Board of Directors (March 2021)
- Disclosed on the website in conjunction with the announcement of the 5-year business Plan (April 2021)

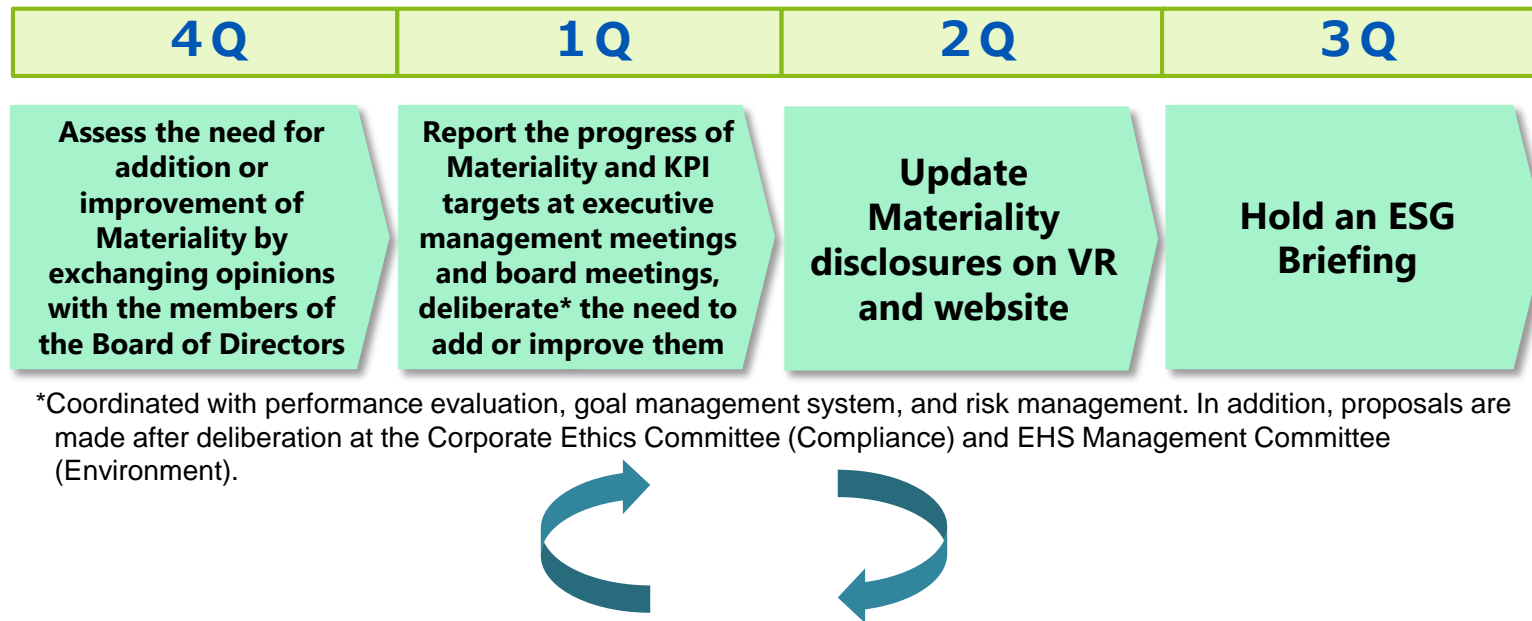
## ◆ Eight Material Issues



# Materiality Management

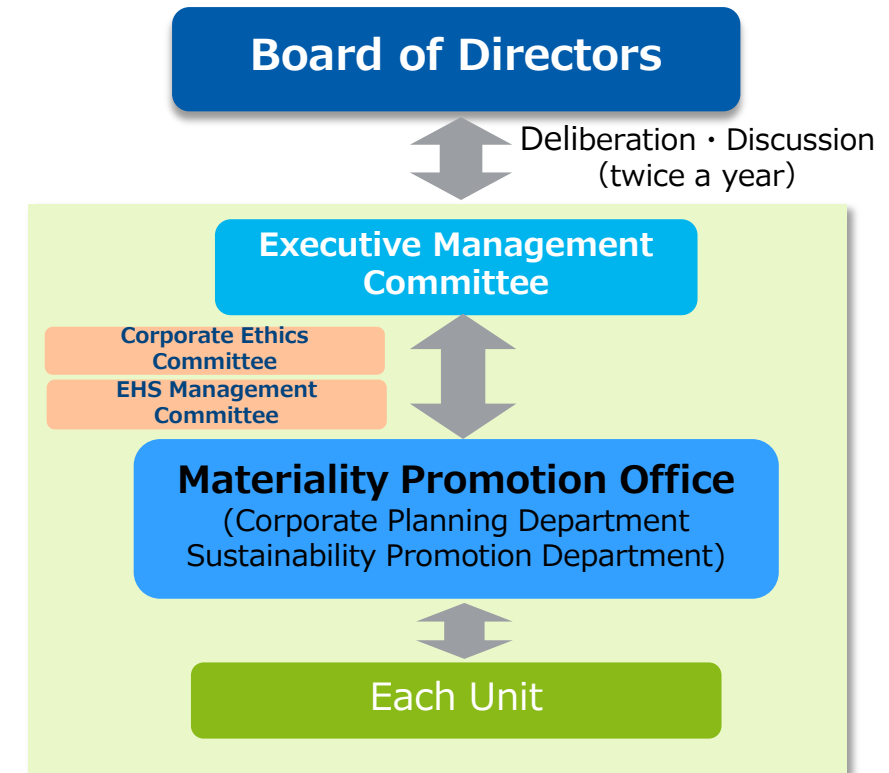
Based on the changes in the external environment and constructive dialogue with internal and external stakeholders, we plan to exchange views with the members of the Board of Directors on the need to add or improve Materiality.

## ◆ Materiality Management Cycle



Constructive Dialogues with Stakeholders

## ◆ Materiality Management Structure



# Improving Access to Healthcare①

## Reason for selection

Strive to improve access to healthcare by promoting the Daiichi Sankyo Group Policy on Access to Healthcare to employees, and seeking cooperation with the stakeholders including the government, payers and alliance partners. In the mid-term, we will globally deploy oncology products through collaboration with AstraZeneca. We will also contribute to solving social challenges, such as tackling COVID-19, through the utilization of our business foundations and cooperation with external institutions.

## Long-term target

Contribute to improving access to healthcare, working with stakeholders such as the government, payers and alliance partners

## KPI target values

- ①Increase in the number of launched countries of oncology products
- ②Response to new risks: Achievement of supply of AZD-1222 and progress in development of DS-5670 as planned

## Expansion of Access to Oncology Products



### • Increase in the number of launched countries of *Enhertu*®

Approved in 37 countries and treated to approximately 8,000 patients

### • Expanded Access Programs

As of August 2021, treated 1036 patients in more than 20 countries in 3 years with 4 Daiichi Sankyo life saving medicines.

## Response to New Risks

### • Promoting the development of mRNA vaccine DS-5670

### • Manufacturing “Vaxzevria™ intramuscular injection (AZD1222)”



Daiichi Sankyo Biotech has engaged in manufacturing (including vial filling and packaging) the COVID-19 vaccine “Vaxzevria™ intramuscular injection” developed by AstraZeneca.

The vaccines were provided to countries in Southeast Asia through the Japanese government and various countries and regions through COVAX Facility, etc.



# Improving Access to Healthcare②

Establishment of a "Head of Access to Healthcare" in November 2021  
Strengthen our efforts to improve access to healthcare.

## Purpose

To contribute to the enrichment of  
quality of life around the world

Developed Countries  
1.3 billion people



Developing Countries  
6.5 billion people



In addition to improving access to pharmaceuticals in developed countries, we aim to set measures and goals to improve access to pharmaceuticals in developing countries to meet the medical needs of more patients.

## Daiichi Sankyo Group Policy on Access to Healthcare

Research & Development

Availability

Capacity Building

# Reference : Actions for Access to Healthcare

**Implement activities for capacity building in Myanmar, Nepal and Zimbabwe in collaboration with Non-governmental organizations.**



**Mobile healthcare field clinic services in Myanmar (FY2019–FY2022)**

## Challenges

High rates of child and maternal mortality

## Purpose

To reduce the under-five mortality rate and improving the maternal checkup rate



**Breast cancer and cervical cancer screening camp project in Nepal (FY2021–FY2023)**

## Challenges

Breast and cervical cancers are the most common cancers among women, accounting for 30% of all cancer-related mortality

## Purpose

To increase the number of people who receive cancer screening and early detection



**Capacity building for SRHR and breast cancer/cervical cancer in Zimbabwe (FY2021–FY2024)**

## Challenges

Breast and cervical cancer are the leading causes of cancer deaths in women.

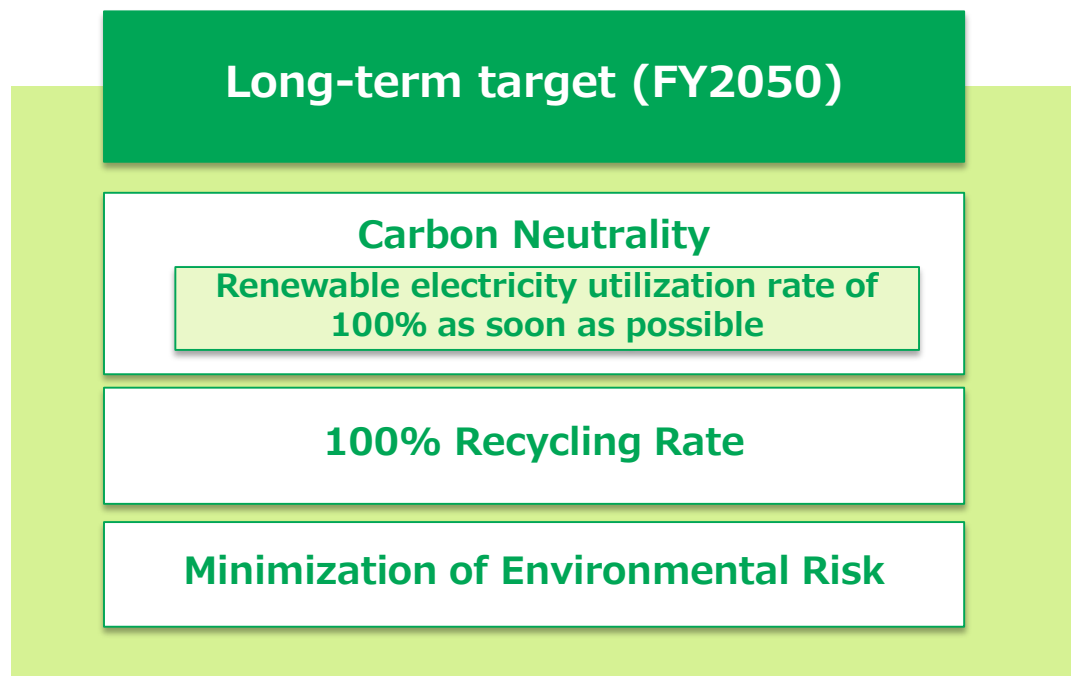
## Purpose

To improve women's rights and access to cancer screening

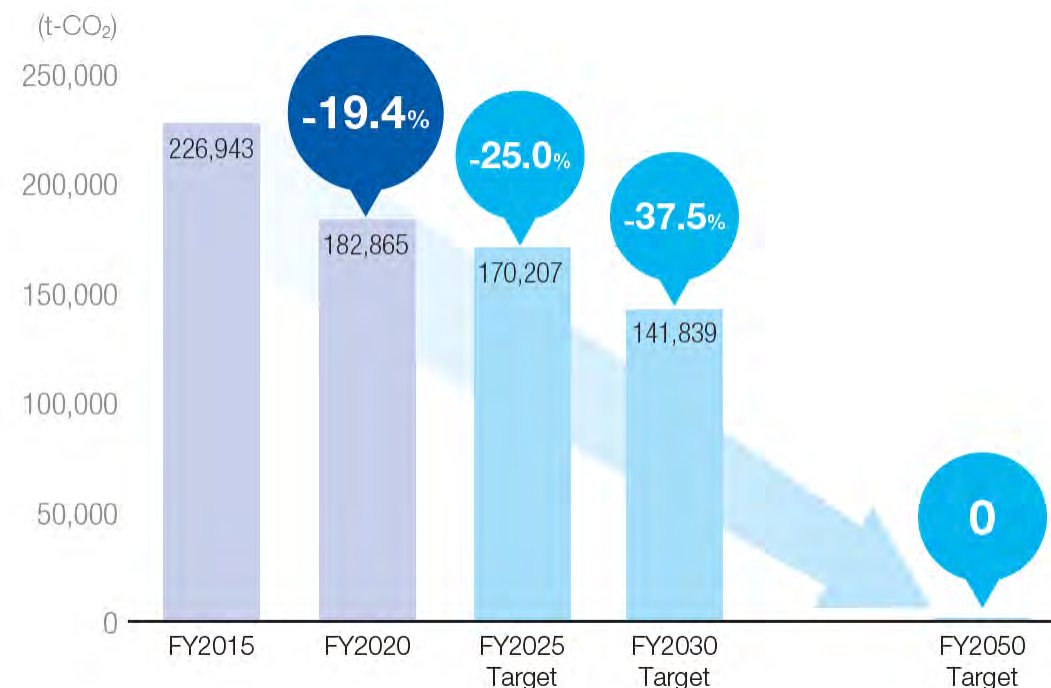
# Promoting Environmental Management①

Reason for selection	We recognize that changes in the disease structure and concerns about the stable supply of medicines are risk factors for our long-term business due to environmental impacts. We, as a responsible member of society, will work integrally in our business activities and environmental initiatives for a sustainable society, reducing the environmental impact of our products and operations.
Long-term target	As a healthcare company, we will proactively reduce the environmental impacts of our business operations and seek to implement advanced climate change countermeasures.
KPI target values	① CO2 emissions (Scope1 + Scope2) : 25% reduction from FY2015 ② CO2 emissions intensity based on sales (Scope3, Cat1) : 15% reduction from FY2020 ③ Renewable electricity utilization rate : more than 30% utilization rate ④ Waste plastic recycling rate : over 70% maintained ⑤ Disposal of hazardous waste : 10% reduction from FY2020

## ◆ Long-term target(FY2050)



## ◆ FY2025 Targets toward Carbon Neutrality

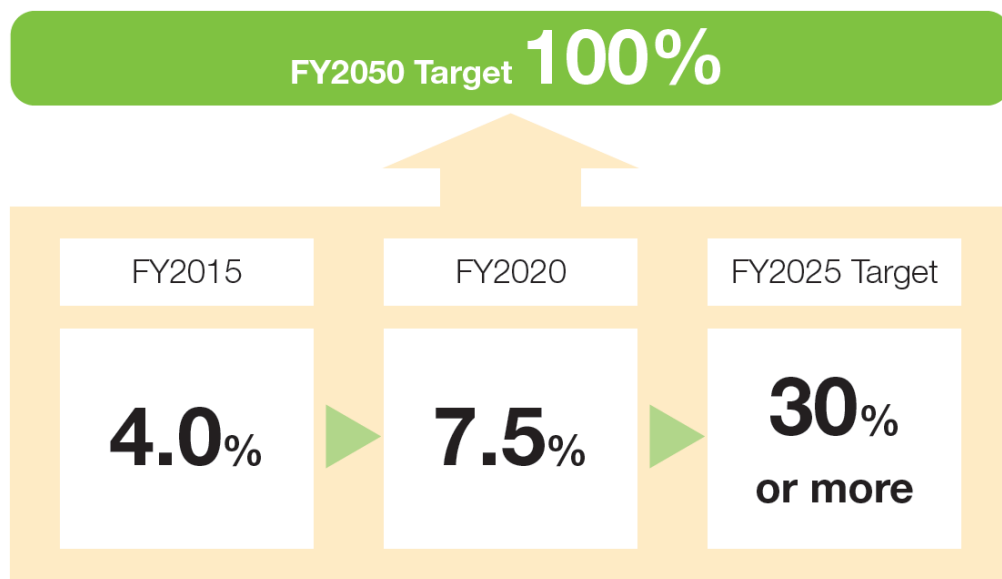




# Promoting Environmental Management②

Joined RE100\* in July 2021. We have promoted active implementation of measures such as installing a solar power system, etc. toward renewable electricity utilization rate of 100%.

## ◆ Renewable Electricity Utilization Rate



## ◆ Installing a solar power system-Examples of measures toward renewable electricity utilization rate of 100%

### ▼ Daiichi Sankyo Chemical Pharma Onahama Plant



### ▼ Daiichi Sankyo Europe Pfaffenhofen Plant



RE100

CLIMATE  
GROUP

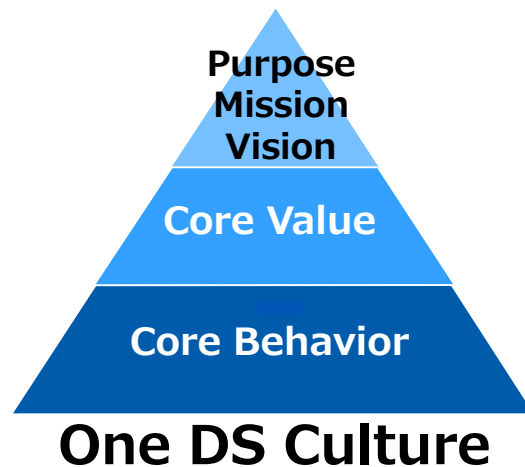
CDP

\* RE100 is a global initiative promoting 100% corporate renewable energy, operated by the Climate Group, an international environmental NGO, and CDP that urges companies to disclose their climate change measures.

# Promoting the Success and Development of a Diverse Range of People Who Create Our Competitive Advantages<sup>①</sup>

Reason for selection	People are the foundation of our business activities. Acquiring diverse talent and effective HR management are major sources of competitiveness in global business. "People" are the most important asset of the Daiichi Sankyo Group. We consider it is essential to respect the diversity of each and every employee based on our "Human Resources Management Philosophy." We aim to achieve mutual continuous growth of employees and the Group companies by promoting and developing talents in each part of the value chain.
Long-term target	Aim at mutual continuous growth of the employees and the company by respecting diversity and promoting the success and development of talents in all businesses
KPI target values	① Percentage of female in senior managerial employees : 30% ② Positive response rate (%) on corporate culture & work environment through engagement survey : 80% or more, or 10% or more increase compared to FY2021 ③ Positive response rate (%) on development & growth opportunities through engagement survey : 80% or more, or 10% or more increase compared to FY2021 ④ Disclose the result of the amount of training/development investments per employee

## ◆ To foster our own corporate culture dealing with globalization and diversification



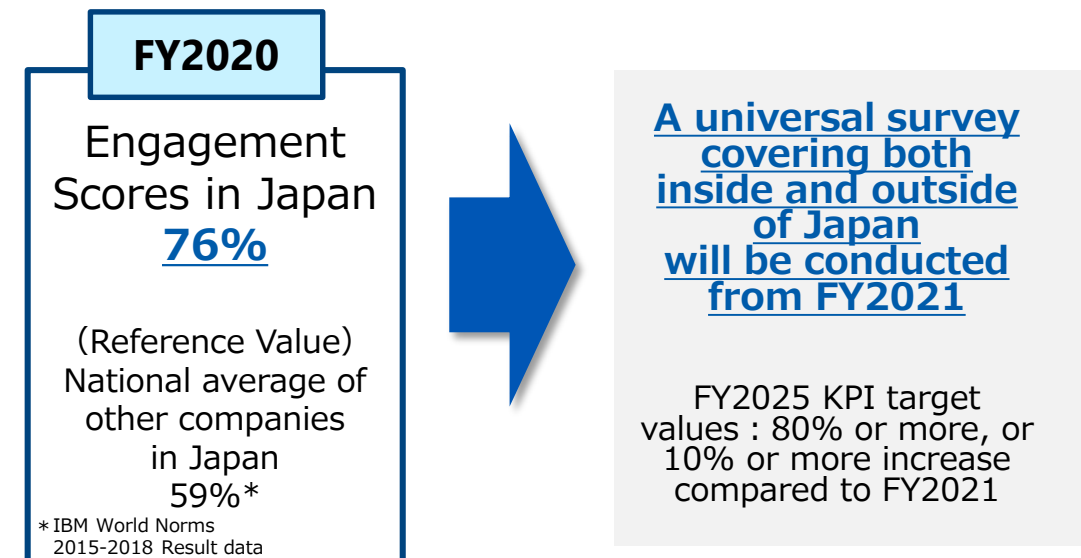
### 3 Core Behavior

**Be Inclusive & Embrace Diversity**

**Collaborate & Trust**

**Develop & Grow**

## ◆ Conducting Engagement Survey

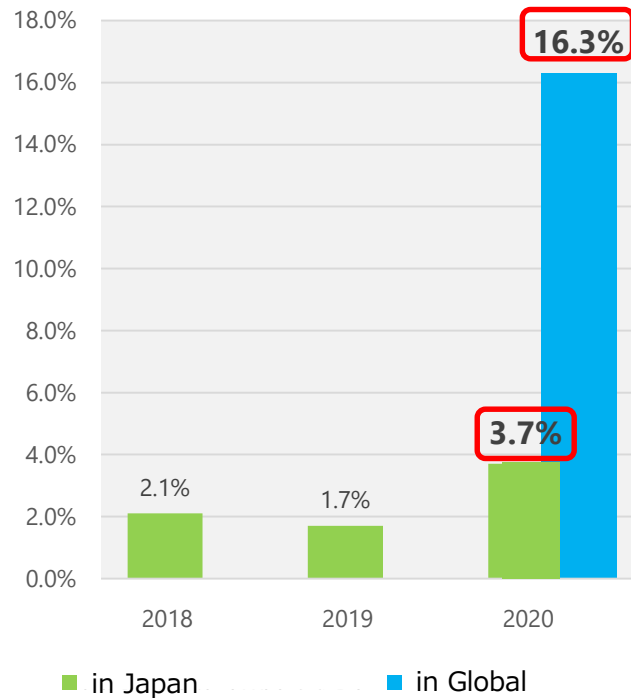




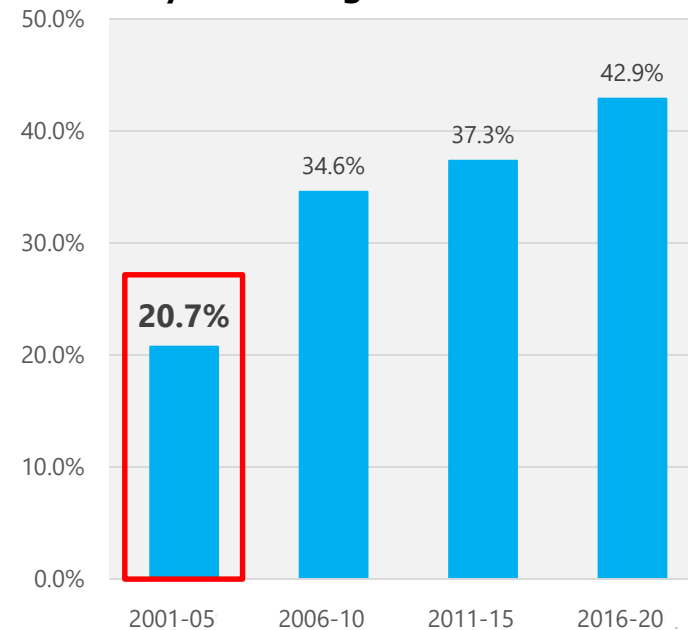
# Promoting the Success and Development of a Diverse Range of People Who Create Our Competitive Advantages②

In order to achieve KPI goal of 30% for the percentage of women as senior managerial employees\*<sup>1</sup>, our challenge is to improve the percentage of women as managerial positions\*<sup>2</sup> and managerial employees in Japan.

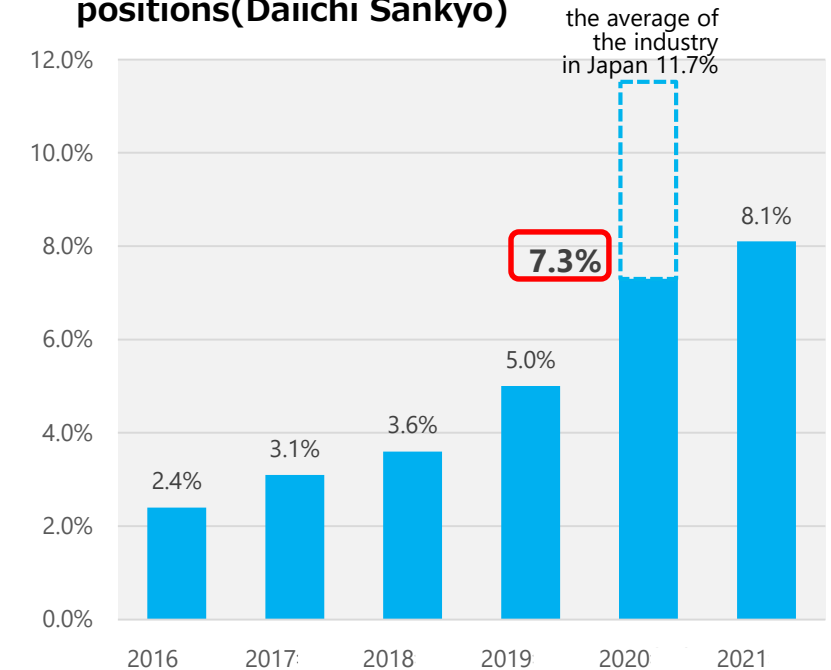
◆ Percentage of women as senior managerial employees



◆ Percentage of new female graduates hired (Daiichi Sankyo, five-year averages)



◆ Percentage of women as managerial positions (Daiichi Sankyo)



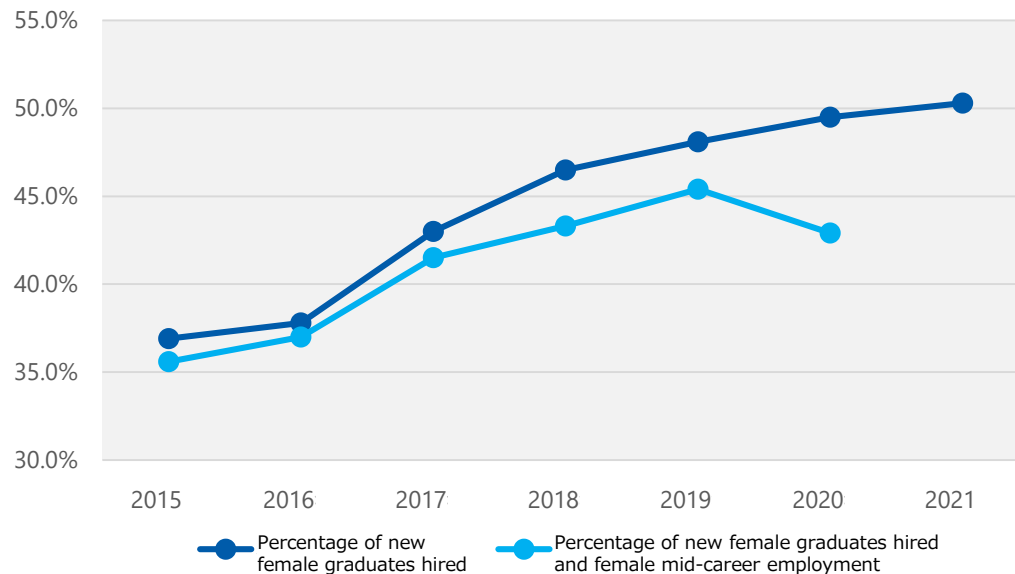
\*1 Equivalent to Division Head / Vice President or higher position

\*2 Employees in charge of a certain organization, who are responsible for the management of business performance and human resources, including heads of divisions, departments and groups.

# Promoting the Success and Development of a Diverse Range of People Who Create Our Competitive Advantages③

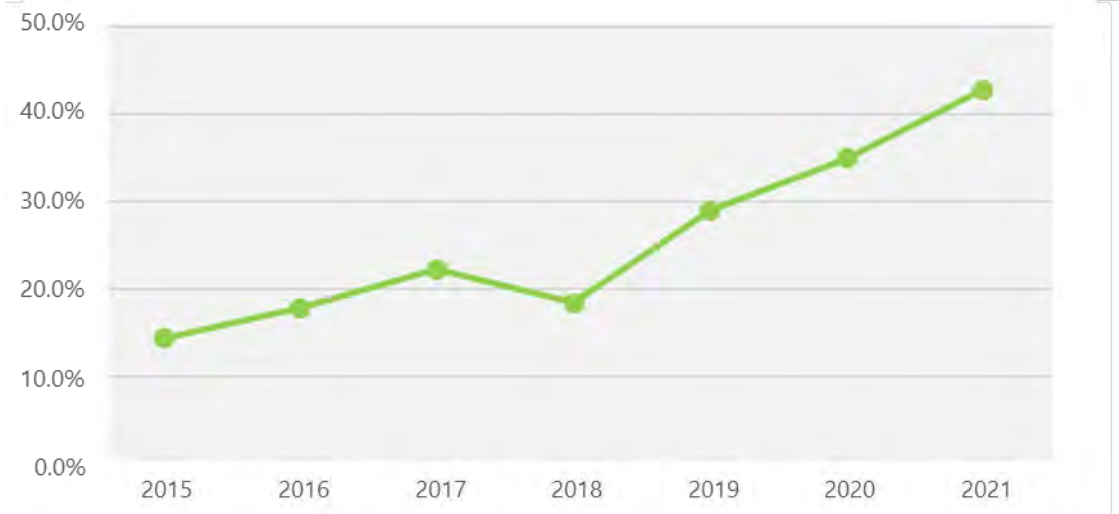
Various measures have been promoted such as increasing the percentage of new female graduates hired and the percentage of mid-career employment.

## ◆ Percentage of new female graduates hired



\* The Daiichi Sankyo Group total in Japan. Excludes contract employees.

## ◆ Percentage of mid-career employment



\* The Daiichi Sankyo Group total in Japan. Excludes contract employees. Target value for "2021."

## Initiatives to promote diverse human resources activities

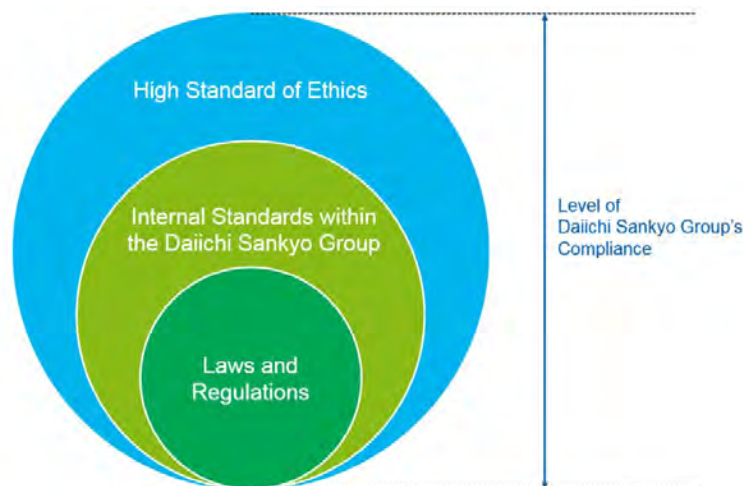
- Proactively develop female candidates for managerial positions
- Ensure new career development and continue to provide growth opportunities for women
- Enhance and strengthen the system that facilitates more flexible workstyle, thus leading to continued retention of employees
- Operate the personnel management system in Japan in a manner to support employees in achieving a good work-life balance
- Foster awareness of inclusion and diversity (I&D) at workplace

# Promoting Compliance Management

Reason for selection	As a healthcare company, we are asked to meet the high ethical standards. Across the Daiichi Sankyo Group companies, we believe compliance is the foundation of our business activities. Therefore, we promote a compliance management system which encourages each employee to behave with the high ethical standards, in addition to complying with applicable laws and regulations. For our mid-term target, the Daiichi Sankyo Group will maintain the high ethical standards throughout the Group and mitigate compliance risks by further enhancing its global governance structure and compliance programs.
Long-term target	An organization in which every employee behaves with high ethical standards as well as in compliance with applicable laws and regulations
KPI target values	① Number of significant compliance violations : 0, number of significant code violations : 0 ② Improvement of scores of periodic employee survey on ethical culture ③ Conducting continuous monitoring of compliance and promotional activities at each company ④ Sustainable procurement survey: coverage rate of 75% ⑤ Disclose of the result of education and training of sustainable procurement

## ◆ To Raise Awareness of Compliance

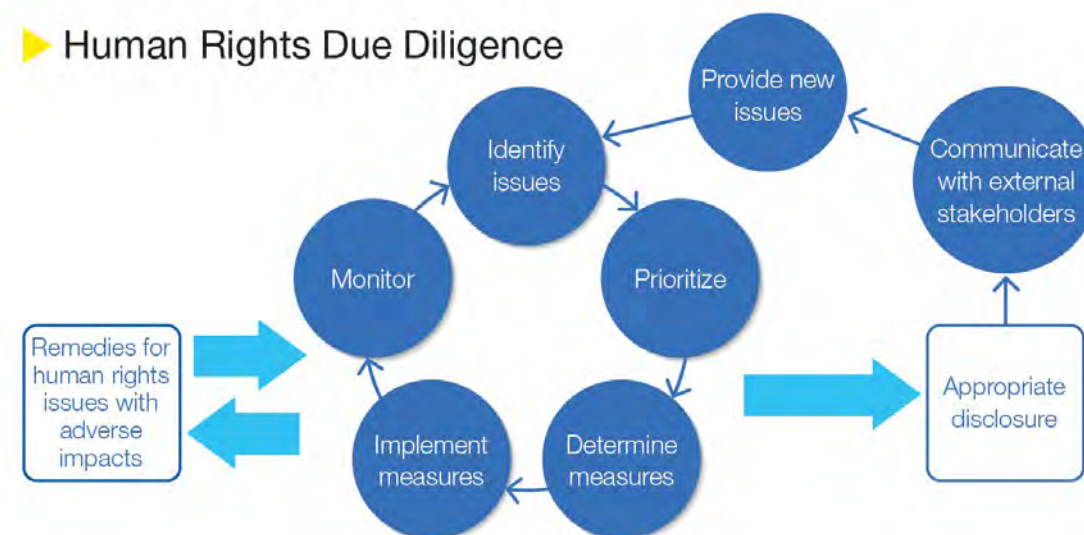
- Conducting e-learning programs for all of our employees and compliance training for executives
- Employee survey on ethical culture every three years
- Introduction of Global Hotline that accepts multilingual reports 24 hours a day, 7 days a week



## ◆ Human Rights Initiatives

Implementation of Human Rights Risk Assessment in 37 Group companies(FY2020)

### ▶ Human Rights Due Diligence



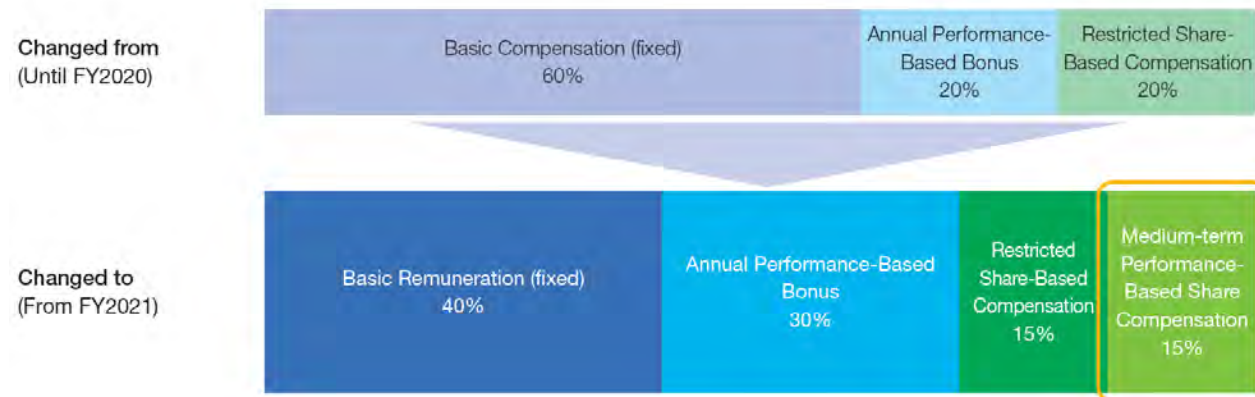
# Corporate Governance Aimed at Fulfilling Our Mission

Reason for selection	The external environment surrounding the Daiichi Sankyo Group is constantly undergoing major changes. Under such circumstances, a highly transparent and effective corporate governance system is essential for achieving sustainable growth of a company and enhancing its corporate value in the medium to long term. We aim to achieve sustainable growth in corporate value by establishing and operating a corporate governance system embedded with both management structure that can respond speedily and flexibly to changes in the business environment and make decisive decisions swiftly, and a supervisory function for management and execution.
Long-term target	Establish a corporate governance structure that enables speedy decision making and supervisory and monitoring function for management and execution
KPI target values	① Comply 100% with the revised Corporate Governance Code in Japan ② Evaluate the effectiveness of the Board of Directors and implement measures for improvement (including third party evaluation, two times by the end of FY2025) ③ Continuously evaluate and improve the effectiveness of the Audit & Supervisory Board ④ Disclosure through various communication materials with improved transparency in order to help stakeholders to understand the company's corporate governance

## ◆ Initiatives for Corporate Governance

- Full compliance with the revised Corporate Governance Code in Japan
- The introduction of new executive compensation system in Japan
- Appointment and dismissal of CEO, discussions on the succession plan, the development of skill matrix, training and promotion of female managerial employees on the Nomination Committee in Japan

## ◆ Changes in the Ratio of the Composition of Compensation to Representative Director, President and CEO



### Indicators

Revenue
Core operating profit ratio before research and development expenses
ROE
Research and development progress
ESG indicators
Relative TSR

# ESG External Evaluations

Depending on the focus areas considered for the evaluation, the overall scores for Daiichi Sankyo ESG are continuously improving.

ESG Indices/External Evaluations	2017	2018	2019	2020	2021	
Dow Jones Sustainability Indices	World 5 <sup>th</sup>	World 5 <sup>th</sup>	World 5 <sup>th</sup>	World 7 <sup>th</sup>	World Index 8 <sup>th</sup>	Selected for 5 consecutive years
 MSCI ESG Leaders Indexes MSCI MSCI Japan ESG Select Leaders Index 	BB —	BBB —	A ✓	A ✓	AA ✓	➔
 MSCI Japan Empowering Women Select Index (WIN)	—	✓ 6.78	✓ 6.7	✓ 7.75	✓ 7.6/10.0	➔
 FTSE 4Good Index Series FTSE Blossom Japan Index 	✓ 2.8	✓ 3.9	✓ 3.9	✓ 3.9	✓ 4.0/5.0	➔
 Access to Medicine Index	18 <sup>th</sup>	—	18 <sup>th</sup>	—	16/20 in pharmaceuticals	➔
 CDP Climate Change	A-	B	B	A Top 2.8% of sector	—	—
 SOMPO Sustainability Index	✓	✓	✓	✓	✓	➔
 NIKKEI SDGs Management Survey NIKKEI Smart Work	—	—	★4.5 ★4.0	★4.5 ★4.5	★4.5 ★4.0	➔ ➔



# Analysis from ESG Evaluation Results (Issues for Further Improvement(FY2020-2021))

ESG evaluation results are analyzed as objective indicators and reported at the Management Executive Meeting to improve company-wide efforts.

## ◆ High ESG Performances :

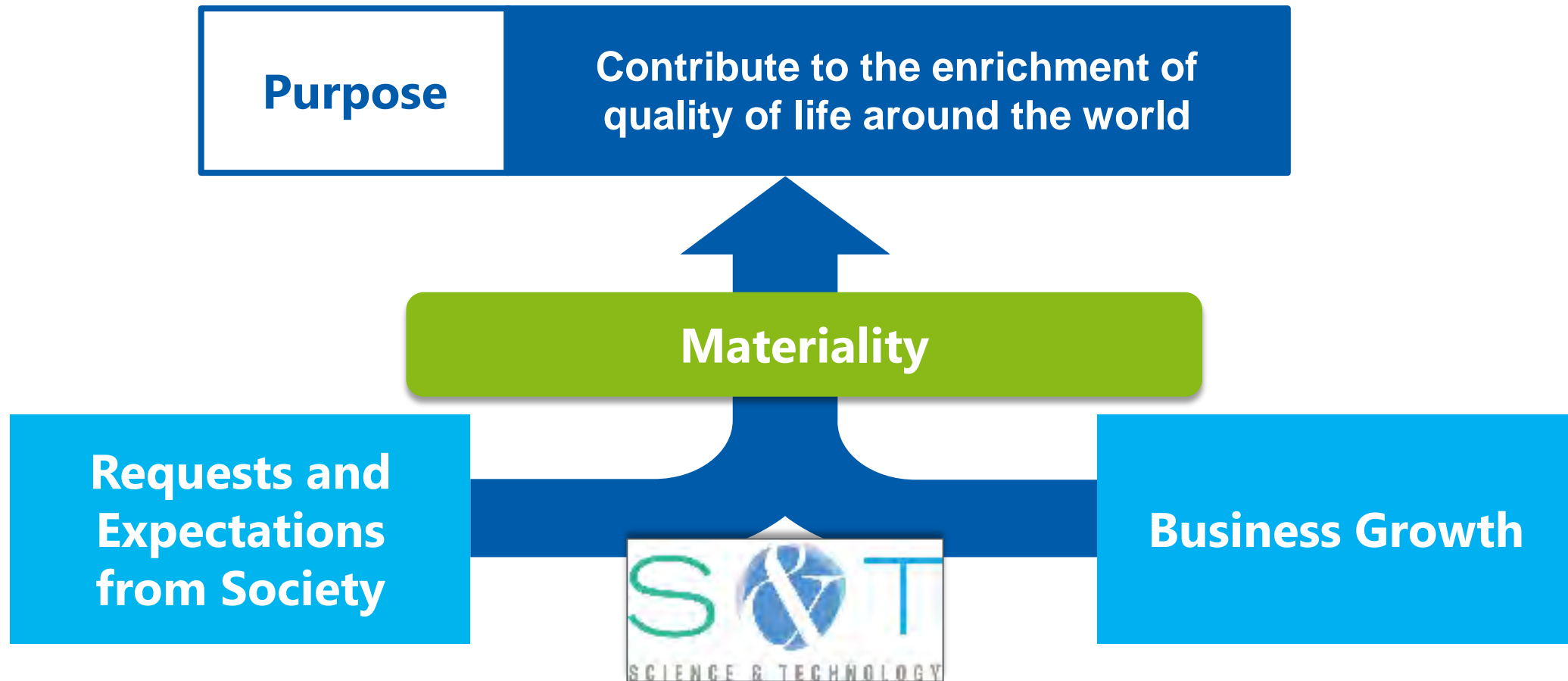
- Environment
- Implementation of Ethical Compliance
- Quality Control Management
- Occupational Health and Safety

## ◆ Challenges and Major Initiatives(FY2021)

Challenges			Agency	Major Initiatives(FY2021)
E	Climate Change	<ul style="list-style-type: none"> <li>Measures for climate change/Enhancement of strategies</li> </ul>	FTSE	<ul style="list-style-type: none"> <li>Review of 2030 targets (CO2 emissions reduction, renewable energy utilization rate)</li> <li>Implementation of countermeasures against flooding in factories and laboratories in response to the escalation of weather-related disasters</li> </ul>
	Others	<ul style="list-style-type: none"> <li>Initiatives for waste control and the recycling rate</li> </ul>	DJSI MSCI	<ul style="list-style-type: none"> <li>Improve the recycling rate by utilizing waste plastic recycling technology</li> <li>Countermeasures against leakage due to the escalation of weather-related disasters(measures against hazardous waste)</li> </ul>
S	Respect for Human Rights	<ul style="list-style-type: none"> <li>Insufficient assessments and disclosure</li> <li>Requests and disclosures of respect for human rights to all stakeholders, including business partners</li> </ul>	DJSI FTSE	<ul style="list-style-type: none"> <li>Disclosure of the status of the implementation of Human Rights Risk Assessment (FY2020)</li> <li>Conduct CSR Self-Assessment Questionnaire Surveys on a three-year cycle based on the Business Partner Code of Conduct (BPCC) in cooperation with its major business partners</li> <li>Strengthen the risk management system of business partners globally</li> </ul>
	Access to Healthcare	<ul style="list-style-type: none"> <li>Unclear strategies for access to pharmaceuticals</li> <li>Insufficient initiatives in the field of infectious diseases, including NTDs</li> </ul>	MSCI	<ul style="list-style-type: none"> <li>Revise the Daiichi Sankyo Group Policy on Access to Healthcare to establish cooperation and promotion systems with relevant organizations by establishing “Head of Access to Healthcare”</li> <li>Establish the Emerging and Re-emerging Infectious Diseases Research Special Team (EReDS) to take actions</li> </ul>
G	The Board of Directors	<ul style="list-style-type: none"> <li>Few female directors</li> <li>A low share of outside directors</li> </ul>	DJSI FTSE MSCI	<ul style="list-style-type: none"> <li>Development and appointment of women in managerial positions(directors, executive officers, and management positions) at the Nomination Committee</li> </ul>

# Towards our ESG management Utilizing the Strengths of the Daiichi Sankyo Group

To realize our Purpose, we have identified issues for improvement by combining internal and external perspectives, such as requests from society and business growth. We will promote ESG Management, utilizing DS's strengths (S&T).



① Promotion of ESG Management

② **Chairman's Oversight of the Group Management**

③ Q&A Sessions



# Aiming to Maximize Social and Corporate Values We Provide

## ■ To Improve the effectiveness of the Board of Directors

1. Further activate Board of Directors
2. Aggressive Governance
3. Activities and Evaluations of Board of Directors

## ■ Challenges to achieve sustainable growth

1. Globalization
2. Human Resources Development
3. Promoting DX
4. Promotion of ESG Management

# Past Positions

Chairman of the Board (Outside Director)

## Noritaka Uji

1973	Joined Nippon Telegraph and Telephone Public Corporation
1999	Director, Senior Vice President, Advanced Information Network Services Sector of NTT DATA Corporation ("NTT DATA")
2000	Director, Senior Vice President, Corporate Strategy Planning Department of NTT DATA
2003	Managing Director, Executive Vice President, Enterprise Systems Sector and Enterprise Business Sector of NTT DATA
2005	Representative Director, Executive Officer of NTT DATA
2007	Representative Director, Senior Executive Vice President of Nippon Telegraph and Telephone Corporation ("NTT")
2012	Adviser of NTT
2014	Outside Director of the Company (to present)

### (Material Concurrent Positions)

- External Director of Yokogawa Electric Corporation
- Honorary Chairman of Japan Institute of Information Technology
- Honorary President of Japan Telework Association



# To Improve the Effectiveness of the Board of Directors

- 1. Further activate Board of Directors**
- 2. Aggressive Governance**
- 3. Activities and Evaluations of Board of Directors**

# To Improve the Effectiveness of the Board of Directors

**1. Further activate Board of Directors**

2. Aggressive Governance

3. Activities and Evaluations of Board of Directors

# To Improve the Effectiveness of the Board of Directors : Skill Matrix, Ratio of Inside/Outside Directors, Attributes

The composition of the members of the Board of Directors is based on the mid- to long-term management direction and business strategy. We have the skills that Board of Directors of the Company should have in order to properly exercise its decision-making and management oversight function.

## Skill Matrix

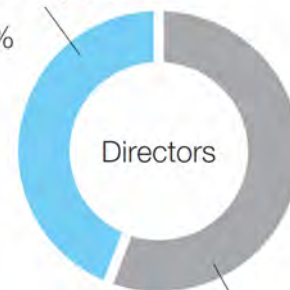
	Name	Outside Independent Director	Chairman of the Board	Corporate Management/ Managerial Strategy	Finance/ Accounting	Science & Technology	Business Strategy/ Marketing	Global business	Human Resource/ Human Resource Development	Legal/Risk Management	Sustainability / ESG	DX/IT	Qualification
Directors	Sunao Manabe			●		●	●	●	●		●		Veterinarian
	Satoru Kimura			●			●						Pharmacist
	Masahiko Ohtsuki					●		●				●	Pharmacist
	Shoji Hirashima			●	●	●	●	●		●			
	Hiroyuki Okuzawa			●	●		●	●	●				
	Noritaka Uji	○	○	●		●	●	●	●		●	●	
	Tsuguya Fukui*	○				●			●				Doctor
	Kazuaki Kama**	○		●	●			●	●	●	●		
	Sawako Nohara	○		●		●	●				●	●	

\*Chairperson of Nomination Committee

\*\* Chairperson of Compensation Committee

### Percentage of Outside Directors

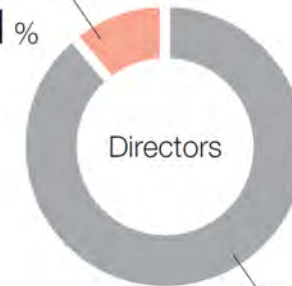
4 outside persons  
44%



5 inside persons  
56%

### Percentage of Female Members

1 woman  
11%



8 men  
89%

# To Improve the Effectiveness of the Board of Directors

1. Further activate Board of Directors

**2. Aggressive Governance**

3. Activities and Evaluations of Board of Directors

# To Improve the Effectiveness of the Board of Directors

1. Further activate Board of Directors

2. Aggressive Governance

**3. Activities and Evaluations of Board of Directors**



# Activities and Evaluations of Board of Directors: Initiatives for Further Improvements

The contents and items of evaluation related to the effectiveness of the Board of Directors as a whole are determined by reference to the Corporate Governance Code. In addition, all Directors self-evaluate the above matters by selecting grades and also answering open-ended questions, and the results and the details are reported to the Board of Directors.

Issues for improvement (identified in FY2019)	Major Initiatives in FY2020
1 Further enhancement of the Board of Directors' decision-making and oversight functions, as well as monitoring and risk management functions	<ul style="list-style-type: none"><li>• The oversight functions were strengthened with an Outside Director assuming the Chairman of the Board in June 2020.</li><li>• KPIs for materialities (key issues) were fully discussed and resolved at Board of Directors meetings.</li><li>• Lessons learned from business investment and R&amp;D investment cases were reported to Board of Directors.</li></ul>
2 Enhancement of discussion to develop the 5-year business plan	<ul style="list-style-type: none"><li>• Toward the formulation of the 5-year business plan, discussions took place at Board of Directors meetings and at briefing sessions for Outside Directors and Outside Audit &amp; Supervisory Board Members (six times in total).</li></ul>
3 Preparation of sufficient proposal and report content as needed for discussion and decision-making materials	<ul style="list-style-type: none"><li>• Regarding the Company's monthly business report and other topics such as business alliances, appropriate materials and explanations were given to Board of Directors members as needed for meaningful discussions.</li></ul>
4 Further increase in time allotted for deliberation, discussion, and question and answer sessions	<ul style="list-style-type: none"><li>• Inquiries and comments from preparatory meetings with Outside Directors and Outside Audit &amp; Supervisory Board Members were shared with presenters in advance and appropriate time allocation was ensured for each agenda item, which has contributed to the enhancement of deliberation, discussion, and question and answer sessions in Board of Directors meetings.</li></ul>
5 Further enhancement of providing information to Outside Directors and Outside Audit & Supervisory Board Members for enhancing their understandings.	<ul style="list-style-type: none"><li>• Implementation of initiatives as follows for enhancing Outside Directors and Outside Audit &amp; Supervisory Board Members' understanding of the Company's business: Prior explanation to Outside Directors and Outside Audit &amp; Supervisory Board Members on the agenda items of each Board of Directors meeting in advance, outside executives' attendance to the Executive Management Committee as observers, sharing Executive Management Committee's materials and news and topics about the pharmaceutical industry with outside executives.</li></ul>

# Activities and Evaluations of Board of Directors: FY2021 Priority Measures

Drawing on the self-evaluations of FY2020, we are endeavoring to ensure and improve the functions and effectiveness of its Board of Directors by implementing the following priority measures

## FY2021 Priority Measures

- ① Increased efforts to aim to ensure Corporate Governance most suitable for the Company
- ② Enhancement of Board of Directors' oversight functions for the oncology business and international business
- ③ Further enhancement of discussions at the Board of Directors
- ④ Further enhancement involving delivery of information in a manner that will promote understanding of Outside Directors and Outside Audit & Supervisory Board Members

**The board evaluation for FY2021 is scheduled to be conducted by a third-party organization**

# Challenges to Achieve Sustainable Growth

## **1. Globalization**

## 2. Human Resources Development

## 3. Promoting DX

## 4. Promotion of ESG Management

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# Challenges to Achieve Sustainable Growth

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**4. Promotion of ESG Management**

# Agenda

**① Promotion of ESG Management**

**② Chairman's Oversight of the Group Management**

**③ Q&A Sessions**



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